

11th

ANNUAL REPORT

2004 – 05

BHILWARA TEX-FIN LIMITED

Report  junction.com

Registered Office

32, VASANT ENCLAVE, RAO TULA RAM MARG, NEW DELHI-110057



BHILWARA TEX-FIN LIMITED

Regd.Off: 82, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057

NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the shareholders of Bhilwara Tex-Fin Limited will be held at the Registered Office at 82, Vasant Enclave, New Delhi-110057 on Friday the 30th day of September, 2005 at 4.30 P.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance sheet as at 31st March 2005 and the Profit & Loss Account for the year ended 31st March 2005 and the Report of the Directors' and Auditors' thereon.
2. To appoint director in place of Mr. R.P.Baldwa who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

3. To pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT M/s Nagar Goel &Chawla, Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company in place of retiring auditors M/s Doogar & Associates, Chartered Accountants from the conclusions of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at remuneration to be fixed by the Board of Directors."

4. To pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Satish Sharma who was appointed as an Additional Director of the company on 01.04.2005 by the Board of Directors and whose hold office as such up to the date of this Annual General Meeting under section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company and the period of his office be liable to determination by retirement of directors by rotation."

By order of the Board
For BHILWARA TEX-FIN LIMITED

Date: 26.08.2005
Place: New Delhi

Sd/-
(SATISH SHARMA)
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.

The instrument appointing a proxy should be deposited at the Company's registered office not less than 48 hours before the time for holding the aforesaid meeting.

2. Annual report has been sent to all members. Members are requested to bring their copy 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.
3. The share transfer records of the company will remain closed from Wednesday the 28th September 2005 to Thursday 29th September 2005 (both days inclusive) for the year 2004-2005.

The logo for Report Junction.com is centered at the bottom of the page. It features the word "Report" in a grey sans-serif font, followed by a yellow diamond icon containing a black upward-pointing arrow, and then the word "junction.com" in a green sans-serif font. The entire logo is enclosed within a light green rounded rectangular border.

Report junction.com

BHILWARA TEX-FIN LIMITED

Regd.Off: 82, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 3

M/s Doogar and Associates, Chartered Accountants, have expressed their inability to continue as Auditors of the Company due to their other pre-occupations. M/s Nagar Goel & Chawla, Chartered Accountants, have agreed to become the Statutory Auditors of the Company, and the Company has received a certificate under section 224(1B) of the Companies Act, 1956 to this effect.

ITEM NO. 4

Mr. Satish Kumar Sharma was appointed as an Additional Director of the Company in the Board Meeting of its Board of Directors held on 1st April, 2005 in accordance with the provisions of Section 260 of the Companies Act, 1956. He hold office upto date of this Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member of the company proposing the appointment of Mr. Satish Kumar Sharma as Director.

None of the Directors is interested in the passing of this resolution, except Mr. Satish Sharma.

By order of the Board
For BHILWARA TEX-FIN LIMITED

Date: 26.08.2005
Place: New Delhi

Sd/-
(SATISH SHARMA)
Director

BHILWARA TEX-FIN LIMITED

Regd.Off: 82, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057

DIRECTORS' REPORT

To
The Members,
Bhilwara Tex-Fin Limited

Your Directors have pleasure in presenting their eleventh Annual Report together with the audited statement of accounts for the year ended 31st March 2005.

1. FINANCIAL RESULTS:

The Company has, during the year under review, earned profit before tax but after providing for depreciation amounting to Rs. 109260/- as against the loss in the previous year of Rs. 2656975/-.

2. DIVIDEND:

Your Directors do not recommend any dividend for the year 2004-2005.

3. PUBLIC DEPOSITS:

The company has not invited or accepted any deposits during the year and there is no amount of unclaimed/unpaid deposits.

4. PARTICULARS OF EMPLOYEES:

Information under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable as none of the employees are covered.

5. AUDITORS:

M/s Doogar & Associates, Chartered Accountants have conveyed their non-availability to continue as auditors due to certain other pre-occupations. M/s Nagar Goel and Chawla, Chartered Accountants are proposed to be appointed in place of the retiring Auditors.

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

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conversion of energy and technology absorption do not apply and hence no disclosure is being made in this report. Foreign Exchange earning and outgo during the year is NIL.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the 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 31st March 2005, the applicable accounting standards had been followed along with proper explanation relating to material departures.

- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the directors had prepared the accounts for the financial year ended 31st March 2005 on a 'going concern' basis.

8. DIRECTORS

During the period under review, Mr. Arun Kumar Baldwa and Mr. Satish Chandra Baldwa resigned from the Board of Directors of the Company. The Directors thank them for their useful and invaluable contribution to the growth of the Company.

9. TAKEOVER OF MANAGEMENT & CHANGE IN CONTROL OF THE COMPANY:

M/s Sainik Mining & Allied Services Limited (the Acquirer) entered into a SPA dated January 11, 2005 to acquire the promoters' shareholding of 12,43,000(Twelve Lacs Forty Three Thousands Only) fully paid-up equity shares of Rs.10/- each representing 35.49% of the total paid up share capital of the Company.

10. ACKNOWLEDGEMENTS:

Employees continue to be the major asset of the company in its pursuit of excellence. Your directors wish to express their deep appreciation to all personnel of the company for their contribution to the performance of the company. We also owe a debt of gratitude to the bankers, shareholders and customers for their overwhelming support.

**By order of the Board
For BHILWARA TEX-FIN LIMITED**

**Date: 26.08.2005
Place: New Delhi**

**Sd/-
(SATISH SHARMA)
Director**

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance

The company is strongly committed to good Corporate Governance practices & endeavors to maximize the value in terms of maximization of wealth, returns and growth of its stakeholders, customers, shareholders, employees, government and the society of which the Company is a part and believes in disclosure on the performance of the Company to all stakeholders. The Compliance Report, as prepared and given below is in conformity with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

2. Board of Directors

The Board of Directors is the highest level of authority in the Company, which formulates the strategy and periodically reviews the performance.

The company has a professionally constituted Board of Directors with all the directors being non- executive directors and four of these Directors are independent.

The Board met Ten times during the financial year 2004-05.

The details of Directors as on 31st March 2005, is as follows: -

Name of Directors	Category of Directorship	Promoter/ Independent Director	Directorship In other Companies (Nos.) #	Attendance at Board Meetings		Attendance at the last AGM
				No. of meetings held	No. of meetings attended	
Mr. R.P.Baldwa	Non-executive Director	Promoter Director	-	10	7	Yes
Mr. Satish Sharma*	Non-executive Director	Independent Director	-	10	NA	NO
			-			
Mr. Ashok Arora	Non-executive Director	Independent Director	-	10	5	Yes
Mr.Ajay Sachdeva	Non-executive Director	Independent Director	-	10	6	Yes
Mr. Baldev Singh Kashtwal	Non-executive Director	Independent Director	-	10	7	Yes

* Appointed on 01.04.2005.

Exclude directorship of Private Limited Companies.

3. Board Procedure

Detailed Agenda Notes along with relevant documents are generally circulated, in advance to the Board of Directors for deliberations at each meeting of the Board. Further other information placed before the Board includes update, quarterly results minutes of Board & EGM, confirmation of legal & other compliances.

Committees of the Board:**Audit Committee**

Constitution of Audit Committee is not mandatory for the company because section 292 A of the Companies Act, 1956 is not attracted.

Remuneration Committee

The Company does not have a remuneration Committee as on date.

Shareholder's / Investor's Grievance Committee

The terms of reference as prescribed by your Board are:

- redressing of shareholders and investors complaints
- to ensure timely share transfers.

The Committee comprises of the following members:

Sl. No.	Name of Members	Category of Directorship	Promoter/ Independent Director	No of meetings attended during the year
1.	Mr. Ashok Arora	Non-executive Director	Independent	2
2.	Mr. Ajay Sachdeva	Non-executive Director	Independent	2

Disclosures

During 2004-05, the company had no materially significant related party transactions, and has not entered into any transactions with its promoter, director, management or their relatives.

Means of Communication

The company publishes unaudited quarterly/half yearly financial results reviewed by the auditor and audited annual financial results in newspaper regularly. The said results are also informed to stock exchanges where shares of the company are listed the results are usually published in The Statesman (Jaipur edition) and Samachar Jagat.

General Shareholder Information

Date and Venue of AGM: Friday, 30th September 2005 at 4.30 p.m. at 82, Vasant Enclave, New Delhi-57.

Date of Book Closure : Wednesday the 28th September 2005 to Thursday, 29th September, 2005 (both days inclusive)

Listing on Stock Exchange

Presently shares of your company are listed at:

- 1) The Delhi Stock Exchange Association Ltd., DSE House, 3/1 Asaf Ali Marg, Delhi.
- 2) The Jaipur Stock Exchange Ltd., Stock Exchange Bldg, JLN Marg, Malviya Nagar, New Delhi-302017
- 3) The Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

Shareholding Pattern as on 31st March 2005.

No. of equity shares held	No. of shares held	Voting Strength (%)
Promoters	12,43,000	35.49
UTI, GIC & Bank	NIL	NIL
FII	NIL	NIL
NRI/OCB	NIL	NIL
Bodies Corporate	2,02,500	5.78
Others	20,57,200	58.73
Total	3,50,02,700	100

Note:

The details are given purely by way of information. Members may make their own judgment and are further advised to seek independent guidance before deciding on any matter based on the information given therein. Neither the Company nor its officials would be held responsible.



DOOGAR & ASSOCIATES

CHARTERED ACCOUNTANTS

Corporate Governance Certificate

To the Members of
Bhilwara Tex-Fin Limited

We have examined the compliance of conditions of Corporate Governance by Bhilwara Tex-Fin Limited for the year ended 31st March, 2005 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance(s) pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Doogar & Associates
Chartered Accountants

SD/-
M S Agarwal
Partner
Place: Delhi
Dated: 26th August 2005.