

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT 43rd ANNUAL GENERAL MEETING OF THE MEMBERS OF SHRI BHOLANATH CARPETS LIMITED WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY AT G. T. ROAD, KACHHAWAN, VARANASI - 221313, U. P. ON TUESDAY 27<sup>TH</sup> DAY OF SEPTEMBER, 2016 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESSES:**

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**ORDINARY BUSINESS:**

- 1.** To receive, consider and adopt the Audited Balance Sheet as at 31st day of March, 2016 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2.** To appoint a director in place of Sri Harish Baranwal, who retires by rotation and being eligible to offers himself for re-appointment.
- 3.** To ratify the appointment of M/s. O. P. Tulsyan & Co., Chartered Accountants as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the appointment of M/s. O. P. Tulsyan & Co., Chartered Accountants (ICAI Firm Registration No. 500028N) as the statutory Auditor of the Company be and hereby ratified, who was appointed as such up to the AGM to be held in year 2018, in the last AGM held in year 2014, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS:**

**4. REGULARIZATION OF ADDITIONAL DIRECTOR:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION** for Regularization of Additional director (Independent), Dr. Kavita Shah:-  
**“RESOLVED THAT** Dr. Kavita Shah, who was appointed as an Additional Director (Independent) with effect from February 12, 2016 on the Board of the company in terms of section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under section 160 of the Companies Act, 2013, along with the requisite deposit, proposing her candidature for the office of a director, be and is hereby appointed as director of the company.”

**5. APPOINTMENT OF WOMEN CUM INDEPENDENT DIRECTOR:**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION** for appointment of Dr. Kavita Shah as an independent director of the company:

**“RESOLVED THAT** pursuant to Section 149, 152 read with Schedule IV and such other provisions as applicable of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. Kavita Shah (DIN: 07414513), who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who

is eligible for appointment as women cum Independent Director, be and is hereby appointed as an women cum Independent Director of the Company for a term of five consecutive years with effect from the date of this meeting and that she shall not be liable to retire by rotation.”

The board passed the text of above resolution.

**On Behalf of the Board**

**Sd/-**

**Bholanath Baranwal**  
**(Chairman & Managing Director)**  
**DIN: 00306086**

**Date:** 29.08.2016

**Place:** Varanasi

**Registered Office:** Kachhawan, Varanasi

#### **NOTES**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member. The instrument appointing proxy should, however, be deposited at the Registered Office/Corporate office of the Company not less than forty eight hours before the commencement of the meeting.
2. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting. Shareholders are requested to kindly bring their copies of Annual Report to the meeting.
3. Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21st day of September, 2016 to Tuesday, 27th day of September, 2016 (Both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays and holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
5. The members, who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.
6. Please quote your folio number in all correspondence for each type of query/complaint.
7. Any queries relating to Accounts must be sent to the Company at least 10 days before the date of the meeting.
8. Members / Proxies are requested to bring the Attendance Slip, duly filled in, along with copy of the Annual Report to the meeting for attending the meeting. Members are requested to write their folio number in the attendance slip for attending the meeting.
9. Members holding shares in physical form are advised to make nomination in respect of their shareholding under section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014.

10. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members the facility to exercise their right to vote at the 43rd AGM of the Company by electronic means on all resolutions set forth in this Notice, through the e-voting services provided by NSDL. The Members, whose name appear in the Register of Members, holding shares in physical or in dematerialized form, as on 20<sup>th</sup> Sept, 2016 (End of Day), are entitled to cast their votes electronically on the resolutions set forth in this Notice. The e-voting will commence at 10.00 a.m. on Saturday, 24<sup>th</sup> day of September, 2016 and will end at 5.00 p.m. on Monday, 26<sup>th</sup> day of September, 2016.

**PROCESS AND MANNER FOR E-VOTING:**

The instructions for e-voting are as under:

**A. In case of members receiving e-mail from RTA/NSDL (for Members whose e-mail ids are registered with the Company/Depositories):**

1. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
2. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
3. Click on “Shareholders” tab.
4. Now, select the “Electronic Voting Sequence Number (EVSN) – “105659” along with “Company Name – Shri Bholanath Carpets Limited” from the drop down menu and click on “Submit”.

5. Now, fill up the following details in the appropriate boxes:

	<b>FOR MEMBERS HOLDING SHARES IN DEMAT FORM FOR MEMBERS HOLDING SHARES IN PHYSICAL FORM</b>		<b>FOR MEMBERS HOLDING SHARES IN PHYSICAL FORM</b>
<b>User ID</b>	For NSDL:	8 character DP ID followed by 8 digits Client ID	Folio Number registered with the Company
	For CDSL:	16 digits beneficiary ID	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders):</p> <ul style="list-style-type: none"> <li>- Members holding shares in physical form who have not updated their PAN with the Company are requested to use the first two letters of their name in ‘Capital Letter’ followed by 8 digit folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0’s before the folio number. For example: If your name is Suresh Kumar with folio number 1234 then enter SU00001234 in the PAN Field.</li> <li>- Members holding shares in Demat form who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in ‘Capital Letter’ followed by 8 digit CDSL/NSDL Client ID.</li> </ul> <p><b>FOR EXAMPLE:</b> If your name is Suresh Kumar and your CDSL Demat A/c. No. is 12058700 00001234 then enter SU00001234 or if your NSDL DPIDCLID is IN300100-10001234 then enter SU10001234 in the PAN field.</p>		

<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
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6. After entering these details appropriately, click on “SUBMIT” tab.

7. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily change their login password, in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@#\$%&\* \_). Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

8. Click on the **EVSN– 105659** for Shri Bholanath Carpets Limited to vote.

9. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

10. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.

11. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

12. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

**B. In case a Members receiving the physical copy of Notice of AGM (for Members whose e-mail ids are not registered with the Company/Depositories):**

Please follow all steps from Sl. No. (ii) To Sl. No. (xii) Above, to cast vote.

C. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

**GENERAL INSTRUCTIONS:**

**Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than

venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 24<sup>th</sup> September, 2016 (09:00 am) and ends on 26<sup>th</sup> September, 2016 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date of 20<sup>th</sup> September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select “EVSN” of “**Shri Bholanath Carpets Ltd**”.
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

**EVEN (Remote e-voting Event Number)USER ID PASSWORD/PIN**

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20<sup>th</sup> September, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20<sup>th</sup> September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- XIII. The Company has appointed Mr. Ajay Jaiswal, Practicing Company Secretary (Membership No. FCS – 5112) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.bholanath.biz/> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

#### **EXPLANATORY STATEMENT**

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is given below and forms part of the Notice.

#### **ITEM NO.5**

Dr. Kavita Shah is well qualified, has done M.Sc., (B.Ed.), Ph.D., She is of 48yrs and has wide knowledge and expertise in the field of Environment and Sustainable Development. Dr. Kavita Shah being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for a term of five consecutive years. In the opinion of the Board, Dr. Kavita Shah fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company. Having regard to his qualifications, knowledge and experience, her appointment as an Independent Director will be in the interest of the Company, Dr. Kavita Shah does not hold any shares in the company.

Copy of the draft letter for appointment of Dr. Kavita Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Board recommends his appointment as an Independent Director in the interest of the Company, to utilize his expertise.

- Consent in writing to act as an independent additional director of the company Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014.
- Intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.
- None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution, except Dr. Kavita Shah is concerned or interested in the resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

**On Behalf of the Board**

**Sd/-**

**Bholanath Baranwal**  
**(Chairman & Managing Director)**  
**DIN: 00306086**

**Date:** 29.08.2016

**Place:** Varanasi

**Registered Office:** GT Road, Kachhawan, Varanasi



**BOARD OF DIRECTORS**

1. Shri Bholanath Baranwal, Chairman & Managing Director
2. Shri Amaranth Pandey
3. Smt. Veena Agnihotri
4. Dr. Kavita Shah
5. Shri Harish Baranwal
6. Shri Vivek Baranwal

**AUDITORS:**

M/S. O.P. Tulsyan & Co.  
Chartered Accountants  
Varanasi

**BANKER:**

Syndicate Bank, Mid Corporate Office, Maqbool Alam Road, Varanasi

**REGISTERED OFFICE:**

G. T. Road, Kachhawan  
Varanasi -221 313  
Phone: +542-2620323  
Fax: +542-2620090  
E-mail: bil@bholanath.biz  
Website: www.bholanath.biz

**REGISTRARS AND SHARE TRANSFER AGENTS**

MAS Services Limited  
T-34, 2nd Floor, Okhla Industrial Area,  
Phase - II, New Delhi - 110 020,  
Ph:- 26387281/82/83, Fax:- 26387384  
E-mail:- info@masserv.com  
website: www.masserv.com

**STATUTORY COMMITTEES**

**AUDIT COMMITTEE:**

1. Shri Amarnath Pandey, Chairman
2. Smt. Veena Agnihotri, Member
3. Dr. Kavita Shah, Member

**NOMINATION AND REMUNERATION COMMITTEE:**

1. Smt. Veena Agnihotri, Chairman
2. Shri Amarnath Pandey, Member
3. Dr. Kavita Shah, Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

1. Dr. Kavita Shah, Chairman
2. Sri Amarnath Pandey, Member
3. Smt. Veena Agnihotri, Member

**BOARD'S REPORT**

**TO,  
THE MEMBERS OF  
SHRI BHOLANATH CARPETS LIMITED,**

Your Directors have pleasure in presenting the 43rd Annual Report together with Audited Financial Statements of SHRI BHOLANATH CARPETS LIMITED for the Financial Year ended March 31, 2016.

**1. FINANCIAL RESULT**

The summarized financial performance of your Company for the financial year 2015-16 as compared to previous year 2014-15 has been as under:

<b>PARTICULARS</b>	<b>CURRENT YEAR ENDED 31.03.2016</b>	<b>PREVIOUS YEAR ENDED 31.03.2015</b>
<b>NET SALES</b>	297807584.72	321686746.70
<b>OTHER INCOME</b>	2616885.58	5004756.16
<b>TOTAL REVENUE</b>	300424470.30	326691502.86
<b>TOTAL EXPENDITURE</b>	299589447.44	326269328.50
<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>	835022.86	422174.36
<b>EXTRAORDINARY ITEMS (CERS RECEIVABLE WRITTEN OFF)</b>	0.00	0.00
<b>PROFIT / (LOSS) BEFORE TAX</b>	835022.86	422174.36
<b>PROVISION FOR TAXATION</b>		
<b>- CURRENT TAX</b>	699120.00	664038.00
<b>- DEFERRED TAX</b>	-406091.23	-534573.72
<b>- TAX ADJUSTMENTS RELATING TO EARLIER YEARS</b>	20425.00	6103.08
<b>NET PROFIT (NET LOSS)</b>	521569.09	286607.00

**2. FINANCIAL HIGHLIGHTS**

The Company has continued its growth story in terms of net profit during the year 2015-16, in spite of the income from sales has gone down from Rest. 3216.86 Lakhs to Rest. 2995.89 Lakhs.

The Company has recorded profit before exceptional and extraordinary items in the year 8.35 Lakhs as compared to Rest. 4.22 Lakhs in the previous year 2014-15.