

BHARAT TEXTILES & PROFFING INDUSTRIES LIMITED

ANNUAL REPORT 2009--10

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of the company will be held on 30th September 2010 at 10 a.m. at NO. 994, SATYAVEDU ROAD, SURAVAIKANDIGAI, SIRUPUZHARPET, GUMMIDIPOONDI, Tamilnadu- 601201 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the profit & loss account of the company for the financial year ended 31-3-2010 and the balance sheet as at 31-3-2010 together with the director's report and auditor's report thereon.
2. To appoint director in the place of director who retires by rotation.
3. To appoint auditors and fix their remuneration.

Special Business:


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

4. As a SPECIAL Resolution:

“RESOLVED THAT subject to the provisions of Section 198 and 309 and other relevant provisions of the Companies Act and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Mr. Anil Bhandari as managing director of the company for 5 years from 01/12/2009 and be paid remuneration by way of salary, commission and perquisites in accordance with Part II (B) of Schedule XIII of the Act which shall not exceed Rs 7,50,000/- (Rupees Seven Lac and Fifty Thousand) per annum .

By Order of the Board

Place: Chennai
Date : 30.06.2010


Ajeeth Bhandari
Director

NOTES:-

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
2. A MEMBER OF THE COMPANY, WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. Instrument of Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the Annual General Meeting. A Form of Proxy is enclosed.
4. The Register of members and the share transfer books of the company will remain closed from 23rd September 2010 to 30th September 2010
5. Shareholders / proxy holders are requested to bring their copy of the annual report with them at meeting and to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
6. Members desirous of getting any information about the accounts and operation of the company are requested to address their query to the company at the registered office of the company well in advance so that the same may reach at least seven days before the date of meeting to enable the management to keep the required information readily available at the meeting.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual general meeting of the Company. Also refer to the explanatory statement to the notice for other appointees details.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange.

Name of Director	Expertise in Specific Functional Areas	Qualifications	Director-Ship in Public Companies	Chairman/ Member of Committee
Mr. Ajeeth Bhandari	Administration	Graduate	NIL	NIL
Mr Shenbaga moorthy I	Chartered Accountant	CA	NIL	NIL

Mr. Anil Bhandari	Manufacturing	Graduate	NIL	NIL
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By Order of the Board

Place: Chennai
Date : 30.06.2010

Director

**ANNEXURE TO NOTICE
EXPLANATORY STATEMENT**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956:

Item No.4

On the The recommendation of Remuneration Committee of the company and ,the Board the board appointed Mr...Anil Bhandari as whole time director as per the details mentioned in the resolution set out at item no.4 of the Notice.

Except Mr. Ajith and Mr. Anil Bhandari none of the Directors are concerned or interested in the said resolution

PROFFING IND LTD

Date 30/06/2010
Chennai

By Order of the Board
For BHARAT TEXTILES AND
sd/-
Ajeet Kumar
Director

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2010

Dear Shareholders,

DIRECTOR'S REPORT

Your Directors have the pleasure in presenting the Annual Report and that of the Auditors together with the audited Balance Sheet as at 31st March 2010 and the Profit and Loss account for the year ended on that date.

PERFORMANCE

The financial results for the year ended 31st March 2010 are as under:

Rs. (In Lacs)

Particulars	31.03.2010	31.03.2009
Total Income	903.29	420.48
Total Expenditure	879.37	416.07
(Loss) / Profit before depreciation	60.93	41.40
Depreciation	37.00	37.00
Profit before Tax	23.92	4.41
Profit after Tax	7.41	74.81
Add Brought from previous year	-609.96	-684.76
Balance Loss carried to Balance Sheet	-602.54	-609.96

COURSE OF BUSINESS AND OUTLOOK

Another year has gone by. The year continued in a better phase. Your company had achieved a turnover of Rs.903.29 lacs as compared to a turnover of Rs.420.48 lacs . However , The company had a profit of Rs.60.96 lacs before depreciation as compared to Rs.41.40 lacs of loss in the previous year. However, There are great challenges ahead for your company which we will aggressively meet those challenges with renewed faith in our company and the future that we all share.

FIXED DEPOSIT:

The company has not accepted any fixed deposit during the year.

DIVIDEND:

The Directors do not recommend any dividend for the financial year ended 31st March 2010.

DIRECTORS:

Mr.Ajith Kumar retires and Shenbagamoorthy retires by rotation and being eligible, offers for re-appointment.

AUDITORS

The auditors of the Company M/s. SAKARIA & ASSOCIATES, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Accordingly a resolution is being submitted to the members for their re-appointment and to fix their remuneration for the current year.

STATUTORY DISCLOSURES:

The company had no employee covered by the provisions of section 217(2A) of the Companies Act, 1956., Being in to water proofing canvas Particulars with respect to Conservation of Energy , as required under Part "a" of the above rules are Nil . The company had foreign exchange inflow Of Rs. 116.15 lacs as compared to Rs. 92.29 lacs in the corresponding previous year and there was an outflow of Rs. 4.50 lacs (P.Y.1.14 lacs) towards import of material.

DIRECTORS' RESPONSIBILITY STATEMENT:

Directors hereby declare:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period ;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities subject to the inherent limitations that should be recognized in weighing the assurance ;
- iv) That the directors had prepared the annual accounts on a going concern basis.

EMPLOYEE RELATIONS

Employee relations throughout the company were harmonious. The board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the company's vision and strategy to deliver another record performance.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement, a report of compliance of corporate governance as on 31/03/2010 duly certified by the auditors of the company is annexed (Annexure – B)

ACKNOWLEDGEMENTS

Your directors would like to express their grateful appreciation for the support and co operation of all stakeholders. At the very heart of our success and our ability to deliver quality service and satisfaction is the considerable skill and motivation of our employees. On behalf of all the company's stakeholders who benefit from the hard work of the employees, the Board would like to express its sincere appreciation and gratitude.

Chennai
Date: 30-06-2010

For and on behalf of the Board


Sd/-
Directors

ANNEXURE-A TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

BHARAT TEXTILES AND PROOFING IND. LTD (BTIL) is in the business of Tarpaulines. Our Company's products are well established. Today the company is catering to various corners of city and parts of India.

II. Performance Review

The company had achieved a turnover of Rs.903.29 crores and made a profit of Rs.60.92 lacs as compared to Rs.41.41 lacs in the previous year.

III. Risks & Concerns

The main risk to which the company is exposed is competition from the various competitors. The company's revived its operations by having One time settlement with its bankers

IV. Internal Control Systems

The company is planning further to strengthen its internal control systems and procedures commensurate with the size and nature of its business.

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the manner, in which a company is directed, and laws and custom affecting that direction. It includes the manner in which company operates under various laws governing it, the bye laws established by itself for its operations and the distribution of rights and responsibilities primarily among directors and managers. The fundamental concern of corporate Governance is to ensure conditions whereby a company's directors and managers act in the interest of the company.

I. Board of Directors

The present company's board strength is 5 comprising of 2 executive director and 3 non-executive directors.

II. Board Meetings & Attendance of Directors

During the year 2009-2010, 6 (Six Board Meetings were held on the following dates:
, 30/04/2009, 26/06/2009, 30/07/2009, 30/10/2009, 30/01/2010 and on 27/03/2010

III. COMPOSITION AND CATEGORY OF DIRECTORS:

Name	Designation	Category	No. Of Meetings held during the tenor/ No. of Board Meetings attended during 2009-2010	Whether attended last AGM	No. of directorships in public companies	No. of committee memberships/ (chairmanship) in public companies
1. MR. AJITH BHANDARI	Whole Time Director	Executive & Non independent Promoter and Execu.	6/6	YES	NIL	NIL
2. Mr. Anil Bhandari	Managing Director	Executive & Non-inde-	6/6	YES	Nil	NIL

		pendent (Promoter)				
3. Mr.Raghunathmall	Director	Non executive Independent	6/6	YES	Nil	NIL
4. Mr.Bhaghand	Director	Non executive Independent	6/6	YES	Nil	NIL
5. Mr.Shanbagamoorthy	Director	Non executive Independent	6/6	YES	Nil	NIL

IV. DIRECTORS SEEKING REAPPOINTMENT

The required information regarding the details of directors who are seeking appointment or reappointment is set out in the notes to the notice.

V. DISCLOSURE OF DIRECTOR'S INTERESTS IN TRANSACTION WITH THE COMPANY

None of the non-executive directors had any pecuniary relationship or transaction with the company pursuant to the provisions of Clause 49 VII (D) of the Listing Agreement other than sitting fees.

No director has been paid any remuneration as the Director of the Company except the executive directors who were being paid remuneration for acting as Managing / Whole Time Director of the Company.

VI. CODE OF CONDUCT

The Board of Directors had implemented a Code of Conduct to be applicable to all directors and employees.

3. AUDIT COMMITTEE

I. Terms of Reference

The present audit committee of the company has been mandated with the same terms of reference as specified in Clause 49 of the Listing Agreements with stock exchanges.

II. Composition

The present audit committee comprises 3 non-executive directors who have considerable financial expertise and experience. The chief financial officer and the statutory auditor are permanent invitees to the committee.

IV. REMUNERATION COMMITTEE

Terms of Reference:

A Remuneration Committee has been constituted to recommend and review the remuneration packages of the Managing, Whole Time Directors, and to formulate a broad policy for management remuneration.

Remuneration Policy:

The Remuneration Policy as outlined by the Committee aims at

- Recognising and rewarding performance and achievements,
- While fixing the remuneration of Directors, their contribution by way of their professional services as directors, towards the growth of the Company.

This policy is in tune with current national and international practices.

V. SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE

A Shareholder's / Investor's Grievance Committee has been constituted by the Board to monitor the redressal of the shareholders / investors grievances. The Committee reviews the status of complaints received from shareholders/investors and redressal thereof.

VI. GENERAL BODY MEETINGS.

I. Meeting Details

Year	Location	Date and Time
2006-2007	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi	29/09/2007 10.00 A.M.
2007-2008	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi	30/09/2008 10.00 A.M.
2008-2009	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi	30/09/2009 10.00 A.M.

II. Postal Ballot

During the financial year under review, no postal ballots were used for voting at meetings. At the ensuing AGM there is no item on the agenda that is required to be passed by postal ballot.