

**BHARAT TEXTILES & PROOFING
INDUSTRIES LTD**

Annual Report 2010-2011

BOARD OF DIRECTORS : ANIL BHANDARI
(MANAGING DIRECTOR)
AJEET BHANDARI
RAGUNATHMALL SAMRATHMALL
BHAGCHAND RANKA
CHINNA NADAR SHENBAGAMOORTHY

BANKERS : ICICI BANK LTD
84, NSC BOSE ROAD
CHENNAI-600 079

KOTAK MAHINDRA BANK LTD
DASS INDIA TOWER, 2ND LINE BEACH ,
CHENNAI-600 001

STANDARD CHARTERED BANK
187, MOUNT ROAD,
CHENNAI-600 006

AUDITORS : SAKARIA & ASSOCIATES
#156 ,MINT STREET,KANCHAN PLAZA,
1ST FLOOR,SOWCARPET,
CHENNAI-600 079

ADM. OFFICE : 39, ANNA SALAI,
205, A B C TRADE CENTER,
CHENNAI-600002

REG.OFFICE &
PLANT LOCATION : 994, SATHYAVEDU ROAD,
SURAVARIKANDIGAI,
SIRUPULLAIPET,
GUMMIDIPOONDI TALUK.
TAMILNADU

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ANNUAL REPORT 2010--11

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Annual General Meeting of the company will be held on 30/09/2011 at 10 a.m. at NO. 994, SATYAVEDU ROAD, SURAVAIKANDIGAI, SIRUPUZHAPET, 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 31-3-2011 and the balance sheet as at 31-3-2011 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.

BY ORDER OF THE BOARD

Gummidipoondi
Date :30.06.2011

ANIL BHANDARI
MANAGING 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 on 30/09/2011
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 Other Public Companies	Chairman/ Member of Committee
Mr.Raghunathman Samarathmall	Finance	NIL	NIL	NIL
Mr.Anil Bhandari	Manufacturing	Graduate	NIL	NIL

BY ORDER OF THE BOARD

Gummidipoondi
Date :30.06.2011

ANIL BHANDARI
MANAGING DIRECTOR

BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED

DIRECTORS REPORT

Your Directors present herewith the Eighteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2011.

PERFORMANCE

The financial results for the year ended 31st March 2011 are as under:

Rs. (In Lacs)

Particulars	31.03.2011	31.03.2010
Total Income	974.00	903.29
Total Expenditure	956.80	879.37
(Loss) / Profit before depreciation	54.70	60.93
Depreciation	37.50	37.00
Profit before Tax	67.24	23.92
Profit after Tax	57.42	7.41
Add Brought from previous year	-602.54	-609.96
Balance Loss carried to Balance Sheet	-545.12	-602.54

COURSE OF BUSINESS AND OUTLOOK

Another year has gone by. Your company had achieved a turnover of Rs.974.00 lacs as compared to a turnover of Rs.903.29 lacs which is up by around 8% compared to previous year. However, profit stood at Rs. 54.70 lacs before depreciation as compared to Rs. 60.96 lacs of profit last year. The net profit after tax stood at Rs.57.42 lacs as compared to Rs.7.41 lacs in the previous year.

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 2011.

DIRECTORS:

Mr. Anil Bhandari retires and Ragunathmal Samarthmall 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., The details 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. 32.94 lacs as compared to Rs. 116.15 lacs in the corresponding previous year on account of exports and there was an outflow of Rs. 5.33 lacs (P.Y. 4.50 lacs) towards import of material.

DIRECTORS' RESPONSIBILITY STATEMENT:

Directors hereby declare:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- 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 ;
- 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 ;
- That the directors had prepared the annual accounts on a going concern basis.

Auditors Observation , if any :

The observation as mentioned in the reports are self explanatory.'

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 31/03/2011 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.

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

(ANIL BHANDARI)
MANAGING DIRECTOR

(AJEET KUMAR BHANDARI)
DIRECTOR

(BAGCHAND RANKA)
DIRECTOR

**PLACE: CHENNAI
DATE: 30.06.2011**

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. 974 lacs and made a profit of Rs.54.70 lacs as compared to Rs.903.29 lacs in the previous year.

III. Risks & Concerns

The main risk to which the company is exposed to competition in the market. 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 2010-2011, 7 Nos. Board Meetings were held on 30/04/2010 , 30/06/2010, 30/07/2010, 30/10/2010, 01/12/2010, 30/01/2011 and on 24/03/2011

III.COMPOSITION AND CATEGORY OF DIRECTORS:

	Name of Director	Designation	Category	No. of Board Meetings attended during 2010-2011	Whether attended last AGM	No. of director-ships in public companies	No. of committee member-ships/ Chairman-ship
1	Mr.Ajeet Kumar	Whole Time Director	Executive & Non Independent Promoter	7/7	Y	NO	NO
2	Mr.Anil Bhandari	Managing Director	Executive & Non Independent	7/7	Y	NO	NO
3	Mr.Raghunathmall Samtrathmall	Director	Non executive / Independent	7/7	Y	NO	NO
4	Mr.Bhagchand Ranka	Director	Non executive / Independent	7/7	Y	NO	NO
5	Mr. China Nadar Shenbagamoorthy	Director	Non executive / Independent	7/7	Y	NO	NO

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 Mr. China Nadar Shenbagamoorthy, Chairman & Independent Director, Mr. Bhagchand Ranka, Independent Director and Mr. Ajeet Bhandari, Executive Director and Independent Director who have considerable financial expertise and experience. The chief financial officer and the statutory auditor are permanent invitees to the committee.

The Audit committee met on 30/04/2010, 30/07/2010, 30/10/2010 and 31/01/2011.

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.

The Composition of committee is, Mr. Bhagchand Ranka, Chairman & Independent Director and Mr. Ajeet Bhandari, Executive Director. The committee met on 30/05/2010, 30/07/2010, 06/01/2011 and 21/01/2011.

VI. GENERAL BODY MEETINGS.

The Last Three Annual General Meeting were Held as Under:

DATE OF AGM	TIME	VENUE
30/09/2008	10.00 A.M.	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi
30/09/2009	10.00 A.M.	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi
30/09/2010	10.00 A.M.	994, Sathyavedu Road, Suravarikandigai, Sirupuzhalpet, Gummidipoondi

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.

VII. DISCLOSURES

I. Related Party Transactions

There has been no materially significant related party transaction with the company's subsidiaries, promoters, directors, management or their relatives which may have a potential conflict with the interests of the company. Members may refer to the notes to the accounts for details of related party transactions.