

BHILWARA TEX-FIN LIMITED

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

Telephone No - 011- 28315036 ; Fax No – 011-2831504

NOTICE


Notice is hereby given that the **16th Annual General Meeting** of the Company shall be held on **Thursday, 30th day of September, 2010 at 11.30 a.m.** at its Registered Office at 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035 to transact the following business:

Ordinary Business:

1. To consider and adopt the Balance Sheet of the Company as at 31st March 2010 and Profit & Loss Account of the Company for the period from 1st April, 2009 to 31st March 2010 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend on equity shares, if any.
3. To appoint a Director in place of **Sh. Satish Kumar Sharma**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To appoint a Director in place of **Sh. Rajendra Prasad Baldwa**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.
5. To appoint Statutory Auditors and to fix their remuneration and to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution in this regard:

“RESOLVED THAT M/s Nagar Goel & Chawla, Chartered Accountants, New Delhi, retiring Statutory Auditors of the Company, being eligible for re-appointment and offer themselves for re-appointment, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office as such from the date of conclusion of the ensuing Annual General Meeting till the date of conclusion of the next Annual General Meeting on such remuneration as mutually agreed by the Board and the Statutory Auditors.

By Order of the Board
For Bhilwara Tex-Fin Limited


(Satish Kumar Sharma)
Chairman

Place: New Delhi

Date: 4th September, 2010

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2 IN ORDER TO BE EFFECTIVE PROXY FORM DULY COMPLETED MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE SCHEDULED TIME FOR HOLDING OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED HERewith.

Cont. 2/-

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- 3 Annual report has been sent to all members and members are requested to bring their copy of the Report to the meeting along with duly filled attendance slip (to be handed over at the entrance). No copy of Annual Report shall be distributed at the meeting as an endeavor of the Company to reduce operational cost.
- 4 The Register of Members and Share Transfer Book of the Company shall remain closed from **Friday, 24th September, 2010 to Thursday, 30th September, 2010** (both days inclusive) for the purpose of Annual General Meeting.

Information as required under clause 49 of the Listing Agreement in respect of Directors being re-appointed:

a) Sh. Satish Kumar Sharma

Sh. Satish Kumar Sharma is an Associate Member of The Institute of Company Secretaries of India and a Law Graduate. He has in - depth knowledge in the field of legal and finance. He is fully conversant with the working of the NBFC & has extensive knowledge of the Financial Markets as well. He has been associated with the Company for the last 5 years.

Now, as per Section 255 & 256 of the Companies Act, 1956, the person who's longest in the office is liable to retire by rotation and hence is liable to retire by rotation and he has offered himself for being re-appointed.

As on date, his shareholding is nil in the Company.

Apart from this Company, Sh. Satish Kumar Sharma is also Director on Board and member of Committees of the following Public Limited Companies or Subsidiary of Public Limited Companies:-

Name of the Public Companies / Subsidiaries of Public Companies in which he is a Director.	Name of Committees constituted in the respective Company	Chairman / Member
Uttaranchal Finance Limited	Audit Committee	Chairman
	Shareholders/ Investors Committee	Member
Bhandari Consultancy and Finance Limited	Audit Committee	Chairman
	Shareholders/ Investors Committee	Member
Pragati Vanijaya Limited	Audit Committee	
	Shareholders/ Investors Committee	
Spectrum Power Generation Limited	NIL	N.A.
Parnami Habitat Developers Limited	Audit Committee	Member
	Shareholders/ Investors Committee	Chairman

b) Sh. Rajendra Prasad Baldawa

Sh. Rajendra Prasad Baldawa is a professionally qualified and a promoter director of the Company. He is a member of The Institute of Chartered Accountants of India. He has been on the Board of the Company since 1994. He has in-depth knowledge in the field of Capital Market, Investment Portfolio and Financing & Leasing. As on date, Sh. Rajendra Prasad Baldwa does not hold any shares of the Company.

Now, as per Section 255 & 256 of the Companies Act, 1956, the person who's longest in the office is liable to retire by rotation and hence is liable to retire by rotation and he has offered himself for being re-appointed.

As on date, his shareholding is nil in the Company.

Apart from the Company, Sh. Rajendra Prasad Baldwa is Director in 1 other Public Limited Company. Presently, he is neither a member nor Chairman of any of the Committees of the Board.

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Telephone No - 011- 28315036; Fax No - 011-28315044

DIRECTORS' REPORT

The Members,

BHILWARA TEX-FIN LIMITED

Your directors have pleasure in presenting their 16th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March 2010.

1. FINANCIAL RESULTS

(In Rs.)

Particulars		2009-10	2008 -09
	Income	2,15,821.00	2,41,999.00
Less:	Total Expenditure	3,02,800.59	5,07,403.11
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	(86,979.59)	(2,65,404.11)
Less:	Depreciation	-	-
	Net Profit/(Loss) after Depreciation before Tax (PBT)	(86,979.59)	(2,65,404.11)
Less:	Provision for Income Tax-Current	9,506.39	-
	Provision for Income Tax- Deferred	-	-
	Provision for Fringe Benefit Tax	-	-
	Profit after Tax	(96,485.98)	(2,65,404.11)
Less:	Transfer to Special Reserve Fund	-	-
Add:	Balance brought forward from Previous Year	(35,27,752.74)	(32,62,348.63)
	Balance carried forward to the Balance Sheet	(36,24,238.72)	(35,27,752.74)

The Company has not earned any profits during the year under review hence no amount is required to be transferred to the Special Reserve Fund in Compliance of Section 45 IC of the Reserve Bank of India Act, 1934.

2. DIVIDEND

Your directors do not recommend any dividend for the financial year ended on 31st March, 2010.

3. DIRECTORS

Sh. Satish Kumar Sharma and **Sh. Rajendra Prasad Baldwa**, Directors of the Company retire by rotation and being eligible, has offered themselves for re-appointment. Your directors recommend their re-appointment subject to retirement by rotation as per the provisions of the Companies Act, 1956.

4. PUBLIC DEPOSITS

The Company has not invited or accepted any public deposits within the meaning of Section 58A & 58AA of the Companies Act, 1956 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.

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5. AUDITORS REPORT

The Report of Auditors' on Annual Accounts of the Company for the year ended on 31st March, 2010 is self explanatory. Hence, no explanation is required to be given.

6. APPOINTMENT OF STATUTORY AUDITORS

M/s Nagar Goel & Chawla, Chartered Accountants, New Delhi, retiring Statutory Auditors of the company retire at the conclusion of this annual general meeting and being eligible, have offered themselves for re-appointment. The Company has received a certificate from them pursuant to Section 224(1B) of the Companies Act 1956, confirming their eligibility for re-appointment. You directors recommend their re-appointment for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 217(1) (e) of the Companies Act, 1956 is not applicable to our Company. Hence, Statement detailing the particulars required under the said Section read with the Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 are not being furnished. There was no foreign exchange earning and outgo in the Company during the financial year.

8. PARTICULARS OF EMPLOYEE U/S 217 (2A) OF THE COMPANIES ACT, 1956

None of the employees of the Company has drawn salary in excess of the limits prescribed in the Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 and hence no such list is being provided.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement under Section 217(2AA) of the Companies (Amendment) Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the Annual Accounts for the financial year ended on 31st March, 2010, the applicable Accounting Standards had been followed along with proper explanation relating to the material departures.
- b) That the Directors had 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 end of the Financial year and of the profit or loss of the Company for that period.
- c) 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 or other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

10. CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, is annexed herewith.

Contd. 3/-

11. SECRETARIAL COMPLIANCE CERTIFICATE:

The Secretarial Compliance Certificate, pursuant to proviso to sub-section (1) of section 383A of the Companies Act, 1956 is received, considered and the same is annexed herewith.

12. LISTING OF SHARES

Presently the Equity Shares of the Company are listed on Bombay Stock Exchange and Delhi Stock Exchange. Listing fees for the financial year 2010-11 has been paid by the Company to all the Stock Exchanges. The Company has filed applications for voluntary delisting of its equity shares to Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited on 14th December, 2009. During the year under review, the Company has received approval for Voluntary Delisting of the Securities from Jaipur Stock Exchange Limited vide its letter ref. No. JSEL/2010/500 dated 4th March, 2010. However, the application for Voluntary Delisting of securities with Delhi Stock Exchange is still pending.

13. ACKNOWLEDGEMENT

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 Govt. 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 of the Board of Directors
For Bhilwara Tex-Fin Limited


(Satish Kumar Sharma)
Chairman

Place: New Delhi
Date: 4th September, 2010

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Corporate Governance Report **(for the year ended 31st March, 2010)**

“Corporate Governance is about working ethically and finding a balance between economic and social goals. It includes the ability to function profitably while obeying laws, rules and regulations.”

1. Board’s Philosophy on Corporate Governance

Effective Corporate Governance requires a clear understanding of the respective roles of the Board and senior management, and their relationship with others in the corporate structure; relationship of the Board and the Management with stakeholders should be characterized by candour; their relationship with employees should be characterized by fairness; their relationship with the communities in which they operate should be characterized by good citizenship; and their relationship with the government should be characterized by a commitment to compliance.

We believe that sound corporate governance is critical to enhance and retain stakeholders’ trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Board exercises its fiduciary responsibilities in the widest sense of the term.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Management is the trustee of the shareholder’s capital and not the owner.

2. Board of Directors

2.1 Composition of the Board of Directors

The Board of Directors provide strategic direction and the thrust to the operations of the Company and accountable at all time to the shareholders of the Company. The Company has a professionally constituted Board of Directors.

The composition of the Board of Directors as on date is as follows:

NAME OF DIRECTOR	CATEGORY
Mr. Rajendra Prasad Baldwa	Promoter - Executive Director
Mr. Satish Kumar Sharma	Non-Independent - Executive Director
Mr. Ajay Sachdeva	Independent Non-Executive Director
Mr. Baldev Singh Kashthwal	Independent Non-Executive Director

Contd.2/-

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Sh. Satish Kumar Sharma, Director of the Company acts as Chairman at the Board Meetings and at the General Meetings of the Company. He is also the Compliance Officer of the Company.

None of the Director of the Company is member in more than ten Committees and they do not act as Chairman of more than five Committees across all Companies in which they are directors.

2.2 Number of Board Meetings

As against the requirement of holding one meeting every three months and at least four such meeting in every year under section 285 of the Companies Act, 1956, the Board of director of the Company met **Twelve** times on i.e. **1st April 2009, 30th April, 2009, 18th May, 2009, 31st July, 2009, 20th August, 2009, 1st September, 2009, 8th October, 2009, 31st October, 2009, 20th November, 2009, 2nd December, 2009, 31st January, 2010 and 31st March, 2010** during the year under review. The time gap between two meetings was not more than four months as stipulated in clause 49 of the listing agreement.

2.3 Attendance record of Directors at Board Meeting and Annual General Meeting and number of other Directorships / Committee memberships / Chairmanships.

Attendance of each Director at Board Meetings and at the last Annual General Meeting held during the year 2009 - 2010 and number of other Directorship / Committee Memberships / Chairmanships of each director is given below:

NAME OF DIRECTOR	ATTENDANCE DETAILS		NUMBER OF OTHER COMPANIES IN WHICH DIRECTOR*	OTHER COMMITTEES OF WHICH	
	BOARD MEETING	AGM HELD ON 30-09-09		CHAIRMAN	MEMBER
Mr. Rajendra Prasad Baldwa	-	No	-	--	--
Mr. Satish Kumar Sharma	12	YES	05	03	03
Mr. Ajay Sachdeva	12	YES	-	1	1
Mr. Baldev Singh Kashthwal	12	NO	1	1	1

*Excluding directorship in Private Limited Companies.

2.4 The Board has access to the following information/records:

- Annual operating plans and budgets;
- Quarterly results;
- Minutes of the meetings of the Share transfer and shareholders'/investors' grievances Committee;
- Any other items/events of materially important nature.

Contd. 3/-

3. Committees of the Board

The Board of Directors has constituted various committees of the Board to ensure focused attention on the various aspects of the Company's working. The Company has the following Committees of the Board.

3.1 Audit Committee

The Constitution of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 as well as the Listing Agreement. All the members of the committee are financially literate members.

The Audit Committee as on report date i.e. 31st March, 2010 comprises of the following Directors:

Sh. Baldev Singh Kashtwal	Chairman	Independent - Non Executive Director
Sh. Satish Kumar Sharma	Member	Non Independent - Executive director
Sh. Ajay Sachdeva	Member	Independent - Non Executive Director

The representatives of the Internal Auditors and Statutory Auditors attend the meeting of the Committee as and when invited.

The Audit Committee is responsible for the effective supervision of the financial reporting process to ensure proper disclosure of financial statements, their credibility, and compliance with the Accounting Standards, Stock Exchanges and other legal requirements, reviewing with internal and external audit and internal control systems, assessing their adequacy ensuring compliance with internal controls, reviewing findings of internal audit, reviewing the company's financial and risk management policies and ensuring follow up action on significant findings, and reviewing quarterly, half yearly and yearly annual accounts.

During the year under review i.e. 2009-10, Audit Committee met **5 (Five) times**. The attendance record of the members during these meetings is set down below:-

Date of Meeting	Sh. Satish Kumar Sharma	Sh. Ajay Sachdeva	Sh. Baldev Singh Kashtwal
30-04-2009	YES	YES	YES
31-07-2009	YES	YES	YES
01-09-2009	YES	YES	YES
31-10-2009	YES	YES	YES
30-01-2010	YES	YES	YES

The Report of the Chairman as well as the minutes of the Audit Committee is circulated to all the Board Members for their consideration.

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3.2 Remuneration Committee

The Company does not have Remuneration committee as contemplated under the Listing Agreement, as the Company is not paying any remuneration to its Directors.

3.3 Share Transfer & Shareholder's/Investor's Grievance Committee

The **Share Transfer & Shareholders'/Investors' Grievances Committee** has been constituted to look into approval/rejection of transfer/transmission, issue of duplicate certificates, review & redressal of shareholders' and investors' grievances/complaints. The Committee is a Board level committee comprising of the following members:

Sh. Ajay Sachdeva	Chairman	Independent - Non Executive director
Sh. Satish Kumar Sharma	Member	Non Independent - Executive Director
Sh. Baldev Singh Kashtwal	Member	Independent - Non Executive Director

During the year under review i.e. 2009-10, the Share Transfer & Shareholder's / Investor's Grievance Committee met **5 (Five)** times. The attendance record of the members during these meetings is summarised as under:

Date of Meeting	Sh. Satish Kumar Sharma	Sh. Ajay Sachdeva	Sh. Baldev Singh Kashtwal
30-04-2009	YES	YES	YES
31-07-2009	YES	YES	YES
31-10-2009	YES	YES	YES
05-11-2009	YES	YES	YES
30-01-2010	YES	YES	YES

The details of queries/ complaints received from shares holders, status thereof etc. are summarised as under during the year under review:

SR. No.	Particulars	Status	Remark
1.	Number of queries/complaints received from shareholders/ investors from April 01, 2009 to March 31, 2010 regarding non-receipt of dividend/ interest warrants, non-receipt of shares sent for transfer etc	NIL	
2.	Number of queries/complaints not attended	N.A.	
3.	Number of request of Share Transfer / Transmission received during the year	1	
4.	Number of Share Transfer cases done during the year.	1	
5.	Number of Share Transfer pending during the year.	NIL	

Contd5/-