



**Bharat Textiles & Proofing  
Industries Limited**

**ANNUAL REPORT  
2002 - 2003**

BOARD OF DIRECTORS	:	- UGAMCHAND BHANDARI (MANAGING DIRECTOR) AJEET KUMAR BHANDARI ANIL KUMAR BHANDARI
BANKERS	:	INDIAN OVERSEAS BANK 143, N.S.C BOSE ROAD, CHENNAI - 600 079.
AUDITORS	:	SAKARIA & ASSOCIATES 321/156, MINT STREET, CHENNAI - 600 079.
ADM.OFFICE	:	21, THOLASINGAM STREET, CHENNAI - 600 079.
REGD. OFFICE & PLANT LOCATION	:	994, SATHYAVEDU ROAD, SURAVARIKANDIGAI, SIRUPULLAI PET, GUMMIDIPOONDI TALUK.

**NOTICE**

Notice is hereby given that the **Twelfth Annual General Meeting of the Company** will be held on Thursday, 26th September 2003 at 10.00 A.M at **994, Sathyavedu Road, Suravarikandigal, Sirupullaipet, Gummidipoondi Taluk** to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2003 and the Profit & Loss Account for the year ended as on that date together with the notes thereto and Schedules thereto and the Reports of the Directors and Auditors.
2. To Appoint a Director in place of **Shri Ajeet Kumar Bhandari** who retires by rotation and being eligible, offers himself for reappointment.
3. To Appoint a Director in place of **Shri Anil Kumar Bhandari** who retires by rotation and being eligible, offers himself for reappointment.
4. To Appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

Gummidipoondi.  
DATE : 30.06.2003

**UGAMCHAND BHANDARI**  
Managing Director

**NOTES**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead himself and proxy need not be a member of the company.
2. The Register of Members and Share transfer books shall remain closed from 20th September 2003 to 26th September 2003 (both days inclusive)
3. Members/Proxies should bring the Attendance Slip filled in for attending the meeting.
4. The Company's Equity shares are listed at Chennai and Mumbai Stock Exchanges and annual listing fees have been paid to the said Exchanges in time.

BY ORDER OF THE BOARD

Gummidipoondi.  
DATE : 30.06.2003

**UGAMCHAND BHANDARI**  
Managing Director



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED  
DIRECTORS REPORT**

Your Directors present herewith the Twelfth Annual report together with the Audited Statement of Accounts for the year ended 31st March 2003

**FINANCIAL RESULTS  
PARTICULARS**

	<b>YEAR ENDED 31 ST MAR 2003</b>	<b>YEAR ENDED 31 ST MAR 2002 (Rs. In lacs)</b>
SALES & OTHER INCOME	809.04	738.30
PROFIT BEFORE INTEREST & DEPRECIATION	35.23	(58.92)
INTEREST	92.20	174.11
PROFIT/LOSS BEFORE DEPRECIATION	(56.97)	(233.03)
DEPRECIATION	(42.55)	(44.36)
LOSS FOR THE YEAR	(99.52)	(277.39)
ADD :EARLIER YEAR BALANCE B/F	(774.90)	(497.10)
BALANCE CARRIED TO B/S	(874.42)	(774.49)

**OPERATIONS & FUTURE PROSPECTS:**

Your company was able to reduce the losses mainly due to the increased export content seen. The company is taking steps to increase the capacity utilisation of the plant and improve the production levels. The focus is on recoveries and towards substantial reduction in operation cost.

**DIRECTORS**

Shri Ajeet Bhandari & Anli Bhandari retires by rotation and being eligible offer themselves for re-appointment. During the year Shri A. Subramaniam resigned as director of the company. The Board acknowledges the services of Shri A. Subramaniam during his long association with the company.

**CORPORATE GOVERNANCE**

The separate report on corporate governance is enclosed as the part of the annual report along with auditor's statement on its complies as stipulated under the clause 49 of the listing agreement.

**AUDITORS**

M/s Sakaria & Associates, Chartered Accountants, Chennai, Auditors of the company retire at this Annual General Meeting offer, themselves for re-appointment.

**AUDITORS' REPORT**

As regards Auditor's observations, regarding non-provision of Rs.141.76 lacs towards interest on term loans, your directors wish to state that a restructuring plan of one time settlement (OTS) from Industrial Development Bank of India has been received which would result in concessions both in terms of principal and interest. The delay in remittances of Providend Fund and ESI is due to shortage of working capital funds.

**PARTICULARS OF EMPLOYEES**

The provisions under Section 217(2A) of the Companies Act, 1956 and the rules framed there under are not applicable since none of the employees were in receipt of remuneration in excess of the limits prescribed therein.

**COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS RULES)**

Conservation of energy, foreign exchange earning and outgo as required under Section 217 (1)(e) of the Act readwith Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is annexed and forms part of this report.

**ACKNOWLEDGEMENTS**

The Board wishes to express its deep appreciation of the Co-operation and assistance received from Industrial Development Bank of India, Indian Overseas Bank and the employees of the company.

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

(UGAMCHAND BHANDARI)  
MANAGING DIRECTOR

(AJEET KUMAR BHANDARI)  
DIRECTOR

(ANIL KUMAR BHANDARI)  
DIRECTOR

PLACE : CHENNAI  
DATE : 30.06.2003

**Bharat Textiles & Proofing Industries Limited**

**ANNEXURE TO DIRECTORS REPORT :**

STATEMENT OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988.

**1. CONSERVATION OF ENERGY:**

The company is taking steps to optimise the use of energy through improved operational methods

**2. POWER & FUEL CONSUMPTION:**

	2002 - 2003	FORM A	2001 - 2002
Electricity			
<b><u>Purchased</u></b>			
Units	564495		511510
Amount	3073298		2480149
Rate/unit Rs	5.44		4.85

3. The company has no activity relating to Research and Development activities.

**4. FOREIGN EXCHANGE EARNING OUTGO:**

The information of foreign exchange earning and outgo is contained in schedule 14, items 17 in Notes on Accounts.

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

(UGAMCHAND BHANDARI)  
MANAGING DIRECTOR

(AJEET KUMAR BHANDARI)  
DIRECTOR

(ANIL KUMAR BHANDARI)  
DIRECTOR

PLACE : CHENNAI  
DATE : 30.06.2003

**Bharat Textiles & Proofing Industries Limited**

## ANNEXURE TO DIRECTORS' REPORT

### CORPORATE GOVERNANCE

#### 1. PHILOSOPHY ON CODE GOVERNANCE

The company's philosophy of Governance adopted by your Board has at all times been based on integrity, transparency and fairness in all its dealings. The company will continue to maintain goodwill with its shareholders.

#### 2. BOARD OF DIRECTORS

The Board comprises of three Directors, Managing Director, & Wholtime Directors.

#### 3. Details of Attendance at Board meeting and last AGM and details of memberships in other Boards and Board committees are stated below.

The Board met 4 times during the financial year on 30 June 2002, 31 July 2002, 31 October 2002 and 31 January 2003.

Name of the Director	No. of board meetings attended	Whether attended last AGM	Membership in other Boards	Committee	
				Membership	Chairmanship
MR. UGAM CHAND BHANDARI	4	YES	1	2	2
MR. AJEET KUMAR BHANDARI	4	YES	1	2	-
MR. A. SUBRAMANIAM	1	YES	NIL	1	-
MR. ANIL KUMAR BHANDARI	4	-	NIL	-	-

#### 4. AUDIT COMMITTEE

The Audit committee comprises of Mr. Ugam Chand Bhandari, Mr Ajeet Kumar Bhandari. Majority of the members have financial and accounting knowledge. The Statutory Auditors were invitee to the meetings.

The Committee met on 6 July 2002, 31 October 2002 and 28 March 2003. All the Members attended these meetings.

The scope of reference ensures covering matters specified for Audit committee under the Listing agreement.

#### 5. REMUNERATION COMMITTEE

The Company has two Wholtime Director on the Board whose appointment and remuneration has been Fixed by the Board in term of resolution passed by members.

#### 6. SHARE TRANSFER / INVESTORS SERVICE COMMITTEE:

The share transfer committee consisting of Mr. Ugam Chand Bhandari, Mr. Ajeet Kumar Bhandari. This committee is authorised to approve the transfers/transmissions once in a fortnight and to look into grievances of shareholders.

During the year there was no complaint received from Stock Exchange / SEBI / Department of Company Affairs.

#### 7. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under :

DATE OF AGM	TIME	VENUE
SEPTEMBER 28, 2002	10.00 A.M.	No. 994, Sathyavedu Road, Suravarikandigai, Sirupullaipet, Gummidipoondi Taluk
SEPTEMBER 28, 2001	10.00 A.M.	
SEPTEMBER 29, 2000	10.00 A.M.	

The Company does not have any proposal for postal ballot.

#### 8. INSIDER TRADING :

The Company has adopted a code of conduct for prevention of Insider Trading and required disclosure producer.

#### 9. DISCLOSURES

During the year the company had not entered into any transaction of material nature with any of the promoters, directors, management or relative etc., which were in conflict with the interest of the company.

There were no instance of non compliance by the company on any matters relating to the capital markets; nor was there any penalty / stricures imposed by the stock exchanges or SEBI or any other statutory authority on such matters.

#### 10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting                      September 26, 2003 at 10.00 A.M.  
No.994, Sathyavedu Road,  
Suravarikandigai, Sirupullaipet, Gummidipoondi Taluk..

**Bharat Textiles & Proofing Industries Limited**

**Financial Calender (Tentative)****Board Meeting for approval of**

Annual Accounts 31.03.2003	:	June 30, 2003
Unaudited results for the first quarter ending 30.06.2002	:	End of July 2003
Unaudited results for the second quarter ending 30.09.2002	:	End of October 2003
Unaudited results for the third quarter ending 31.12.2002	:	End of January 2004
Annual Accounts 31.03.2003	:	End of June 2004
Book Closure Period	:	Sep'20th to Sep' 26th,2003

Listing on stock Exchanges	Stock Code
The Madras Stock Exchange Ltd., (MSE) Second Line Beach, Chennai - 600 001	----
The Mumbai Stock Exchange Ltd., (MSE) Phiroze JeeJee Bhoy Towers Dalal Street Mumbai - 400 001	031029

Listing Fee : Annual Listing fees for 2003-04 have been paid to all stock exchanges where the shares are listed.

**Share Price Data :**

There has been no trading in the Madras Stock Exchange and Mumbai Stock Exchange.

**Share Transfer System**

The power to approve transfer of shares has been delegated by the Board to the share transfer committee. Share transfer requests are processed within 15 days (30 days upto March 2003) from the date of receipt.

**Distribution of Shareholding as on March 31, 2003**

No. of Shares held		Folio		Share Amount	
Rs.	Rs.	Number	%	Number	%
upto	5,000	8807	91.70	1102690	18.83
5,001	10,000	291	3.03	251000	4.29
10,001	20,000	131	1.36	215510	3.68
20,001	30,000	212	2.21	534810	9.13
30,001	40,000	23	0.24	81000	1.38
40,001	50,000	34	0.35	162710	2.78
50,001	1,00,000	36	0.37	268800	4.59
1,00,001	and above	70	0.74	3240620	55.32
Total		9604	100.00	5857140	100.00



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**  
**SHAREHOLDING PATTERN AS ON 31ST MARCH 2003**

	CATEGORY	No. of Shares	Percentage of Share holding
A	Promoter's Holding		
1	Promoters Indian Promoters 1074750 18.35	1074750	18.35
2	Person acting in concert - - Sub Total	- 1074750	- 18.35
B	Non-Promoters Holding	-	-
3	Institutional Investors	-	-
a.	Mutual Funds and UTI	-	-
b.	Banking, Financial Institutions / Insurance Companies (Central / State Govt. Institutions Non-government Institutions)	-	-
c	FIs 50700 .87 Sub-Total	50700 50700	.87 .87
4	Others		
a	Private Corporate Bodies 83400 1.42	83400	1.42
b	Indian Public 1926520 32.89	1926520	32.89
c	NRIs/OCBs 393500 6.72	393500	6.72
d	Any other (Please Specify) DIRECTORS 976660 16.37 DIRECTORS / RELATIVES 1351610 23.08 Sub-Total	2328270 4731690	39.75 80.78
	Grand Total	5857140	100.00

**Dematerialisation of shares and liquidity :**

The company has made necessary applications to the NSDL & CDSL for dematerialisation of the shares held by investors. The company expecting the Dematerialisation of shares shortly.

PLANT LOCATION : Given in the first page of the Annual report.

**ADDRESS FOR COMMUNICATION:**

Share Department  
Bharat Textiles & Proofing Industries Limited  
# 21, Tholasingam Street, Chennai - 600 079.

**AUDITORS' CERTIFICATE**

To the Members of **Bharat Textiles & Proofing Industries Limited.**

We have examined the compliance of conditions of Corporate Governance by **Bharat Textiles & Proofing Industries Limited**, for the year ended 31st March, 2003 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 statements 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 is pending for a period exceeding one month against the company as per the records maintained by the Shareholders Committee.

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 **SAKARIA & ASSOCIATES**  
Chartered Accountants

Place : Chennai  
Date : 30th June 2003

**ASHOK KUMAR .S**  
(PROPRIETOR)

**Bharat Textiles & Proofing Industries Limited**



**AUDITORS' REPORT**

To the Members of

**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**

We have audited the attached Balance Sheet of Bharat Textiles and Proofing Industries Limited as at 31st March 2003 profit and loss account and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Manufacturing and Other Companies (Auditor's report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
- (c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of accounts.
- (d) The company has duly complied with accounting standard referred to in section 211(3c) of the Companies Act 1956, subject to notes on accounts.
- (e) On the basis of representations received from the directors of the company none of the directors are disqualified from being appointed as a director of the company U/S 274(1) (G) of the Companies Act, 1956.
- (f) We draw reference to:

**Note No. 3 relating to non provision of interest on Term loan to the extent of Rs. 141.76 LACS resulting in the company understating the losses and liabilities by Rs.181.83.**

- (g) Subject to our comments in paragraph (f) above in our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) Insofar as it relates to the Balance Sheet, of the state of affairs of the company as at, 31st March 2003.
- (ii) Insofar as it relates to the Profit and Loss Account, of the loss of the company for the year ended as on that date and
- (iii) In the case of Cash Flow Statement of the Cash Flows for the year ended on the date.

**For SAKARIA & ASSOCIATES**  
Chartered Accountants

**ASHOK KUMAR. S**  
(PROPRIETOR)

Place : Chennai  
Date : 30th June 2003

**Annexure to Auditors' Report****Re : BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**

Referred to in paragraph 1 of our report of even date.

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have been physically verified by the management during the year. No major discrepancies were noticed on verification.
2. None of the fixed assets have been revalued during the year.
3. The stocks of finished goods Stores & Spares and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
4. The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
5. The discrepancies noticed on physical verification of stocks compared to book records, were not material and have been properly dealt with in the books of accounts.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of the stocks is fair and proper, in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. No loans have been taken from companies, firms and other parties listed in the registers maintained under Section 301 or from Companies under the same management under Section 370(1 B) of the Companies Act 1956.
8. No loans have been granted to companies, firms or other companies listed in the registers maintained under Section 301 or to companies under the same management as defined in Section 370(1B) of the Companies Act 1956.
9. The parties and Employees to whom the loans or advances in the nature of loans have been given by the company are repaying the principal amounts as stipulated and have also been generally regular in the payment of interest, wherever applicable.
10. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of goods, raw materials & Stores, Plant & machinery and other assets and with regard to sale of goods.
11. In our opinion and according to the information and explanations given to us, there are no transactions of purchase and sale of goods made with parties in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act 1956.
12. As explained to us the company has a regular procedure for the determination of unserviceable or damaged raw materials, finished goods and trading stocks at the end of the year and adequate provision has been made in the accounts for the loss arising on the items so determined.
13. The company has not accepted any deposits from the public within in the meaning of section 58A of Companies Act 1956.
14. As explained to us reasonable records have been maintained by the company for disposal of production scrap.
15. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
16. The Central Government has prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act 1956 which have been maintained. But no examination of such records have been carried out.
17. The company is regular in depositing Provident Fund and employees State Insurance except in few cases where delay in remittances have been noticed.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding as at 31st March 2003, for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
20. The company is sick industrial company within the meaning of clause (i) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company has made Reference to Board for Industrial and Financial Reconstruction and the matter is under consideration.

**For SAKARIA & ASSOCIATES**  
Chartered Accountants

**ASHOK KUMAR. S**  
(PROPRIETOR)

Place : Chennai  
Date : 30.06.2003

**Bharat Textiles & Proofing Industries Limited**

**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED****BALANCE SHEET AS AT 31ST MARCH 2003**

<b>I. SOURCES OF FUNDS</b>	<b>SCH</b>	<b>AS AT 31.03.2003 Rs.</b>	<b>AS AT 31.03.2002 Rs.</b>
<b>A) SHAREHOLDERS FUNDS</b>			
(a) EQUITY SHARE CAPITAL	(1)	58,571,400.00	58,571,400.00
(b) RESERVES & SURPLUS	(2)	3,300,000.00	3,300,000.00
<b>B) LOAN FUNDS</b>			
SECURED LOAN	(3)	133,814,308.00	134,818,431.00
		<u>195,685,708.00</u>	<u>196,689,831.00</u>
<b>II APPLICATION OF FUNDS</b>			
<b>A. FIXED ASSETS</b>	(4)		
(a) GROSS BLOCK		98,119,475.00	97,955,626.00
(b) LESS : DEPRECIATION		<u>32,427,034.00</u>	<u>28,171,857.00</u>
(c) NET BLOCK		<u>65,692,441.00</u>	<u>69,783,769.00</u>
<b>B. CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) INVENTORIES	(5)	28,074,319.00	33,885,733.00
(b) SUNDRY DEBTORS	(6)	20,141,236.00	19,409,073.00
(c) CASH & BANK BALANCES	(7)	1,294,761.00	1,327,887.00
(d) ADVANCE & DEPOSITS	(8)	<u>7,485,803.00</u>	<u>6,643,299.00</u>
		<u>56,996,119.00</u>	<u>61,265,992.00</u>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS LIABILITIES</b>	(9)	<u>14,837,425.00</u>	<u>12,615,802.00</u>
NET CURRENT ASSETS		<u>42,158,694.00</u>	<u>48,650,190.00</u>
<b>C. MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)</b>	(10)	392,468.00	765,863.00
PROFIT & LOSS A/C		<u>87,442,105.00</u>	<u>77,490,009.00</u>
<b>A+B+C</b>		<u>195,685,708.00</u>	<u>196,689,831.00</u>

NOTES ON ACCOUNTS (14)  
SCHEDULES AND NOTES ATTACHED  
HERE TO FORM PART OF THE ACCOUNTS.

THIS IS THE BALANCE SHEET REFERRED  
TO IN OUR REPORT OF EVEN DATE ATTACHED

FOR & ON BEHALF OF THE BOARD,

FOR SAKARIA & ASSOCIATES  
CHARTERED ACCOUNTANTS

UGAMCHAND BHANDARI  
(MANAGING DIRECTOR)

AJEET KUMAR BHANDARI  
(DIRECTOR)

ASHOK KUMAR. S  
(PROPRIETOR)

ANIL KUMAR BHANDARI  
(DIRECTOR)

PLACE : CHENNAI  
DATE : 30.06.2003

**Bharat Textiles & Proofing Industries Limited**



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR**  
**ENDED 31ST MARCH 2003**

	SCH	AS AT 31.03.2003 Rs.	AS AT 31.03.2002 Rs.
<b>INCOME</b>			
SALES & JOB RECEIPTS		78,141,707.00	73,454,004.00
OTHER INCOME	(11)	2,762,453.00	416,543.00
		<hr/> 80,904,160.00	<hr/> 73,870,547.00
<b>EXPENDITURE</b>			
MATERIALS & MANUFACTURING EXP.	(12)	65,814,157.00	65,171,567.00
ADMINISTRATIVE & SELLING EXPENSES	(13)	11,566,988.00	14,591,516.00
INTEREST & FINANCE CHARGES		9,219,934.00	17,411,066.00
DEPRECIATION		4,255,177.00	4,436,299.00
		<hr/> 90,856,256.00	<hr/> 101,610,448.00
PROFIT BEFORE TAX		(9,952,096.00)	(27,739,901.00)
PREVIOUS YEAR BALANCE		(77,490,009.00)	(49,750,108.00)
BALANCE CARRIED TO BALANCE SHEET		(87,442,105.00)	(77,490,009.00)

NOTES ON ACCOUNTS

(14)

SCHEDULES AND NOTES ATTACHED  
HERETO FORM PART OF THE ACCOUNTS.

THIS IS THE PROFIT & LOSS A/C REFERRED  
TO IN OUR REPORT OF EVEN DATE ATTACHED

FOR & ON BEHALF OF THE BOARD,

FOR SAKARIA & ASSOCIATES  
CHARTERED ACCOUNTANTS

ASHOK KUMAR. S  
(PROPRIETOR)

UGAMCHAND BHANDARI  
(MANAGING DIRECTOR)

ANIL KUMAR BHANDARI  
(DIRECTOR)

AJEET KUMAR BHANDARI  
(DIRECTOR)

PLACE : CHENNAI  
DATE : 30.06.2003

**Bharat Textiles & Proofing Industries Limited**



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**  
**SCHEDULES ATTACHED TO BALANCE SHEET**

	<b>AS AT 31.03.2003 Rs.</b>	<b>AS AT 31.03.2002 Rs.</b>
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
AUTHORISED: 6000000 EQUITY SHARES OF RS. 10 EACH	60,000,000.00	60,000,000.00
ISSUED, SUBSCRIBED & PAID UP 5857140 FULLY PAID EQUITY SHARES OF RS.10 EACH	58,571,400.00	58,571,400.00
	58,571,400.00	58,571,400.00
<b>SCHEDULE 2</b>		
<b>RESERVES &amp; SURPLUS:</b>		
GENERAL RESERVES	3,300,000.00	3,300,000.00
	3,300,000.00	3,300,000.00
<b>SCHEDULE 3</b>		
<b>SECURED LOAN</b>		
1. TERM LOAN - I.D.B.I	74,748,382.00	74,793,382.00
2. CASH CREDIT , BILLS DISCOUNTING, PACKING CREDIT & BOOK DEBTS FROM I.O.B	59,065,926.00	60,025,049.00
	133,814,308.00	134,818,431.00
<b>SECURITIES :</b>		
1. TERM LOAN SECURED BY EQUITABLE MORTGAGE ON WHOLE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY( BOTH PRESENT & FUTURE) SITUATED AT THE COMPANIES FACTORIES, PREMISES, GODOWNS SUBJECT TO PRIOR CHARGES CREATED OR TO BE CREATED ON OTHER MOVABLE ASSETS BY THE COMPANY IN FAVOUR OF ITS BANKERS FOR SECURING WORKING CAPITAL REQUIREMENTS		
2. CASH CREDIT, BILLS DISCOUNTING, PACKING CREDIT & BOOK DEBTS AGAINST HYPOTHECATION OF STOCKS & BOOK DEBTS (ALL PRESENT & FUTURE).		
(THE ABOVE LOANS ARE ALSO PERSONALLY GUARANTEED BY TWO DIRECTORS / PROMOTERS)		

**SCHEDULE 4**

	Gross Block				Depreciation			Net Block		
	Cost as at 31/03/2002	Addition	Deletion	As at 31/03/2003	Balance as at 31/03/2002	for the year	Deletion	up to 31/03/2003	As at 31/03/2003	As at 31/03/2002
Land & Site development	856174.42	-	-	856174.42	-	-	-	00	856174.42	856174.42
Building	27218250.89	-	-	27218250.89	5747495.96	847965.88	-	6595461.84	20622789.05	21470754.93
Plant & Machinery	64256467.89	-	0.00	64256467.89	19678683.69	3068182.23	0.00	22746865.92	41509601.97	44577784.20
Vehicles	894174.00	123025.00	0.00	1017199.00	292336.42	91775.78	0.00	384112.20	633086.80	601837.58
Furnitures & fixtures	2798112.63	0.00	0.00	2798112.63	1139913.57	168974.57	0.00	1308888.14	1489224.49	1658199.06
Office Equipments	1932446.00	40825.00	-	1973271.00	1313427.59	78278.62	-	1391706.21	581564.79	619018.41
	97955625.83	163850.00	0.00	98119475.83	28171857.23	4255177.08	0.00	32427034.31	65692441.52	69783768.60

Previous year  
Figures

99499746.83	19850.00	1563971.00	97955625.83	24491990.40	4436298.69	756431.89	28171857.20	69783768.63	75007756.43
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**SCHEDULE 5****INVENTORIES**

INVENTORIES (AS TAKEN, VALUED  
& CERTIFIED BY THE MANAGEMENT)

**(A) MATERIALS**

RAW MATERIALS	2,813,352.00	1,282,806.00
FINISHED GOODS	13,969,681.00	17,563,936.00
WORK IN PROGRESS	7,190,550.00	10,513,090.00

**(B) OTHERS**

STORES & SPARES	3,761,339.00	3,960,548.00
PACKING & FORWARDING	296,312.00	525,000.00
POWER & FUEL	43,085.00	40,353.00
	28,074,319.00	33,885,733.00

**SCHEDULE 6****SUNDRY DEBTORS : (UNSECURED)****CONSIDERED GOOD**

DEBTS EXCEEDING SIX MONTHS	6,834,637.00	5,601,804.00
OTHER DEBTS	13,306,599.00	13,807,269.00
	20,141,236.00	19,409,073.00

**CONSIDERED DOUBTFUL**

DEBTS EXCEEDING SIX MONTHS	2,541,207.00	2,342,557.00
LESS : PROVISION FOR DOUBTFUL DEBTS	2,541,207.00	2,342,557.00
	00	00
	20,141,236.00	19,409,073.00

**Bharat Textiles & Proofing Industries Limited**

**SCHEDULE 7****CASH & BANK BALANCES**

CASH ON HAND	425,927.00	526,343.00
BALANCE WITH SCHEDULE BANKS : -		
IN CURRENT ACCOUNT	420,693.00	353,403.00
SHARE APPLICATION AMOUNT REFUNDABLE	448,141.00	448,141.00
	<u>1,294,761.00</u>	<u>1,327,887.00</u>

**SCHEDULE 8****ADVANCE & DEPOSIT**

ADVANCES (UNSECURED CONSIDERED GOOD & RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED)	3,605,056.00	3,507,598.00
DEPOSITS	3,880,747.00	3,135,701.00
	<u>7,485,803.00</u>	<u>6,643,299.00</u>

**SCHEDULE 9****CURRENT LIABILITIES & PROVISIONS**

(a) CURRENT LIABILITIES		
SUNDRY CREDITORS FOR PURCHASES		
- DUE TO SMALL SCALE INDUSTRIES	635,586.00	556,348.00
- DUE TO OTHERS	10,955,446.00	9,637,387.00
- FOR EXPENSES & OTHERS	2,778,540.00	1,954,214.00
UNCLAIMED DIVIDEND	19,712.00	19,712.00
(B) OTHER LIABILITIES	448,141.00	448,141.00
	<u>14,837,425.00</u>	<u>12,615,802.00</u>

**SCHEDULE 10****MISCELLANEOUS EXPENDITURE**

(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

SHARE ISSUE EXPENSES	742,845.00	1,104,729.00
DEFERRED REVENUE EXPENDITURE	23,018.00	34,529.00
	<u>765,863.00</u>	<u>1,139,258.00</u>
LESS : W/OFF DURING THE YEAR	373,395.00	373,395.00
	<u>392,468.00</u>	<u>765,863.00</u>

**SCHEDULE 11****OTHER INCOME :**

INTEREST RECEIVED	0.00	62,904.00
OTHER MISC RECEIPTS	2,762,453.00	353,639.00
	<u>2,762,453.00</u>	<u>416,543.00</u>

**SCHEDULE 12****MATERIALS & MANUFACTURING EXPENSES**

OPENING STOCK	29,359,832.00	41,629,279.00
ADD : PURCHASES	49,461,182.00	42,532,859.00
ADD : FREIGHT AND OTHER CHARGES	429,528.00	806,520.00
LESS : CLOSING STOCK	23,973,583.00	29,359,832.00
	55,276,959.00	55,608,826.00
EXCISE DUTY	389,890.00	911,650.00
POWER & FUEL CONSUMED	4,961,014.00	3,475,897.00
STORES & SPARES CONSUMED	927,457.00	963,783.00
WAGES & OTHERS	4,258,837.00	4,211,411.00
	65,814,157.00	65,171,567.00

**SCHEDULE 13****ADMINISTRATIVE & SELLING EXPENSES**

EMPLOYEES REMUNERATION & BENEFITS	3,241,670.00	3,141,672.00
PACKING & FORWARDING	1,118,586.00	1,064,350.00
TRAVELLING & CONVEYANCE	613,259.00	587,467.00
RENT	460,108.00	465,355.00
POSTAGE, TELEGRAM & TELEPHONES	495,558.00	716,636.00
RATES, TAXES & PROFESSIONAL CHARGES	429,307.00	363,233.00
ELECTRICAL EXPENSES	157,358.00	255,916.00
PRINTING & STATIONERY	158,065.00	150,477.00
COMMISSION & BROKERAGE	16,869.00	1,060,450.00
REPAIR & RENEWALS	595,201.00	543,693.00
BANK CHARGES	555,631.00	218,259.00
ADVERTISEMENT & PROMOTION EXPENSES	93,317.00	127,118.00
INSURANCE	262,570.00	214,176.00
VEHICLE MAINTENANCE	358,241.00	332,686.00
GENERAL EXPENSES	337,544.00	411,143.00
SECURITY CHARGES	481,669.00	552,586.00
AUDIT FEES	18,000.00	18,000.00
CLEARING & FORWARDING EXPENSES	1,358,770.00	232,514.00
BAD DEBTS	100,334.00	928,326.00
PROVISION FOR DOUBTFUL DEBTS	198,650.00	2,342,557.00
LOSS ON SALE OF ASSETS	.00	374,450.00
MISCELLANEOUS EXPENSES	142,886.00	117,059.00
PRELIMINARY & DEFERRED	373,395.00	373,395.00
REV. EXP WRITTEN OFF		
	11,566,988.00	14,591,516.00

## **SCHEDULE 14 :**

### **NOTES TO FINANCIAL ACCOUNTS FORMING AN INTEGRAL PART OF THE BALANCE SHEET AND THE PROFIT & LOSS ACCOUNT AS ON 31 st MARCH 2003.**

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) GENERAL**

- (i) Accounting policies not specifically referred to otherwise are consistent with earlier years and in consonance with generally accepted accounting principles. The accounts have been prepared on the basis of historical cost.
- (ii) Expense and income to the extent considered payable and receivable respectively are accounted for on an accrual basis.

##### **(b) REVENUE RECOGNITION**

- (i) Sale of goods is recognised on delivery to customers. Sales turnover are stated at net of excise duty, trade discounts and rebates granted during the ordinary course of the business.
- (ii) In appropriate circumstances revenue is recognised when no significant uncertainty as to determination or realisation exists.

##### **(c) EXCISE DUTY**

As per the past practice the Company has not made provision for excise duty on stocks lying in the warehouse. This has no impact on the loss for the year.

##### **(d) FIXED ASSETS**

- (i) Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in acquisition, construction/installation.
- (ii) Assets below Rs. 5000/- are written off in the year of purchase.

##### **(e) DEPRECIATION**

- (i) Depreciation on assets is provided on Straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act 1956.
- (ii) On addition / deductions made during the year the depreciation has been calculated on a pro-rata basis.

##### **(f) INVENTORIES**

###### **METHOD OF VALUATION**

- (1) Raw materials - at cost
- (2) Work in progress - at estimated cost.
- (3) Finished goods - at lower of cost or estimated realisable value.
- (4) Stores & Spares - at cost

##### **(g) FOREIGN CURRENCY TRANSACTION**

All payments & receipts made in foreign currency are converted into rupees at the rate at which it is debited or credited by the bank.

##### **(h) BORROWING COST**

All borrowing costs are charged to revenue.

##### **(i) DEFERRED TAXATION**

Deferred tax or liability is recognised for timing difference between the profit as per financial statements and the profit offered for income taxes, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realized.

##### **(j) RETIREMENT BENEFITS**

The company contribution to provident fund and pension fund are charged to profit and loss account in the year of accrual. The liability in respect of leave encashment is recognized on cash basis. The liability for gratuity are determined in accordance with schemes formulated by the company and is accounted on payment basis.

##### **(k) MISCELLANEOUS EXPENDITURE**

Public issue expenditure and deferred revenue expenditure are amortised over a period of 10 years and the balance is kept as miscellaneous expenditure (to the extent not written off or adjusted).



**(I) CONTINGENT LIABILITIES**

Contingent liabilities are determined on the basis of available information and are disclosed by way of notes to the accounts.

**2. CONTINGENT LIABILITY**

	CURRENT YEAR (IN LACS)	PREVIOUS YEAR (IN LACS)
(i) GUARANTEE OUTSTANDING AT THE YEAR END	203.74	168.17
(ii) BILL DISCOUNTED	72.34	36.02
3. The company has not provided interest on Term loan facility with Industrial Development Bank of India amounting to Rs.141.76 lacs. (Py. 40.07 lacs). The losses of the company are under stated by Rs.141.76 lacs and the liability is under stated by Rs.181.83. The balance of IDBI is subject to confirmation.		
4. Though the networth of the company has been eroded, the company has no intention of closing down its operation, hence the accounts are prepared on Going Concern concept.		
5. Fixed assets include Rs.0.88 lacs (P.Y. 3.84 lacs) acquired on hire purchase on which the vendors have a lien.		
6. Debit and credit balances in respect of parties are subject to confirmation and reconciliation.		
7. No provision for Gratuity is made in the books of Accounts.		
8. An amount of Rs.12,000/- (P.Y.12000) included in the deposit is pledged with the sales tax authorities.		
9. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.		
10. The company has been advised that the computation of net profits for the purpose of Directors remuneration under Section 349 of the Companies Act 1956 need not be enumerated since no Commission has been paid to the Directors. The monthly remuneration paid to the Director is as per Schedule XIII of the Companies Act 1956.		

**11. PAYMENTS TO DIRECTORS**

	YEAR ENDED 31.03.2003 (RS.)	YEAR ENDED 31.03.2002 (RS.)
DIRECTORS REMUNERATION	2,06,250.00	1,20,000.00
DIRECTORS SITTING FEE	2,000.00	-
	2,08,250.00	1,20,000.00

**12. AUDITORS REMUNERATION**

TAX AUDIT	6,000.00	6,000.00
AUDIT FEES	12,000.00	12,000.00
	18,000.00	18,000.00

**13. INSTALLED ANNUAL CAPACITY (Mts)**

(a) Common Proof Tarpaulin	26.25 Lakhs
(b) Chemically Processed Canvas	38.60 Lakhs

**Notes :**

- Licensing of capacity is not applicable.
- All capacities are expressed on triple shift basis.
- The installed capacities are as per the certificate given by the Technical office in-charge on which the auditors have relied, being technical matter.

#### 14. QUANTITATIVE DETAILS OF MANUFACTURED / TRADED GOODS

(FIGURES IN BRACKET REPRESENT PREVIOUS YEAR FIGURE)

(RUPEES IN LAKHS)

	OPENING STOCK	PRODUCTION / PURCHASE / CONVERSION	SALES	CLOSING STOCK
<b>(A) MANUFACTURED GOODS</b>				
<b>CANVAS</b>				
QTY (METERS)	9522 (14748)	806307 (659425)	811527 (664651)	4302 (9522)
VALUE (LACS)	8.14 (11.20)		515.42 (403.90)	2.25 (8.14)
<b>(B) TRADED GOODS</b>				
<b>(I) CANVAS / TARPAULIN / SILPAULIN</b>				
QTY (METERS)	220339 (356396)	433348 (354929)	467317 (490986)	186370 (220339)
QTY (KGS)	7243 (5497)	9124 (5187)	10461 (3441)	6023 (7243)
VALUE (LACS)	166.68 (228.13)	201.43 (155.16)	266.80 (328.25)	137.36 (166.68)
<b>(II) OTHERS</b>				
QTY (METERS)	NIL (NIL)	71114 (NIL)	71114 (NIL)	NIL (NIL)
QTY (PCS)	1840 (1500)	6 (419)	1842 (79)	4 (1840)
VALUE (LACS)	0.82 (0.60)	0.80 (0.96)	2.72 (0.93)	0.08 (0.82)

#### 15. RAW MATERIAL CONSUMED

2002 - 2003

Quantity	Value Rs. in Lakhs
(a) Yarn (Kgs)	414051
(b) Others	-
	244.03
	44.77

2002 - 2003

Quantity	Value Rs. in Lakhs
(a) Yarn (Kgs)	356344
(b) Others	-
	240.75
	30.82

#### 16. C.I.F. VALUE OF IMPORTS

RAW MATERIALS	11,23,935.00	95,684.00
MACHINERY SPARES	30,569.00	1,98,345.00

#### 17. EARNINGS IN FOREIGN EXCHANGE :

EXPORTS (FOB VALUE)	2,71,05,575.35	63,56,341.00
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18. Amount due and outstanding to be credited to the Investor Education and protection fund Rs.4,67,853/- (P.Y.467853)

19. In accordance with 'Accounting Standard 22' The net deferred tax assets has not been recognised by company in view of heavy accumulated losses and there is no reasonable certainty that sufficient future taxable income will be available against which they can be realised.

20. The company main activity of business is manufacturing and marketing of cotton canvas. All other activity revolve around this main business, hence there are no separate segments within the company as defined by 'AS 17 - SEGMENT REPORTING'.

**21. RELATED PARTY DISCLOSURES**

Related party disclosure as required by Accounting Standard 18 issued by the Institute of Chartered Accounts of India are given below.

NATURE OF TRANSACTION	KEY MANAGEMENT PERSONNEL	RELATIVE OF KEY MANAGEMENT PERSONNEL	TOTAL AMOUNT
REMUNERATION & SITTING FEE	2,08,250/-	-	2,08,250/- (1,20,000/-)
RENT & AMENITIES	-	27,600/-	27,600/- (27,600/-)

**KEY MANAGEMENT PERSONNEL**

AJEET KUMAR BHANDARI

ANIL KUMAR BHANDARI

UGAMCHAND BHANDARI

**RELATIVE OF KEY MANAGEMENT PERSONNEL :**

MOHAN KUMAR BHANDARI

**FOR & ON BEHALF OF THE BOARD**FOR SAKARIA & ASSOCIATES  
CHARTERED ACCOUNTANTSUGAMCHAND BHANDARI  
(MANAGING DIRECTOR)AJEET KUMAR BHANDARI  
(DIRECTOR)ASHOK KUMAR. S  
(PROPRIETOR)ANIL KUMAR BHANDARI  
(DIRECTOR)PLACE : CHENNAI  
DATE : 30.06.2003

22. Additional information pursuant to the provisions of Part IV of the Schedule VI to the Companies Act 1956

Balance sheet abstract and Company's General business profile

**I. Registration Details**

Registration No.	State Code	Balance Sheet Date	31 03 2003
2 0 0 7 2	1 8		

**II. Capital raised during the year (Amount in Rs. Thousands)**

Public Issue	Rights Issue	Bonus Issue	Private Placement
NIL	NIL	NIL	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities	Total Assets
1 9 5 6 8 5 . 7 1	1 9 5 6 8 5 . 7 1

**Source of Funds :**

Paid up Capital	Reserves & Surplus	Secured Loan
5 8 5 7 1 . 4 0	3 3 0 0 . 0 0	1 3 3 8 1 4 . 3 1

**Application of Funds :**

Net Fixed Assets	Investments	Net Current Assets	Misc. Expenditure
6 5 6 9 2 . 4 4	N I L	4 2 1 5 8 . 6 9	3 9 2 . 4 7
Accumulated losses			
8 7 4 4 2 . 1 0			

**IV. Performance of Company (Amount in Rs. Thousands)**

Turnover	Total Expenditure
8 0 9 0 4 . 1 6	9 0 8 5 6 . 2 6
+ -	+ -
Profit / Loss Before Tax	Profit / Loss After Tax
9 9 5 2 . 1 0	9 9 5 2 . 1 0
Earnings Per Share	Dividend Rate
N I L	N I L

**V. Generic Names of Three Principal Products / Service of the Company**

Item Code (ITC CODE)	5 2 1 1
Product Description	CHEMICALLY PROCESSED CANVAS
Item Code (ITC CODE)	6 3 0 6
Product Description	COMMON PROOF TARPAULIN
Item Code (ITC CODE)	NIL
Product Description	NIL
Vide our Report of Even Date.	

FOR SAKARIA & ASSOCIATES  
CHARTERED ACCOUNTANTS

ASHOK KUMAR. S  
(PROPRIETOR)

FOR & ON BEHALF OF THE BOARD  
UGAMCHAND BHANDARI  
(MANAGING DIRECTOR)  
ANIL KUMAR BHANDARI  
(DIRECTOR)

AJEET KUMAR BHANDARI  
(DIRECTOR)

PLACE : CHENNAI  
DATE : 30.06.2003

**Bharat Textiles & Roofing Industries Limited**

**CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT(S)**

	<b>2002 - 2003 RS.</b>	<b>2001 - 2002 RS.</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	(-) 9952096	(-) 27739901
ADJUSTMENT FOR :		
DEPRECIATION	4255177	4436299
INTEREST (NET)	9219934	17348162
LOSS ON SALE OF FIXED ASSETS	--	374450
DEFERRED REVENUE EXPS.	373395	373395
PROVISIONS FOR BAD DEBTS AND BAD DEBTS WRITTEN OFF	298984	3270883
	<u>14147490</u>	<u>25803189</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>4195394</b>	<b>(-) 1936712</b>
ADJUSTMENTS FOR : INCREASE/DECREASE		
TRADE & OTHER RECEIVABLES	(-) 1873650	2919765
INVENTORIES	5811414	11177121
CURRENT LIABILITIES	<u>2221623</u>	<u>(-) 8729454</u>
	<u>6159387</u>	<u>5367432</u>
CASH GENERATED FROM OPERATIONS	10354781	3430720
INTEREST PAID	(-) 9219934	17411066
NET CASH FLOW FROM OPERATIONS (A)	<u>1134847</u>	<u>(-) 13980346</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	(-) 163850	(-) 19850
SALE OF FIXED ASSETS	--	433089
NET CASH USED IN INVESTING ACTIVITIES (B)	<u>(-) 163850</u>	<u>413239</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM ISSUE OF SHARE CAPITAL		
INCREASE IN BORROWINGS	1004123	13854858
INTEREST RECEIVED	--	62904
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	<u>(-) 1004123</u>	<u>13917762</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(-) 33126	350655
ADD : CASH AND CASH EQUIVALENTS AS AT 1st APRIL	1327887	977232
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH	1294761	1327887

**NOTE :**

1. Cash and cash equivalents includes earmarked accounts amounting to Rs. 448141 (448141)

**FOR AND ON BEHALF OF THE BOARD**

Place : CHENNAI  
Date : 30.06.2003

**UGAMCHAND BHANDARI**  
(MANAGING DIRECTOR)

**AJEET KUMAR BHANDARI**  
(DIRECTOR)

**ANIL KUMAR BHANDARI**  
(DIRECTOR)

We have examined the above cash flow statement of **M/s BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED** for the year ended 31st March 2003. The statement has been prepared by the company in accordance with the requirements of listing agreement Clause 32 with Madras Stock Exchange and is based on and in agreement with the corresponding profit & loss account and Balance Sheet of the company covered by our report of 30 June 2003 to the members of the company.

**For SAKARIA & ASSOCIATES**  
Chartered Accountants

Place : CHENNAI  
Date : 30th June 2003

**ASHOK KUMAR. S**  
(PROPRIETOR)

**Bharat Textiles & Proofing Industries Limited**



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**  
Registered Office : 994, Sathyavedu Road, Suravarikandigai,  
Sirupullaipet, Gummidipoondi Taluk - 601 201.

### ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the meeting hall.

I hereby record my presence at the **12th ANNUAL GENERAL MEETING** of the company, at 994, Sathyavedu Road, Suravarikandigai, Sirupullaipet, Gummidipoondi - 601 201, Tamil Nadu. at 10.00 a.m Friday the 26th September, 2003.

Full name of the shareholder ..... Signature  
(in block capitals)

Folio No. ....

Full name of Proxy ..... Signature  
(in block capitals)

- - - - - Cut here - - - - -

**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**  
Registered Office : 994, Sathyavedu Road, Suravarikandigai,  
Sirupullaipet, Gummidipoondi Taluk - 601 201.

### PROXY FORM

I/we ..... being a member/members of the above named company, hereby appoint ..... of ..... in the district of ..... or failing him ..... of ..... in the district of ..... as my / our proxy to vote for me/us on my/our behalf at the 12th Annual General Meeting of the Company to be on 26th September, 2003. and at any adjournment thereof.

Signed this ..... day of ..... 2003.

Signature

Folio No .....

Revenue  
Stamp

**NOTE :** The proxy must be deposited at the Registered Office of the Company at 994, Sathyavedu Road, Suravarikandigai, Sirupullaipet, Gummidipoondi - 601 201, Tamil Nadu. not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the company.

**Bharat Textiles & Proofing Industries Limited**

**To**

**IF UNDELIVERED RETURN TO :**

**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED  
21, THOLASINGAM STREET,  
CHENNAI -600 079.**