

**SHRI
BHOLANATH
CARPETS
LIMITED**

ANNUAL REPORT 2017-18



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FORM A

[Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]

1	NAME OF THE COMPANY	SHRI BHOLANATH CARPETS LIMITED (FORMARLY KNOWN AS BIL CONTINENTAL LIMITED)
2	ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED	31 ST MARCH, 2018
3	TYPE OF AUDIT OBSERVATION	UN-QUALIFIED
4	FREQUENCY OF OBSERVATION	NOT APPLICABLE
5	TO BE SIGNED BY –	
6	•CHAIRMAN AND MANAGING DIRECTOR	SD/- (BHOLANATH BARANWAL)
7	• CFO	SD/- (VIVEK BARANWAL)
8	• AUDITOR OF THE COMPANY	SD/- (S.N.AGRAWAL)

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BOARD OF DIRECTORS

Shri Bholanath Baranwal
Shri Vivek Baranwal
Shri Shrinarayan Khemka
Smt. Veena Agnihotri
Smt. Nisha Tripathi
Shri Harish Baranwal

Chairman & Managing Director
Executive Director and CFO
Additional cum Independent Director
Independent Director
Additional cum Independent Director
Executive Director

STATUTORY AUDITOR

M/s. O.P. Tulsyan & Co.
Chartered Accountants
Varanasi, U.P.-221010

SECRETARIAL AUDITOR

M/s. Ajay Jaiswal & Co.
Company Secretaries,
Varanasi, U.P.221010

INTERNAL AUDITOR

M/s. Shah Mukul Kumar & Associates
Chartered Accountant
Varanasi, U.P.221005

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

BANKER:

Syndicate Bank,
Mid Corporate Office,
Maqbool Alam Road, Varanasi-221002

STATUTORY COMMITTEES

AUDIT COMMITTEE:

1. Shri Shrinarayan Khemka , Chairman
2. Smt. Veena Agnihotri, Member
3. Smt. Nisha Tripathi, Member

NOMINATION AND REMUNERATION COMMITTEE:

Smt. Veena Agnihotri, Chairperson
Shri Shrinarayan Khemka, Member
Smt. Nisha Tripathi, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Smt. Nisha Tripathi, Chairperson
Shri Shrinarayan Khemka, Member
Smt. Veena Agnihotri, Member

REGISTERED OFFICE:

G. T. Road, Kachhawan, Post Thatra, Varanasi -221313,
Phone: +542-2620323, Fax: +542-2620090,
E-mail: bil@bholanath.biz : Website: www.bholanath.biz

BOARD'S REPORT

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

Your Directors have pleasure in presenting the 45th Annual Report together with Audited Financial Statements of **M/s. SHRI BHOLANATH CARPETS LIMITED** for the Financial Year ended 31st March, 2018.

1. FINANCIAL RESULT

The summarized financial performance of your Company for the financial year 2017-18 as compared to previous year 2016-17 has been as under:

PARTICULARS	CURRENT YEAR ENDED	PREVIOUS YEAR ENDED
	31.03.2018	31.03.2017
NET SALES	272,391,795	301,264,538
OTHER INCOME	2,705,883	5,394,556
TOTAL REVENUE	275,097,678	306,659,094
TOTAL EXPENDITURE	273,788,932	305,754,405
PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX	1,308,745	904,686
EXTRAORDINARY ITEMS (CERS RECEIVABLE WRITTEN OFF)	-	-
PROFIT / (LOSS) BEFORE TAX	1,308,745	904,688
PROVISION FOR TAXATION		
- CURRENT TAX	680,246	643,632
- DEFERRED TAX	411,891	360,993
INTEREST ON SELF-ASSESSMENT	77,178	70,974
- TAX ADJUSTMENTS RELATING TO EARLIER YEARS	-3090	206,416
NET PROFIT (NET LOSS)	966,302	344,660

2. FINANCIAL HIGHLIGHTS

The Company has continued its growth story in terms of net profit during the year 2017-18, in spite of the income from sales has gone down from Rs. 3012 Lakhs to Rs. 2723 Lakhs.

The Company has recorded profit before exceptional and extraordinary items in the year Rs.13.08 Lakhs as compared to Rs. 9.04 Lakhs in the previous year 2016-17.

Whereas the net profit after tax during the year is Rs. 9.66 Lakhs as compared to previous year 2016-17 is Rs. 3.44 Lakhs.

3. RESERVES

The reserves of the Company stand at Rs.768.62 Lakhs during the year as compared to Rs. 758.96 Lakhs in the previous year ended on 2016-17.

4. OPERATIONS

During the year the total revenue from operations of the Company is Rs. 2723 Lakhs.

5. EXPORT

During the year the Company was exporting the handmade carpets and yarns outside India.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2018 was Rs. 480.00 Lakhs. During the year under review, the Company has not issued any types of share capital.

7. DIVIDEND

The Company has not proposed any dividend for the year 2017-18. Your Company needs more fund to grow fast so the profits will be utilized in the business of the Company.

8. INSURANCE

Your Company's assets continue to be fully insured against the risk of fire, riot, earthquake, terrorism etc.

9. OUTLOOK

The organization has increased focus on cost reduction measures as well as production of value added products. It is expected that in the current year 2017- 18, the Company shall demonstrate better bottom line performance for value addition for the investors.

10. HUMAN RESOURCE AND WELFARE

The well-disciplined workforce which has served the Company for more than three decades lies at the very foundation of the Company's major achievements and shall well continue for the years to come. The Management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

11. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company, to which the financial statements relate i.e. 31st March, 2018 and the date of the report i.e. 30.08.2018.

12. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

13. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

14. CORPORATE GOVERNANCE

Corporate Governance Report, Management Discussion and Analysis statement and Business Responsibility Report and a certificate from the Auditors confirming compliance are annexed herewith to this report.

15. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the Company has adopted a vigil mechanism policy. This policy is explained in Corporate Governance Report and also posted on the website of company.

16. BUSINESS RISK MANAGEMENT

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with SEBI (LODR) Regulations, 2015 the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Even though the provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, a CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

18. DEPOSITS

The Company has not accepted any deposit under Section 73 or Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

19. AUDITORS' OBSERVATION

There were no adverse remarks in the auditor's report.

19.1 STATUTORY AUDITOR

The Statutory Auditor of the Company has given unqualified report during the year under review.

19.2 SECRETARIAL AUDITOR

There were no qualifying remarks in the Secretarial audit report.

20. DIRECTORS

20.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year 2017-18, there is one change in the Director of the Company. Shri Amarnath Pandey, Independent Director resigned from his office due to illness and higher age. The Board of directors appoints Smt. Nisha Tripathi & Shri Shrinarayan Khemka as additional directors cum Independent Directors in their meeting held on 04th June, 2018 & 14th August, 2018 respectively and their appointment will be ratified in ensuing AGM by Members.

20.2 INDEPENDENT DIRECTOR(S) DECLARATION

In pursuance of sub-section (7) of Section 149 of the Companies Act, 2013 all the Independent Directors have furnished the declaration that they meet the criteria of Independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

20.3 BOARD ANNUAL EVALUATION

Pursuant to the provisions of companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

20.4 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

20.5 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTIVE, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place Anti-Sexual Harassment Policy in line with the requirements of 'The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013'. An Internal

Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the year under review, no cases were filed under the said Act, before the Internal Complaints Committee.

21. BOARD AND COMMITTEE MEETINGS

21.1 BOARD MEETING

During the year 2017-18, 04 meeting of the Board of Directors were held on 30th May, 2017, 31st August, 2017, 10th November, 2017, 13th February, 2018. The maximum time gap between any two consecutive meetings was not exceeding four months.

21.2 AUDIT COMMITTEE MEETING

The Chairman of the Audit Committee is Shri Amarnath Pandey. During the year, 4 Audit Committee meetings were held on 23rd May, 2017, 21st August, 2017, 02nd November, 2017 and 08th February, 2018. The composition of the Audit Committee and number of meetings attended by the Members are given below:

Name of directors	Category	Number of meetings held during 2017-18	Meeting Attended
Mr. Amarnath Pandey (Resigned During the year)	Independent	4	4
Shri Shrinarayan Khemka (Appointed on 14.08.2018)	Additional Director cum Independent Director	0	0
Dr. Kavita Shah (Resigned on 30.05.2018)	Independent	4	4
Smt Nisha Tripathi Appointed on 04.06.2018)	Additional Director cum Independent Director	0	0
Smt. Veena Agnihotri	Independent	4	4

The other details of Board and Committee Meetings are given in Corporate Governance Report forming part of the Annual Report.

21.3 INDEPENDENT DIRECTORS MEETING

During the year the one meeting of independent directors was held on 08.02.2018.

22. AUDITORS

22.1 STATUTORY AUDITORS

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. O.P.Tulsyan & Co., Chartered Accountant, (Firm Registration No.500028N) be and is hereby re-appointed as the Statutory Auditors of the Company and to hold the office from the 44th Annual General Meeting till the conclusion of 48th Annual General Meeting of the Company which will be held in the year 2022, at a remuneration to be decided by the Board of

Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

22.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ajay Jaiswal & Co. (CP No.: 3684, FCS: 5112), Company Secretaries to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed herewith as ‘**Annexure A**’.

22.3 INTERNAL AUDITORS

M/s. Shah Mukul Kumar & Associates, Chartered Accountant performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee from time to time.

23. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “**Annexure B**”.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are disclosed in Form No. AOC -2 is annexed herewith as “**Annexure C**”.

25. EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with rule 12 of the Companies (Management & Administration) Rules, 2014 is furnished in Annexure-D and is attached to this report.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report on financial condition and results of operations of the Company for the year under reviews required under Regulation 34 of SEBI (LODR) Regulation, 2015 is given as separate statement forming part of the Annual Report.

27. PARTICULARS OF EMPLOYEES**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The information required pursuant to Section 197 read with Rule, 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

- i. The percentage increase in remuneration of each Director, Chief Executive Officer and Chief Financial Officer during the Financial Year 2017-18 , ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Name of Director / KMP	Remuneration of the Director / KMP in F.Y. 2017-18	Remuneration of the Director / KMP in F.Y. 2017-18	% Increase in F.Y. 2017-18	Ratio(times) of the remuneration of each director to the median remuneration of the employees	Comparison of the remuneration of the KMP against the performance of the company
Bholanath Baranwal, Managing Director (KMP)	696,000	696,000	0.00	2.10	The turnover of the Company decrease by -9.58%. There is a marginal increase in profit before tax and but the profit after tax has decreased.
Vivek Baranwal (CFO)	1,81,200	1,81,200	0.00	2.10	

- ii. There were 2 permanent employees on the rolls of the Company during the financial year 2017-18.
- iii. **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**

There is no change in total remuneration of Key Managerial Personnel during the year in comparison to last year whereas the turnover of the Company decreases -9.58%. There is a marginal increase in profit before tax and but the profit after tax has decreased.

FOLLOWING ARE THE DATE WISE MARKET CAPITALIZATION OF THE COMPANY:-

- iv. **A) Variations in the market capitalization of the Company:**

There were trading on the stock exchange.

Date	Open Price	Total No. of Shares Listed in BSE	Market Capitalization
12-Mar-18	8.16	4800000	39168000
09-Mar-18	8.58	4800000	41184000
08-Mar-18	8.17	4800000	39216000
06-Feb-18	8.6	4800000	41280000
08-Nov-17	8.23	4800000	39504000
14-Sep-17	7.84	4800000	37632000
14-Jul-17	8.25	4800000	39600000
21-Jun-17	7.87	4800000	37776000
12-Apr-17	7.49	4800000	35952000
11-Apr-17	7.8	4800000	37440000
10-Apr-17	8.45	4800000	40560000
07-Apr-17	8.1	4800000	38880000
06-Apr-17	7.72	4800000	37056000
05-Apr-17	7.36	4800000	35328000
03-Apr-17	7.01	4800000	33648000

b) **Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the Company came out with the last public offer in the year:** There was no further offering of the shares (FPO).

v. Average percentage increase made in the salaries of employees other than the Managerial Personnel in the last financial year i.e. 2017-18 was 7.06 % whereas the increase in the managerial remuneration for the same financial year was 0%.

vi. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

vii. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

viii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ix. **THE PARTICULARS OF THE EMPLOYEES WHO ARE COVERED BY THE PROVISIONS CONTAINED IN RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE:**

a) Employed throughout the year Nil

b) Employed for part of the year Nil

x. **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The performance of the Directors is evaluated on the basis of their contributions at the meetings, strategic inputs for the performance and growth of the Company among others. The Directors have carried out performance evaluation on annual basis, of Directors, Committee and the Board. The Nomination and Remuneration Committee of the Board has laid down the performance evaluation framework under which performance of every Director is evaluated. The framework also provides the manner in which the Directors, as a collective unit in the form of Board Committees and the Board function and perform.

28. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. The internal financial controls were in operation during the reporting period from 1st April, 2015 to 31st March, 2018. Our management assessed the effectiveness of the Company's internal control over financial reporting as of 31st March, 2018. M/s. O.P. Tulsian & Co. Chartered Accountants, the statutory auditors have audited the financial statements. They have assessed the internal financial controls including the Entity Level Controls, Process Application and Transaction Controls and Information Technology General Controls. The audit committee review reports have been submitted by the management and audit reports have been submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically. The Company has a comprehensive risk management framework. Compliance of secretarial functions is ensured by way of secretarial audit. Based on its evaluation as defined in section 177 of Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, 2015, audit committee has concluded that, as of 31st March, 2018, the internal financial controls were adequate and operating effectively.

29. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the annual financial statements for the year ended 31st March, 2018; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;

- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

29. COMPANIES WHICH CEASED TO BE HOLDING, SUBSIDIARY OR ASSOCIATE COMPANY

There is no holding and subsidiary company which is to be ceased during the financial year. The Company has an associate company but not ceased the relation during the period under review.

30. PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEE

There is no loan, or guarantee but investment made pursuant to provisions of Section 186 of the Companies Act, 2013.

31. ACKNOWLEDGEMENTS

The Company has been very well supported from all quarters and therefore your Directors would like to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central Government and State Governments, Bankers, Credit Rating Agencies, Depositories, Stock Exchange, Registrar and Share Transfer Agents, Associates as well as our Shareholders at large during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment, abilities and hard work of all executives, officers and staff that enabled Company to consistently deliver satisfactory and rewarding performance even in the challenging economic conditions.

We look forward to receiving the continued patronage from all quarters to become a better and stronger company.

32. CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces another associated and incidental factors may however lead to variation in actual results.

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018

Place: Varanasi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

The management discussion and analysis presents the industry overview, opportunities and threats, initiatives by the Company and overall strategy of becoming a market driven producer/exporter of various innovative models and ranges of products. The company is very optimistic of capturing a substantial share of export market in the midst of the threats faced due to the liberalization and increased competition from well established companies from India and abroad.

OUTLOOK ON OPPORTUNITIES:

The demand for contemporary carpets will continue to grow. The Company has eminent infrastructure for in-house production of hand-tufted carpet besides having access to additional facilities of Kandla Rugs for contract market. The company is actively pursuing outsourcing of other products such as hand knotted, flat woven and shaggy to enhance its sales.

The Company is considering the domestic market for offline and online offering of its manufactured Carpets through ecommerce and trade channels as sees a good potential for its product in the domestic market as well.

INDUSTRY STRUCTURE & DEVELOPMENTS:

Carpet Industry is the one of the oldest industries not only in India but in world also. The major players on international levels are Iran, China and India. The prices in Iran have increased significantly and Chinese hand knotted carpet weavers have migrated to other occupation. This gives ample opportunity for Indian hand knotted carpets. It is expected that demand for these carpets will increase in the current financial year.

RISK AND CONCERNS:

The main business of your Company is export business. Thus uncertainties in global economy/International Market are major risk for your Company. To address this company is working to diversify its market base and enter the Chinese market which is a huge and remunerative market.

Any further change in duty drawback, DEPB & Exchange Rate policy would have a direct effect on the profitability of the Company. The management of your Company is hopeful on offsetting any adverse impact by better management abilities.

INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. There is an Internal Auditors with clearly laid down powers and responsibilities that are entrusted to them to ensure that the Internal Audit works independently.

The company is maintaining various manuals which contain various controls and checklists that are to be carried out before execution of any activity. Internal checks are exercised so that the various procedures are laid at the time of delegation of authorities and other procedures are strictly followed. The delegation clearly indicates the powers along with the monetary limits, wherever necessary, that can be exercised by various levels of Managers in the Company.

Similarly, the Company has well defined manuals for all the functional areas, viz., Production, Sales, Administration, Personnel, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by strictly adhering to the various procedures and checklist prescribed in the Manuals. Also these are updated from time to time on ongoing basis, keeping in view the latest developments in different areas. Proper controls and checks are exercised by the company by following the procedures prescribed in the various manuals.

HUMAN RESOURCES & INDUSTRIAL RELATION:

The Industrial relations were very cordial throughout the year. Measures for safety of employees, training, welfare & Development continue to receive top priorities.

ENVIRONMENT CARE, SOCIAL ACCOUNTABILITY AND QUALITY SYSTEM:

Your Company has the certificate of ISO 9001: 2000 which has enabled your Company to market, its products in the international markets in better way. Since your company has fulfilled the social responsibility criteria, it has been recognized with SA- 8000 certification. In addition, it is also ISO 14001 certified, the Environment Protection System. These certifications instill confidence in all trade channel partners including suppliers and buyers.

FUTURE PROSPECTS OF COMPANY:

The Company recently participated in a trade fair in China and believes that there is a huge potential to offer our handmade carpet to their huge domestic market.

On Behalf of the Board

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

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan,
Varanasi - 221313, U.P.

Form No. MR-3
Secretarial Audit Report
For the financial year ended March 31, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shri Bholanath Carpets Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shri Bholanath Carpets Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2018 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company during the audit period)

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- II. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. However, *the Listing fees to the Bombay Stock Exchange for the year 2017-18 were paid late, as per regulation 14 of SEBI (LODR) Regulations 2015. The management explained that the late fees payment was only inadvertently.*

We further report that in terms of SEBI (LODR) Regulations 2015, there was delay in presenting the financial result, shareholding pattern and other legal compliances for the (Q 1) first quarter of the financial year 2017-18, to the Stock Exchange. In this regard, the management of the Company explained that the said delay was due to the resignation of Company Secretary of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes, the decisions at the Board

Meetings were taken unanimously. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc. We further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Ajay Jaiswal & Company
Company Secretaries
SD/-
Ajay Jaiswal
FCS No: 5112 CP No: 3486

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

SBC

'Annexure A'

To,
The Members
Shri Bholanath Carpets Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ajay Jaiswal & Company
Company Secretaries
SD/-
Ajay Jaiswal
FCS No: 5112 CP No: 3486

ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC.

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided hereunder:

1. CONSERVATION OF ENERGY**(A) ENERGY CONSERVATION MEASURES TAKEN**

During the year the company has taken required measures for the conservation of the energy. During the last financial year company has installed power capacitor to reduce the demand Charges. It will save substantial power expense, which is reflecting in monthly power bills.

(B) ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY

The company has its plan in the pipeline for the additional investment. Once it is finalized it will be intimated to exchange.

(C) IMPACT OF THE MEASURES OF THE ABOVE

This will impact positively to the environmental safety as well as workers safety.

(D) STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCE OF ENERGY.

Since inception the Company is using Biomass as a fuel for generating the Steam. In year 1995, the Company installed a 2.5 MW cogeneration power plant using biomass (rice husk and pith) as fuel. The Company has also installed a Black liquor (Pollutant generated during pulping of Agro waste raw material) fired Boiler, generating steam and thereby power.

2. TECHNOLOGY ABSORPTION**EFFORTS MADE IN TECHNOLOGY ABSORPTION:****(A) Specific areas in which R & D carried out by the Company**

1. The company is making R & D in required field on a continuous basis.
2. Developments of new grades.
3. Usage of fines as a tool for development of higher strength carpets.
4. Enhancement of opacity level of product using alternative fillers & raw materials in furnish.
5. Trial of high purity lime to enhance caustic sing efficiency.

(B) Benefits derived as a result of the above R & D

By the evaluation & use of alternative aid, resins& specialty raw materials, the quality of product improved &reduced consumption resulting reduced energy& cost of production and improving the properties of carpets.

(C) Future plan of action

The future plans are under process and on finalization stage.

3. FOREIGN EXCHANGE EARNING AND OUTGO

(A) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;

The Company has continued thrust on exports.

(B) Total foreign exchange used and earned

During the year the Company has earned 168155.74 Euro, 1821677.71 USD and 1172 GBP as compared to the in Foreign Currency through export of its finished products.

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018

Place: Varanasi

FORM AOC -2

(Pursuant to clause (h) of sub section (3) of the section 134 of the Act and Rules 8(2) of the Companies (Account) Rules, 2014)

Form for Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. No.	Particulars	Details
1	Name (s) of the related party	NIL
2	Nature of relationship	NIL
3	Nature of contracts/arrangements/transaction	NIL
4	Duration of the contracts/arrangements /transaction	NIL
5	Salient terms of the contracts or arrangements or transaction	NIL
6	Value of the contracts or arrangements or transaction	NIL
7	Date of approval by the Board	NIL
8	Amount paid as advances, if any	NIL
9	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at arm's length basis:

Sl. No.	Particulars	Details
1	Name (s) of the related party	Shri Bholanath Industries Limited
2	Nature of relationship	Directors are common
3	Nature of contracts / Arrangements / transaction	Purchase of goods
4	Duration of the contracts / arrangements / transaction	NIL
5	Salient terms of the contracts or arrangements or transaction	NIL

6	Value of the contracts or arrangements or transaction	Market price
7	Date of approval by the Board	Since incorporation of company
8	Amount paid / received as advances, if any	NIL
9	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

Sl. No.	Particulars	Details
1	Name (s) of the related party	Organic Weave Limited
2	Nature of relationship	Directors are common
3	Nature of contracts / Arrangements / transaction	Sale of Goods
4	Duration of the contracts / arrangements / transaction	NIL
5	Salient terms of the contracts or arrangements or transaction	NIL
6	Value of the contracts or arrangements or transaction	Market price
7	Date of approval by the Board	2013
8	Amount paid / received as advances, if any	NIL
9	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

Sl. No.	Particulars	Details
1	Name (s) of the related party	Kaandla Rugs Limited
2	Nature of relationship	Directors Relative
3	Nature of contracts / Arrangements / transaction	Sale and Purchase of Goods
4	Duration of the contracts / arrangements / transaction	NIL
5	Salient terms of the contracts or arrangements or transaction	NIL

6	Value of the contracts or arrangements or transaction	Market price
7	Date of approval by the Board	-
8	Amount paid / received as advances, if any	NIL
9	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan,
Varanasi - 221313, U. P.

FORM NO. MGT – 9

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR

ENDED ON 31.03.2018

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L17226UP1973PLC003746
ii.	Registration Date	21.07.1973
iii.	Name of the Company	SHRI BHOLANATH CARPETS LIMITED
iv.	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES, INDIAN NON - GOVERNMENT COMPANY
v.	Address of the Registered office and contact details	G. T. ROAD, KACHHAWAN, VARANASI - 221313, U. P., PHONE: +542-2620313, FAX: +542-2620090, EMAIL: CS@BHOLANATH.BIZ WEBSITE: WWW.BHOLANATH.BIZ
vi.	Whether listed company	YES, BOMBAY STOCK EXCHANGE (BSE)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAS SERVICES LIMITED T-34, 2ND FLOOR, OKHLA INDUSTRIAL AREA, PHASE - II, NEW DELHI - 110 020, DELHI, PH: - 26387281/82/83, FAX:- 26387384, EMAIL: - INFO@MASSERV.COM WEBSITE: WWW.MASSERV.COM

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Carpet Manufacture	13931	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	SHRI BHOLANATH INDUSTRIES LIMITED	U74899DL1992PLC051145	Associate	33.43	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	2,133,000	295,300	2,428,300	50.6	2,031,730	397,870.0	2,429,600	50.6	(0.0)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks	-	-	-	-	-	-	-	-	-

/ FI									
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	2,133,000	295,300	2,428,300	50.6	2,031,730	397,870	2,429,600	50.6	(0.0)
2) Foreign									-
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
B. Public Shareholding									-
1. Institutions									-
a) Mutual Funds	-	3,700	3,700	0.1	-	3,700	3,700	0.1	-
b) Banks / FI	100,000	-	100,000	2.1	100,000	-	100,000	2.1	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	100,000	3,700	103,700	2.2	100,000	3,700	103,700	2.2	-

2. Non Institutions									-
a) Bodies Corp.	65,000	996,100	1,061,100	22.1	131,300	996,100	1,127,400	23.5	(1.4)
(i) Indian									
(ii) Overseas									
b) Individuals									-
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	249,800	589,600	839,400	17.5	235,200	586,200	821,400	17.1	0.4
(ii) Individual shareholders holding nominal share capital in excess of Rest 2 lakh	213,700	153,800	367,500	7.7	238,300	79,600	317,900	6.6	1.0
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	528,500	1,739,500	2,268,000	47.3	604,800	1,661,900	2,266,700	47.2	0.0
Total Public Shareholding (B)=(B)(1) + (B)(2)	628,500	1,743,200	2,371,700	49.4	704,800	1,665,600	2,370,400	49.4	0.0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total	2,761,500	2,038,500	4,800,000	100	2,736,530	2,063,470	4,800,000	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	VIVEK BARANWAL	36400	0.76	0	36400	0.76	0	0
2.	HARISH BARANWAL	57500	1.20	0	57500	1.20	0	0
3.	BHOLANATH BARANWAL	668680	13.93	0	668680	13.93	0	0
4.	ROMIT BARANWAL	31200	0.65	0	31200	0.65	0	0
5.	AMIT BARANWAL	31200	0.65	0	31200	0.65	0	0
6.	SUMIT BARANWAL	31200	0.65	0	31200	0.65	0	0
7.	BHOLANATH BARANWAL HUF	188900	3.93	0	188900	3.93	0	0
8.	RENU BARANWAL	12800	0.26	0	12800	0.26	0	0
9.	DINA NATH BARANWAL	257400	5.36	0	257400	5.36	0	0
10.	DINANATH BARANWAL	103900	2.16	0	103900	2.16	0	0
11.	HRIDAYNATH BARANWAL	27500	0.57	0	27500	0.57	0	0
12.	PHOOLMANI DEVI BARANWAL	117900	2.45	0	117900	2.45	0	0
13.	SURENDRA NATH BARANWAL	357400	7.44	0	357400	7.44	0	0
14.	VIJAYA BARANWAL	87800	1.82	0	87800	1.82	0	0
15.	RAGINI BARANWAL	204600	4.26	0	204600	4.26	0	0
16.	BINA BARANWAL	112520	2.34	0	112520	2.34	0	0

17	NIKHIL BARANWAL	101400	2.11	0	101400	2.11	0	0
	TOTAL	2428300	50.59	0	2428300	50.59	0	0

iii. Change in Promoters' Shareholding (please specify, if there is no change)- NO CHANGE

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured	Deposits	Total
		Loans		Indebtedness
Indebtedness at the beginning of the financial year	92646016.28			92646016.28
				92646016.28
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not				-
Total(I + li + iii)	92646016.28	0	-	92646016.28
Change in Indebtedness during the financial year		0	-	-
- Addition	119220813.48			119220813.48
- Reduction	110708227.27			110708227.27

Net Change	8512586.21	0	-	8512586.21
Indebtedness at the end of the financial year	101158602.49	0	-	101158602.49
i) Principal Amount				
ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ ii+ iii)	101158602.49	0	-	101158602.49

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No.	Particulars of Remuneration	Name of MD /WTD/ Manager				Total Amount
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income – tax Act,1961 (c)Profits in lieu of salary under section 17(3) Income- tax Act,1961	Bholanath Baranwal				696000.00
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total(A)	-	-	-	-	696000
	Ceiling as per the Act	-	-	-	-	3000000.00

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors	Total
---------	-----------------------------	-------------------	-------

					Amount
	<u>Directors</u>				
	-Fee for attending board / committee meetings-	Amarnath Pandey			0.00
		Veena Agnihotri			13000.00
		Kavita Shah			13000.00
	Total(1)				26000.00
	<u>Other Non-Executive Directors</u>	NA	NA	NA	0.00
	-Fee for attending board committee meetings				
	-Commission				
	-Others, please specify				
	Total(2)				0.00
	Total(B)=(1+2)				26000.00
	Total Managerial Remuneration				722000.00
	Overall Ceiling as per the Act				9000000.00

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Niraj Tripathi (Company Secretary)	Vivek Baranwal (CFO)	Total

1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section 17 (3) Income-tax Act,1961	-	- 132000 (For 6 Months)	- 181200.00	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit -others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	132000	181200	-

VII.PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On Behalf of the Board

Sd/-
Bholanath Baranwal
 (Chairman & Managing Director)
 DIN: 00306086

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan,
Varanasi - 221313, U. P.

CORPORATE GOVERNANCE
CORPORATE GOVERNANCE REPORT

In terms of Schedule V of Regulation 34 of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, the Corporate Governance Compliance Report is provided hereunder:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is of the belief that sound Corporate Governance is vital to enhance and retain stakeholders' trust. Good Governance underpins the success and integrity of the organization, institutions and markets. It is one of the essential pillars for building efficient and sustainable environment, system and practices to ensure that the affairs of the Company are being managed in a way which ensure accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectation. Your Company is committed to the adoption of best governance practices and its adherence in the true spirit at all times and envisages the attainment of a high level of transparency and accountability in the functioning of the Company and conduct of its business internally and externally.

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company recognizes that good governance is a continuing exercise and thus reiterates its commitment to pursue highest standard of Corporate Governance in the overall interest of its stakeholders.

Your Company not only adheres to the prescribed corporate governance practices as per SEBI (LODR) Regulation, 2015 but is also consistently working for the betterment of the governance system executed with the Stock Exchanges. We are committed to doing things in the right way which includes but not limited to compliance with its applicable legal requirement.

THE HIGHLIGHT OF THE CORPORATE GOVERNANCE SYSTEM INCLUDES:

1. The Board of Directors of the Company is well represented with Executive, Non-Executive and Independent Non-Executive Directors with the Chairman and Managing Director.
2. The Board has constituted several Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, etc. The Board is empowered to constitute additional functional Committee from time to time, depending on the business needs.
3. The Company has established a Code of Conduct and Corporate Disclosure Policy for prevention of Insider Trading for Directors and Employee of the Company.
4. Whistle Blower Policy wherein the Employee may have the direct access to the Chairman of Stakeholder Relationship Committee and Chairman of Audit Committee.
5. Risk Management framework to identify the risk for its business and to assess the probability of its occurrence. Its mitigation plans and information placed before the Audit Committee and Risk Management Committee periodically.

2. BOARD OF DIRECTORS:

The Company is managed and guided by the Board of Directors ("Board"). The Board formulates the strategy, regularly reviews the performance of the Company, determine the purpose and values of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman and Managing Director with the support of the senior executives overseeing the functional matters of the Company. The Company has an optimum combination of Executive, Non-Executive and Independent Directors who are eminent persons with professional expertise and valuable experience in their respective areas of specialization and bring a wide range of skills and experience to the Board.

During the year, information as required in SEBI (LODR) Regulations, 2015, has been placed before the Board for its consideration. In addition to matters statutorily requiring Board's approval, all major decision involving policy formulation, strategy and business plans, new investments, compliance with statutory / regulatory requirements and major accounting provisions are considered by the Board.

Minutes of the Board Meeting / Committees are circulated to Directors and confirmed at subsequent meetings.

a) COMPOSITION OF THE BOARD:

As on 31st March, 2018, the Board of Directors of the Company has 6 Directors out of which 3 are Executive and 3 are Non-Executive Independent Directors.

The present Board consists of 3 Executive Director and 3 Non-Executive Directors. The Non-Executive Directors with their diverse knowledge, experience and expertise brings in their independent judgment to the deliberations and decisions of the Board. The Non- Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2017-18.

b) INDEPENDENT DIRECTORS:

The definition of independence of Directors is derived from Section 149 of the Companies Act, 2013 read with SEBI (LODR) Regulation 2015. All the independent Directors of the Company make declaration to the Company annually regarding their independence status. All such declarations were placed before the Board.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors pursuant to SEBI (LODR) Regulation 2015.

c) NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

The Non-Executive Directors are paid only sitting fee. No stock options were granted to Non-Executive Directors during the year under review.

d) OTHER PROVISIONS AS TO BOARD AND COMMITTEE:

During the year 2017-18 , 05 meeting of the Board of Directors were held on 27th May, 2017 (This meeting was postponed), 30th May, 2017, 31st August, 2017, 10th November, 2017 and 13th February, 2018. The maximum time gap between any two consecutive meetings was not exceeding four months. Details of attendance of Directors at Board meeting and at the last Annual General Meeting held on 29th September, 2017, with

particulars of their other Directorships and Chairman /Membership of Board Committees of other Companies showing the position as on 31st March, 2018 are given below:-

Name of Director and DIN	Designation	Category	Attendance at Board Meeting	Attendance at last AGM	No. of outside Directorship in Public Limited Company		No. of committees and positions held	
					Director	Chairman	Chairman	Member
Shri Bholanath Baranwal	Managing Director	Promoter, Executive, Non-independent	5	Yes	2	0	0	0
Shri Amarnath Pandey	Non-Executive, Independent Director	Non-Promoter, Non-Executive, Independent	2	No	0	0	1	3
Dr. Kavita Shah	Non-Executive, Independent Director	Non-Promoter, Non-Executive, Independent	5	No	0	0	1	3
Shri Harish Baranwal	Executive Director	Promoter, Executive, Non-Independent	3	No	2	0	0	0
Shri Vivek Baranwal	Executive Director	Promoter, Executive, Non-Independent	5	Yes	2	0	0	0

Smt. Veena Agnihotri	Non-Executive, Independent Director	Non-Promoter, Non-Executive, Independent	5	No	0	0	1	3
Smt. Nisha Tripathi	Additional cum Non-Executive, Independent Director	Non-Promoter, Non-Executive, Independent	0	0	0	0	0	0
Shri Shrinarayan Khemka	Additional cum Non-Executive, Independent Director	Non-Promoter, Non-Executive, Independent	0	0	0	0	0	0

Other directorships do not include directorships of Private Limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanships / Memberships of Board Committees include only Audit, Nomination and Remuneration and Stakeholders Relationship Committees.

Shri Bholanath Baranwal, Managing Director of the Company is father of Shri Vivek Baranwal and Shri Harish Baranwal, Directors of the Company and thus is related. No other Director of the Company is related to any other Director of the Company.

Shri Amarnath Pandey resigned from the post of Non-Executive Independent Director in the board meeting held on February 13, 2018 due to sick and high age during the year.

Particulars of the Non-Executive Directors who are retiring by rotation and eligible for re-appointment has been have been given in the attachment to the Notice and their profile is also appearing elsewhere in the Report.

(e) CODE OF CONDUCT

(A) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of the Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company – www.bholanath.biz.

(B) The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2018. The Annual Report of the Company contains a Certificate by the Managing Director in this regard.

3. AUDIT COMMITTEE

(A) QUALIFIED AND INDEPENDENT AUDIT COMMITTEE

The Company complies with the provisions of Section 177 of the Companies Act, 2013 read with rules made thereunder as well as requirements under the SEBI (LODR) Regulations, 2015 pertaining to the Audit Committee. Its functioning is as under:

- The Audit Committee presently consists of the 3 Non-Executive Independent Directors.
- All members of the Committee are financially literate and having the requisite financial management expertise.
- The Chairman of the Audit Committee is an Independent Director.
- The Chairman of the Audit Committee was present at the last Annual General Meeting held on 29th September, 2018.
- M/s O. P. Tulsyan & Co. has audited the accounts of the Company from the financial year 2017-18 will continue to audit in future years.

(B) COMPOSITION, NAMES OF MEMBERS AND CHAIRPERSON, ITS MEETINGS AND ATTENDANCE:

The Chairman of the Audit Committee is Shri Amarnath Pandey. During the year, 4 Audit Committee meetings were held on 23rd May, 2017, 21st August, 2017, 02th November, 2017 and 08th February, 2018.

The composition of the Audit Committee and number of meetings attended by the Members are given below:

Name of directors	Position	Meeting Held during 2017-18	Meeting Attended
Mr. Amarnath Pandey	Independent	4	4
Smt. Veena Agnihotri	Independent	4	4
Dr. Kavita Shah	Independent	4	4

The Committee meetings are attended by invitation by the Managing Director, Chief Financial Officer, Unit Head, the representatives of Statutory Auditors and representatives of the Internal Auditors.

The internal and statutory auditors of the Company discuss their audit findings and update the Audit Committee and submit their views directly to the Committee. Separate meetings are held with the internal auditors to focus on competence issues and to conduct detailed reviews of the processes and internal controls in the Company.

(C) FUNCTION AND TERMS OF REFERENCE

The function and terms of reference of the Audit Committee meet the requirements of SEBI (LODR) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The broad terms of reference of the Committee include:-

a) STATUTORY AUDITORS

To recommend the Board for the appointment and /or re-appointment of the Statutory Auditors, fixation of audit fee and to approve payment for any other services rendered by the statutory auditors.

b) REVIEW INDEPENDENCE OF STATUTORY AUDITORS

Reviewing the information provided by the management relating to the independence of firm, including, among other things, information relating to the non-audit services provided and expected to be provided by the Statutory Auditors.

c) REVIEW THE PERFORMANCE OF THE INTERNAL AND EXTERNAL AUDITORS

Review with the management the performance of the statutory and internal auditors and adequacy of the internal control systems.

d) REVIEW FINANCIAL STATEMENTS

1. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications, if any in the draft audit report.

2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

e) REVIEW OF OTHER INFORMATION

The Audit Committee reviews the following information:

- Management discussion and analysis of financial condition and results of operation.
- Statement of significant related party transaction submitted by the management.
- To look into the reasons for substantial defaults in the payment to the creditors.
- To review the functioning of the Whistle Blower mechanism.
- Seek legal or professional advice, if any

4. NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board has a committee as “Nomination and Remuneration Committee”.

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the Company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the Industry norms.

During the year only 2 Nomination and Remuneration Committee Meeting was held on 21th August, 2017 and 08th February, 2018. The Composition of Nomination and Remuneration Committee and attendance of each member Director, at the Committee Meetings during the period is as under:

Name of Directors	Position	Meeting Held during 2017-18	Meeting attended
Mr. Amarnath Pandey	Member	2	2
Dr. Kavita Shah	Chairperson	2	2
Mrs. Veena Agnihotri	Member	2	2

REMUNERATION TO EXECUTIVE DIRECTORS

The details of remuneration paid to all the Executives Directors during the year ended on March 31, 2018 are as follows:

Name of Directors	Service contract / Notice Period	Remuneration Paid (Salaries, Perquisites and contribution to PF)	Total
Shri Bholanath Baranwal	Appointed was effective from 30.09.2015 and made for 5 years from the date of reappointment	6,96,000.00	6,96,000.00

REMUNERATION TO NON-EXECUTIVE DIRECTORS

No remuneration paid to any Non-Executives Directors during the year ended on 31st March, 2018.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Shareholders / Investor Grievance Committee Meeting” as the “Stakeholder Relationship Committee”. The said Committee would also recommend measures for overall improvement of the quality of Investor Services. The process of share transfer as well as review of Redressal of investors’/shareholders’ grievances is undertaken on fortnightly basis by the Registrar and Share Transfer Agents and the Compliance Officer.

However, the matters related to issue a fresh Share Certificates would be dealt with by the Stakeholder Relationship Committee.

The Board has delegated the powers to the Registrar and Transfer Agents (RTA) to attend to Share Transfer formalities twice in months in accordance with Regulation 7 of the SEBI (LODR) Regulations 2015.

During the year, 2 meetings of the Stakeholder Relationship Committee were held on 23rd May, 2017, and 08th February, 2018.

The composition of the Shareholders/Investors Grievance Committee and number of meetings attended by the Members are given on the next page:

The compliance officer of the company carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchanges, Registrar of Companies, R.B.I. in respect of implementing laws, rules and regulations, and directives of such authorities concerning investor Services and complaints.

B) FUNCTIONS OF THE COMMITTEE TERMS OF REFERENCE OF THE COMMITTEE, INTER ALIA, AND INCLUDES THE FOLLOWING:

- Oversee and review all matters connected with the transfer of the Company’s securities.
- Approve issue of the Company’s duplicate share / debenture certificates.
- Consider, resolve and monitor Redressal of investors’/ shareholders’ / security holder’s grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company’s Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company’s Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and /or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.
- All other matters related to shares.

The Committee performs following tasks:-

- Transfer / Transmission of Shares.
- Issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.

- Monitoring the performance of the Company's Registrar & Transfer Agent.
- All other matters related to Shares.

C) NAME AND DESIGNATION OF THE COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Niraj Tripathi, He is an Associate Member of The Institute of Company Secretaries of India and Post graduate in Business Administration has good knowledge and expertise in Secretarial, legal, Finance and Audit. He is Company Secretary and Compliance Officer designated by the Board of Directors of the Company and can be contacted at:

Shri Niraj Tripathi
 Company Secretary & Compliance Officer
 G. T. Road, Kachhawan, Varanasi - 221313, U. P.
 Ph. No.: +91-542-2620221, Fax No.: +91-542-2620090
 Email Id: cs@bholanath.biz

D) NUMBER OF COMPLAINTS RECEIVED AND REDRESSED DURING THE YEAR 2017-18

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	0	0	0

As required under compliance of Reg. 40(9) of SEBI(LODR) Regulations ,2015, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

E) SUSPENSE ACCOUNT FOR THE UNCLAIMED SHARES

There is no such provision.

6. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 08th February, 2017, inter alia to discuss:

- I. Review the performance of non-independent directors and the Board as a whole;
- II. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- III. Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

1. CRITERIA OF SELECTION OF NON EXECUTIVE DIRECTORS

- a. The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - I. Qualification, expertise and experience of the Directors in their respective fields;
 - II. Personal, Professional or business standing;
 - III. Diversity of the Board.
- e. In case of re-appointment of Non- Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. REMUNERATION

The Non -Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- I. Non -Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- II. The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- III. The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- IV. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

3. MANAGING DIRECTOR AND WHOLE TIME DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

REMUNERATION FOR THE MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

- I. At the time of appointment or re-appointment, the Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Company (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- II. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- III. The remuneration of the Managing Director or Whole Time Director may be broadly divided into fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise performance bonus.
- IV. In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
 - the relationship of remuneration and performance benchmarks is clear;
 - balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - Responsibility required to be shouldered by the Managing Director or Whole Time Director, the industry benchmarks and the current trends.

REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the board level) the Committee shall ensure / consider the following:
 - a. the relationship of remuneration and performance benchmark is clear;
 - b. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - d. The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance and current compensation trends in the market.
- II. The Managing Director or Whole Time Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent

Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

7. RISK MANAGEMENT

(A) RISK MANAGEMENT

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. The objectives and scope of the Board of Directors broadly comprises:

- (i) Oversight of risk management performed by the executive management;
- (ii) Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- (iii) Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- (iv) Defining framework for identification, assessment, monitoring, mitigation and reporting of risks. Within its overall scope as aforesaid, the Board shall review risks trends, exposure, potential impact analysis and mitigation plan.

8. DISCLOSURES

(A) BASIS OF RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under Regulation 23 of SEBI (LODR) Regulations 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

- The statements containing the transactions with related parties were submitted periodically to the Audit Committee.
- There are no related party transactions that may have potential conflict with the interest of the Company at large.
- There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as on an arm's length basis.
- There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

(B) COMPLIANCE WITH ACCOUNTING STANDARDS

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards notified pursuant to The Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provision of the Companies Act, 2013 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(C) BOARD DISCLOSURES - RISK MANAGEMENT

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Board of Directors reviews these procedures periodically in view to minimize the risk and earn sustainability.

(D) PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUES ETC.

The Company did not have any of the above issues during the year under review.

(E) WHISTLE BLOWER POLICY

In pursuit to maintain the highest ethical standards in the course of its business, the Company has put in place a mechanism for reporting of instances of conduct which is not in conformity with its Code. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations, unethical conduct, misuse of authority, financial irregularities etc. by way of e-mail directly to the Director and Chairman of Stakeholder Relationship Committee. The whistle blowers may also have direct access to the Chairman of Audit Committee. The Company has provided a dedicated e-mail address cs@bholanath.biz for reporting such complaints. The whistle blower policy aims:

1. To create a window for the employees, who observe an unethical practice either organizationally or individually, to be able to raise it without any fear of victimization or reprisal.
2. To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety.
3. To ensure consistent and timely institutional response.
4. To ensure appropriate reporting of whistleblower investigations; and
5. To encourage ethical and lawful conduct.
6. The Directors and management personnel maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination. No employee was denied access to the Audit Committee.

(F) ETHICS / GOVERNANCE POLICIES

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

1. Code of Conduct
2. Code of Conduct for Prohibition of Insider Trading
3. Health, Safety and Environment (HSE) Policy
4. Whistle Blower Policy
5. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions
6. Risk Management Policy
7. Policy for Selection of Directors and determining Directors Independence
8. Remuneration Policy for Directors, Key Managerial Personnel and other Employees
9. Policy on Sexual Harassment

(G) SECRETARIAL AUDIT REPORT

The Company has obtained Secretarial Audit Report from the Company Secretary in practice for compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the said Report is annexed as Annexure 'A' of Board's Report.

(H) MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

(I) SHAREHOLDERS

(i) The quarterly results made by the Company are put on the Company's website under the following link <http://www.bholanath.biz>.

(ii) Shri Vivek Baranwal, Director of the company is retiring by rotation at the ensuing Annual General Meeting and, being eligible; offer them-selves for re-election as Executive Director.

9. CEO / CFO CERTIFICATION

The Managing Director and Chief Financial Officer have certified to the Board in accordance with SEBI (LODR) Regulations, 2015, pertaining to CEO/CFO Certification for the financial year ended 31st March, 2018, published elsewhere in the Annual Report.

10. COMPLIANCE ON CORPORATE GOVERNANCE

The regulation related with the Corporate Governance disclosure is not applied to the Company as per exemption provided in Regulation 15 of the SEBI (LODR) Regulation 2015. However the Company follows the Corporate Governance in true and fair view.

11. GENERAL MEETINGS**(A) LOCATION AND TIME OF GENERAL MEETINGS HELD IN THE LAST 3 YEARS**

YEAR	DATE & DAY	LOCATION	TIME	SPECIAL RESOLUTION
2016-17	29.09.2017 (Friday)	At Registered office of the Company	11.30 A.M	NIL
2015-16	27.09.2016 (Wednesday)	At Registered office of the Company	3.00 P.M.	NIL
2014-15	30.09.2015 (Wednesday)	At Registered office of the Company	4.00 P.M.	NIL

(B) POSTAL BALLOT**(I) DETAILS OF THE SPECIAL/ORDINARY RESOLUTIONS PASSED BY THE COMPANY THROUGH POSTAL BALLOT:**

During the financial year 2017-18 ended on 31st March, 2018, no special/ordinary resolutions passed by the Company through Postal Ballot.

(ii) WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

There is no proposal for any special resolution to be put through postal ballot at the forthcoming Annual General Meeting for shareholders' approval.

12. MEANS OF COMMUNICATION

(a) QUARTERLY RESULTS: Unaudited quarterly financial results and the Annual Audited Financial Results of the Company are sent to the Bombay Stock Exchange where its equity shares are listed, and the same are generally published in National English and Hindi Newspapers.

(b) WEBSITE: www.bholanath.biz

Detailed information on the Company's business and products; quarterly/half yearly/ nine months and annual financial results, Investor brief and the quarterly distribution of Shareholding are displayed on the Company's website.

(c) EXCLUSIVE EMAIL ID FOR INVESTORS:

The Company has designated the email id cs@bholanath.biz, of Company Secretary of the Company exclusively for investor servicing and the same is prominently displayed on the Company's website www.bholanath.biz.

(d) ANNUAL REPORT:

Annual Report contains inter-alia Audited Annual Accounts, Consolidated Financial Statement, Directors' Report and Auditors' Report. The Management Perspective, Business Review and Financial Highlights are also part of the annual report.

(e) THE MANAGEMENT DISCUSSION & ANALYSIS:

The Management Discussion & Analysis Report forms part of the annual report.

(f) INTIMATION TO THE STOCK EXCHANGES: The Company intimates stock exchange all price sensitive information or such other information which in its opinion are material & of relevance to the shareholders.

(g) CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES:

The Company has laid down a Code of Conduct for all Board Members and Senior Executives of the Company. The Code of conduct is available on the Company's website www.bholanath.biz. All Board Members and Senior Management Personnel affirm compliance with the code of conduct annually. The Managing Director has given a declaration that all the Directors and senior management personnel have affirmed compliance with the Code of Conduct and same is annexed hereto.

(h) CEO/CFO CERTIFICATION:

A prescribed certificate as stipulated in SEBI (LODR) Regulations, 2015 duly signed by the Managing Director and Chief Financial Officer was placed before the Board along with the financial statements for the year ended 31st March, 2018. The said certificate is provided elsewhere in the Annual Report.

FINANCIAL CALENDAR FOR THE FINANCIAL YEAR 2017-18 (TENTATIVE)

Financial Reporting for the quarter / three months ending 30 th June, 2018	14 th August, 2018
Financial Reporting for the quarter / half year ending 30 th September, 2018	By mid of November 2018
Financial Reporting for the quarter / nine months ending 31 st December, 2018	By mid of February 2018
Financial Reporting for the annual audited accounts for the financial year ending 31 st March, 2019	By end of May 2019

13. GENERAL SHAREHOLDER INFORMATION**(I) ANNUAL GENERAL MEETING**

Date & Day	29.09.2018 (Saturday)
Time	11.30 A.M.
Venue	G. T. Road, Kachhawan, Varanasi-221313, U. P.
Date of Book closure	23 rd September, 2018 to 29 th September, 2018 (Both days inclusive)
Financial Year	01 st April 2017 to 31 st March 2018

(ii) UNCLAIMED DIVIDEND

The Company has not declared any dividend.

(iii) LISTING ON STOCK EXCHANGE

The Company's entire equity share capital comprising of 48 Lakhs equity shares of 10/- each is listed at the following Stock Exchange: Bombay Stock Exchange.

(iv) LISTING AND CUSTODIAN FEES

The Company has paid listing fees for the Financial Year 2017-18 to the Bombay Stock Exchange. The Company has paid the annual custodial fee for the year 2017-18 to both the depositories namely NSDL and CDSL.

(v) SHAREHOLDING AS ON 31 MARCH, 2018

(a) DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31st MARCH, 2018

DISTRIBUTION SCHEDULE AS ON 31/08/2018					
NOMINAL VALUE OF EACH SHARE - RS. 10/-					
NO OF SH HOLDERS	% TO TOTAL	SHARE HOLDING OF NOMINAL VALUE OF RS	NO OF SHARE	AMOUNT IN RS	% TO TOTAL
753	68.956	1 TO 5000	188850	1888500	3.934
163	14.927	5001 TO 10000	110750	1107500	2.307
88	8.059	10001 TO 20000	123400	1234000	2.571
12	1.099	20001 TO 30000	31000	310000	0.646
8	0.733	30001 TO 40000	27700	277000	0.577
8	0.733	40001 TO 50000	36600	366000	0.763
14	1.282	50001 TO 100000	106300	1063000	2.215
46	4.212	100001 AND ABOVE	4175400	41754000	86.988
1092	100	TOTAL	4800000	48000000	100
TOTAL SHARE HOLDERS IN NSDL	241		TOTAL SHARES IN NSDL		2837800
TOTAL SHARE HOLDERS IN CDSL	0		TOTAL SHARES IN CDSL		
TOTAL SHARE HOLDERS IN PHY	853		TOTAL SHARES IN PHY		1962200
TOTAL SHARE HOLDERS	1094		TOTAL SHARES		4800000

(b) SHAREHOLDING PATTERN OF EQUITY SHARES AS ON 31st MARCH, 2018

Sl. No.	Categories of Shareholders	As on 31.03.2018	
		No. of shares	% of Shares
1	Promoters	2428300	50.59
2	Mutual Funds and UTI	3700	0.07
3	Banks, Financial Institutions	100000	2.08
4	Insurance Companies	0	0

5	Bodies Corporate	358100	7.46
6	Individuals	1206900	25.15
7	Directors' Relatives	0	0
8	NRIs	703000	14.65
9	HUF	0	0
10	Foreign Nationals	0	0
11	Clearing Members/Public Trust	0	0
	Total	4800000	100.00

(c) Promoters' Group Shareholding as on 31st March, 2018

Sl. No.	Name of Promoters	No. of shares held	% of total paid up share capital	No. of shares pledged	% of total shareholding of promoters
1	VIVEK BARANWAL	36400	0.76	0	0
2	HARISH BARANWAL	57500	1.20	0	0
3	BHOLANATH BARANWAL	662580	13.80	0	0
4	ROMIT BARANWAL	31200	0.65	0	0
5	AMIT BARANWAL	31200	0.65	0	0
6	SUMIT BARANWAL	31200	0.65	0	0
7	BHOLANATH BARANWAL HUF	188900	3.93	0	0
8	RENU BARANWAL	12800	0.26	0	0
9	DINA NATH BARANWAL HUF	257400	5.36	0	0
10	DINANATH BARANWAL	103900	2.16	0	0
11	HRIDAYNATH BARANWAL	27500	0.57	0	0

12	PHOOLMANI DEVI BARANWAL	117900	2.45	0	0
13	SURENDRA NATH BARANWAL	357400	7.44	0	0
14	VIJAYA BARANWAL	87800	1.82	0	0
15	RAGINI BARANWAL	204600	4.26	0	0
16	BINA BARANWAL	112520	2.34	0	0
17	NIKHIL BARANWAL	101400	2.11	0	0
	TOTAL	2428300	50.59		

(d) CAPITAL OF THE COMPANY

The Authorized and paid-up capital of your Company is Four Core Eighty Lakhs only (Rs. 4.80 Core) as on March 31, 2018. The Company has not changed its share capital (due to right, bonus, preferential issue, IPO, buyback, capital reduction, amalgamation, de-merger etc.) during the year under review.

(e) TOP TEN SHAREHOLDERS AS ON 31st MARCH, 2018

Sl. No.	Name of shareholders	No. of Equity shares held	% of Equity shares held
1	VAN DER EECKEN & CO. N.Y.	702000	14.63
2	BHOLANATH BARANWAL	668680	13.93
3	SURENDRA NATH BARANWAL	357400	7.45
4	DINA NATH BARANWAL HUF	257400	5.36
5	RAGINI BARANWAL	204600	4.26
6	KOHINOOR CREDIT PVT. LTD.	189300	3.94
7	GOOD MORNING COMMERCIALS LTD	188900	3.94
8	BHOLANATH BARANWAL HUF	188900	3.94
9	PHOOLMANI DEVI BARANWAL	117900	2.46
10	BINA BARANWAL	112520	2.34
	Total	2987600	62.24

(vi) STOCK PRICE DATA/ STOCK PERFORMANCE: YEAR 2017-18

During the year under report, the trading in the Company's equity shares was from 1st April, 2017 to 31st March, 2018. The high and low price during the period on the Bombay Stock Exchange Limited with comparison to Sensex was as under:-

Date	Open Price	High Price	Low Price	Close Price
12-Mar-18	8.16	8.16	8.16	8.16
09-Mar-18	8.58	8.58	8.58	8.58
08-Mar-18	8.17	9.03	8.17	9.03
06-Feb-18	8.6	8.6	8.6	8.6
08-Nov-17	8.23	8.23	8.23	8.23
14-Sep-17	7.84	7.84	7.84	7.84
14-Jul-17	8.25	8.25	8.25	8.25
21-Jun-17	7.87	7.87	7.87	7.87
12-Apr-17	7.49	7.5	7.49	7.5
11-Apr-17	7.8	7.8	7.42	7.42
10-Apr-17	8.45	8.45	7.7	7.7
07-Apr-17	8.1	8.1	8.1	8.1
06-Apr-17	7.72	7.72	7.72	7.72
05-Apr-17	7.36	7.36	7.36	7.36
03-Apr-17	7.01	7.01	7.01	7.01

(vii) DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's equity shares are compulsorily traded in the electronic form from 26th December, 2000. The Company entered into an Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of its shares for scrip less trading. The system for getting the shares dematerialized is as under:

- Share Certificate(s) along with Demat Request Form (DRF) is to be submitted by the shareholder to the Depository Participants (DP) with whom he/she has opened a Depository Account.
- DP processes the DRF and generates a unique number DRN.
- DP forwards the DRF and share certificates to the Company's Registrar and Share Transfer Agent.
- The Company's Registrar and Share Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

As on 31st March, 2018, 42.47% of total equity share capital of the Company was held in dematerialised form (including 69.58% of the promoter holding). The ISIN allotted by NSDL/CDSL is **INE151F01012**. Confirmation in respect of the requests for dematerialization of shares is sent to NSDL and CDSL within the stipulated period.

Particulars	No. of shares	(%)
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Physical	2038500	57.53
NSDL	2761500	42.47
CDSL	0	0
Total	4800000	100.00

(viii) OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

(ix) RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, the audit for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital for each of the quarter in the financial year ended on 31st March, 2018 was carried out.

The audit reports confirm that the total issued/ paid up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(x) REGISTER AND SHARE TRANSFER AGENTS

The Members are requested to correspond the Company's Registrars & Share Transfer Agents – M/s MAS Services Limited quoting their Folio Number, Client ID and DP ID at the following address:-

MAS SERVICES LIMITED

T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi - 110 020, Delhi
Ph.: - 26387281/82/83, Fax: - 26387384
Email: - info@masserv.com
Website: www.masserv.com

(xi) REGISTERED OFFICE

G. T. Road, Kachhawan,
Varanasi - 221313, U. P.
Phone: +542-2620313, Fax: +542-2620090
Email: cs@bholanath.biz
Website: www.bholanath.biz

(xii) PLANT LOCATIONS

G. T. Road, Kachhawan
Varanasi - 221313, U. P.
Phone: +542-2620313, Fax: +542-2620090
Email: info@bholanath.biz
Website: www.bholanath.biz

(xiii) ADDRESS FOR CORRESPONDENCE

Please contact the Company Secretary of the Company at the following address regarding any questions or concerns:

Shri Niraj Tripathi
Company Secretary & Compliance Officer
Shri Bholanath Carpets Limited
G. T. Road, Kachhawan, Varanasi - 221313, U. P.
Phone: +542-2620313, Fax: +542-2620090
Email: cs@bholanath.biz
Website: www.bholanath.biz

(xiv) COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE FROM THE AUDITOR

The certificate dated 30.08.2018 from Statutory Auditors of the Company, M/s O. P. Tulsyan & Co. confirming compliance with the Corporate Governance requirements as stipulated under SEBI (LODR) Regulations, 2015 is annexed hereto. The above report has been adopted by the Board of Directors at their meeting held on 30.08.2018.

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018
Place: Varanasi
Registered Office: G. T. Road, Kachhawan,
Varanasi - 221313, U. P.

DECLARATION REGARDING COMPLIANCE TO CODE OF CONDUCT

I hereby confirm that the Company has adopted code of conduct for the Board of Directors and Senior Management of the Company.

I hereby declare that the Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of the Company, in compliance of the requirements of Corporate Governance.

On Behalf of the Board

Sd/-

**Bholanath Baranwal
(Chairman & Managing Director)**

DIN: 00306086

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan,
Varanasi - 221313, U. P.

SBC

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

We have examined the compliance of conditions of Corporate Governance by Shri Bholanath Carpets Limited for the financial year ended on 31st March, 2018 as stipulated in SEBI (LODR) Regulation, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in SEBI (LODR) Regulation, 2015) issued by the Institute of Chartered Accountant of India and 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 explanations given to us and representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 O. P. Tulsyan & Co.
Chartered Accountants**

**Sd/-
(Om Prakash Tulsyan)
(Partner)
M. No. 011165**

**Date: 30.08.2018
Place: Varanasi**

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

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

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying (Standalone) financial statements of SHRI BHOLANATH CARPETS LIMITED, which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2 As required by section 143(3) of the Act, we report that

- (a) We have sought and 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1) The Company does not have any pending litigations which would impact its financial position
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

PLACE : VARANASI
DATE :- 30.05.2018



For O.P. TULSYAN & CO.,
CHARTERED ACCOUNTANTS
FBN 500028N

S. N. Agrawal
(PARTNER)
M.No. 070672

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.
 - c) Based upon the audit procedure performed and according to the records of the Company, title deeds of all the immovable properties are held in the name of the Company.
2. The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security to the extent applicable to it.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public is not applicable to the company.
6. To the best of our knowledge and as explained, Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for the products of the Company. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
7.
 - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were outstanding at the year end, for a period of more than six months from the date they became payable except is as under:-

Name of Statute	Nature of Dues	Amount	Period to which it relates	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax	26666890	F.Y. 2008-09	Pending Before ITAT, Allahabad
Income Tax Act, 1961	Income Tax	939960	F.Y. 2011-12	Pending Before ITAT, Allahabad
Income Tax Act, 1961	Income Tax	2155510	F.Y. 2013-14	Pending Before CIT, Varanasi
Income Tax Act, 1961	Income Tax	1140740	F.Y. 2014-15	Pending Before CIT, Varanasi

SHRI BHOLANATH CARPETS LIMITED

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221305

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- 8 Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank or government. The Company did not have any outstanding dues in respect of financial institution or debentures during the year.
- 9 We have verified that the end use of money raised by public issue is as disclosed in the notes to the financial statements. The Company did not have any term loans outstanding during the year.
- 10 Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- 11 In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12 In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13 In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the financial statements as required by applicable accounting standard.
- 14 The Company has not made any preferential allotment or private placement of shares or partly or fully convertible debentures during the year, therefore reporting under clause 3(xiv) shall not be applicable.
- 15 According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not entered into any non-cash transaction with directors or persons connected with him.
- 16 In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Annexure 'B'

Annexure to the independent auditor's report of even Shri Bholanath Carpets Limited

Report on 'the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shri Bholanath Carpets Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

SHRI BHOLANATH CARPETS LIMITED

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221308

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : VARANASI
DATE :- 30.05.2018

FOR O.P.TULSYAN & CO.
Chartered Accountants
FRN 500028N

S. N. Agrawal
(PARTNER)
M.No. 070672

Annexure 'B'

Annexure to the independent auditor's report of even Shri Bholanath Carpets Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shri Bholanath Carpets Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

SHRI BHOLANATH CARPETS LIMITED

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221305

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : VARANASI
DATE : 30.05.2018

FOR O.P.TULSYAN & CO.
Chartered Accountants
FRN 500028N

S. N. Agrawal
(PARTNER)
M.No. 070672

SHRI BHOLANATH CARPETS LIMITED

Ph. 0542-2420323

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221306

E-mail : finance@bholanath.biz

PART I – Form of BALANCE SHEET

SHRI BHOLANATH CARPETS LIMITED (FORMERLY KNOW BIL CONTINENTAL LIMITED)

BALANCE SHEET AS ON 31ST MARCH, 2018

(IN RUPEES)

Particulars	Note No.	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
1	2	3	4
I. EQUITY AND LIABILITIES			
A. Shareholders' funds			
(a) Share capital	1	4,80,00,000.00	4,80,00,000.00
(b) Reserves and surplus	2	7,68,62,343.57	7,58,96,040.71
Share application money pending allotment		-	-
B. Non-current liabilities			
(a) Deferred tax liabilities (Net)	3	24,61,394.79	28,73,286.51
(b) Other Long-Term Liabilities		3,12,00,853.58	-
C. Current liabilities			
(a) Short-term borrowings	5	10,11,58,602.49	9,26,46,016.28
(b) Trade payables	6	5,28,40,012.28	3,78,83,104.46
(c) Other current liabilities	7	49,55,283.53	1,44,51,739.08
(d) Short-term provisions	8	6,80,246.00	6,43,632.00
TOTAL :		31,81,58,736.24	27,23,93,819.05
II. ASSETS			
A. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	2,19,24,370.73	2,32,71,888.41
(b) Non-current investments	10	2,15,15,999.99	2,15,15,999.99
(c) Long-term loans and advances	11	4,43,707.00	4,43,707.00
B. Current assets			
(a) Inventories	12	9,57,28,034.44	10,14,11,544.30
(b) Trade receivables	13	10,55,83,696.70	10,94,53,627.60
(c) Cash and cash equivalents	14	3,58,72,913.62	13,08,092.91
(d) Short-term loans and advances	15	3,70,90,013.78	1,49,88,958.84
TOTAL :		31,81,58,736.24	27,23,93,819.05

Additional notes

16

SIGNED IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE.

FOR O.P. TULSYAN & COMPANY
CHARTERED ACCOUNTANTS

(PARTNER)



PLACE: VARANASI
DATED: 30/05/2018

Shri Bholanath Carpets Ltd.
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SHRI BHOLANATH CARPETS LIMITED
Shri Bholanath Carpets Ltd.

[Signature]
DIRECTOR

[Signature]
DIRECTOR

H.O. : B.27/5, D.S., Near Raja Garden, Ramesh Nagar, NEW DELHI-110015, Ph. :25422346,25422351
B.O.: 1. Kamalalaya Centre, Room No. 214, 156-A, Lenin Sarani, Kolkata-700013, Ph.2272903, 2272904
2 Room No. 201-A, 2nd Floor, Prince Complex, Hazratganj, LUCKNOW; Ph. : 2217336, 2281977
3.Sudha Villa,J.C.Road, 1st Lane,Lalpur,Ranchi-834001 Ph.0651-3254707

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31 March 2018

Note 1

Share Capital	Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
	No. of Shares	Amount	No. of Shares	Amount
Authorised 60,00,000 Equity Shares of Rs. 10/- Each	60,00,000	6,00,00,000	60,00,000	6,00,00,000
Issued Subscribed and Fully Paid Up 48,00,000 Equity Shares of Rs. 10/- each	48,00,000	4,80,00,000	48,00,000	4,80,00,000
Total	48,00,000	4,80,00,000	48,00,000	4,80,00,000

Note 1(a) There is no Preference Share hence the same is not being reported

Particulars	Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
	Equity Shares		Equity Shares	
	Number	Value	Number	Value
Shares outstanding at the beginning of the year	48,00,000.00	4,80,00,000.00	48,00,000.00	4,80,00,000.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	48,00,000.00	4,80,00,000.00	48,00,000.00	4,80,00,000.00

Note 1(c) **Equity Shares held by the Holding Company**
 NIL Equity Shares (NIL) are held by the holding company.

Note 1(d) **Shareholders holding more than 5% of Share Holdings**

Name of Shareholder	Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Surendranath Baranwal	3,57,400	7.45%	3,57,400.00	7.45%
Vandar Echan & Co	7,02,000	14.63%	7,02,000.00	14.63%
Bholanath Baranwal	6,68,680	13.93%	6,68,680.00	13.93%
Dinanath Baranwal	2,57,400	5.36%	2,57,400.00	5.36%
Total	4800000	100.00%	48,00,000.00	100.00%

Note 1(e) **Disclosure for each class of Shares:**

Particulars	Year (Aggregate No. of Shares)			
	2014-15	2015-16	2016-17	2017-18
Equity Shares :				
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL
Preference Shares :				
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31 March 2018

Note		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
2	Reserves & Surplus		
	a. General Reserves		
	Opening Balance	4,45,70,772.00	4,45,70,772.00
	Addition / (Written off)	4,45,70,772.00	4,45,70,772.00
	Closing Balance	4,45,70,772.00	4,45,70,772.00
	b. Securities Premium Account		
	Opening Balance	2,86,00,000.00	2,86,00,000.00
	Addition during the year	-	-
	Closing Balance	2,86,00,000.00	2,86,00,000.00
	c. Surplus		
	Opening balance	27,25,268.71	23,80,608.83
	(+) Net Profit/(Net Loss) For the current year	9,66,302.85	3,44,659.88
	(-) Transfer to Reserves	-	-
Closing Balance	36,91,571.57	27,25,268.71	
Total	7,68,62,343.57	7,58,96,040.71	
Note: 1. Reserve specifically represented by earmarked investments shall be termed as a 'fund'			
3	Deferred Tax Liabilities		
	Deferred Tax Liabilities	28,73,286.51	32,34,279.85
	Addition During The Year	4,11,891.72	3,60,993.34
	Total	24,61,394.79	28,73,286.51
4	Other Long Term Liabilities		
	Trade Payables	3,12,00,853.58	-
	Total	3,12,00,853.58	-
5	Short Term Borrowings		
	Secured		
	Packing Credit From Syndicate Bank PCFC (SECURED AGAINST HYPOTHECATION OF STOCK AND BOOK-DEBTS)	10,11,58,602.49	9,26,46,016.28
	Total	10,11,58,602.49	9,26,46,016.28
6	Trade Payables		
	Trade Payables	5,28,40,012.28	3,78,83,104.46
	Total	5,28,40,012.28	3,78,83,104.46

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31 March 2018

Note		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
7	Other Current Liabilities		
	Advance from customers	40,80,792.16	1,36,38,389.08
	GST Payable	2,11,112.37	-
	Other Miscellaneous Liabilities	6,63,379.00	8,13,950.00
	Total	49,55,283.53	1,44,51,739.08
8	Short term Provisions		
	Provision for current year tax	6,80,246.00	6,43,632.00
	Total	6,80,246.00	6,43,632.00
10	Non Current Investments		
	Long term Unquoted Non Trade		
	Bholanath Industries	2,13,00,000.00	2,13,00,000.00
	Amari Investments (P) Ltd.	75,000.00	75,000.00
	Quoted Trade		
	Uma Petrofills Ltd.	1,40,999.99	1,40,999.99
Total	2,15,15,999.99	2,15,15,999.99	
11	Long Term Loans And Advances		
	a. Security Deposits		
	Secured, considered good		
	Unsecured, considered good	4,43,707.00	4,43,707.00
	Less: Provision for doubtful deposits		
Total	4,43,707.00	4,43,707.00	

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31 March 2018

Note	7 Other Current Liabilities	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Advance from customers	40,80,792.16	1,36,38,389.08
	GST Payable	2,11,112.37	-
	Other Miscellaneous Liabilities	6,63,379.00	8,13,350.00
	Total	49,55,283.53	1,44,51,739.08
Note	8 Short term Provisions	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Provision for current year tax	6,80,246.00	6,43,632.00
	Total	6,80,246.00	6,43,632.00
Note	10 Non Current Investments	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Long term Unquoted Non Trade		
	Bholanath Industries	2,13,00,000.00	2,13,00,000.00
	Amani Investments (P) Ltd.	75,000.00	75,000.00
	Quoted Trade		
	Uma Petrofills Ltd.	1,40,999.99	1,40,999.99
	Total	2,15,15,999.99	2,15,15,999.99
Note	11 Long Term Loans And Advances	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	a. Security Deposits		
	Secured, considered good		
	Unsecured, considered good	4,43,707.00	4,43,707.00
	Less: Provision for doubtful deposits		
	Total	4,43,707.00	4,43,707.00

M/s. SHRI BHOLANATH CARPETS LIMITED FORMERLY KNOW BIL CONTINENTAL LIMITED
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31 March 2018

Note	12 Inventories	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Raw Material	1,01,29,017.83	99,01,524.45
	Work in Progress	3,43,354.00	17,00,290.20
	Finished Goods	8,47,76,058.49	8,90,26,711.42
	Stores, Spares And Loose Tools	4,79,604.12	7,83,018.23
	TOTAL	9,57,28,034.44	10,14,11,544.30
Note	13 Trade Receivables	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Unsecured, considered good	5,56,48,965.78	6,61,36,956.59
	Less: Provision for doubtful debts		
	Total	5,56,48,965.78	6,61,36,956.59
	Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, considered good	4,99,34,730.92	4,33,16,671.01
	Less: Provision for doubtful debts		
	Total	4,99,34,730.92	4,33,16,671.01
	Total	10,55,83,696.70	10,94,53,627.60
Note	14 Cash and cash equivalents	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	a. Balances with banks		
	In Fixed Deposits:		
	This includes		
	Balance with Nationalised Banks	-	1,80,792.00
	In Current Account:		
	Balance With Nationalised Banks	15,09,687.62	10,98,511.13
	b. Cheques, drafts on hand	3,40,00,000.00	
	b. Cash on hand	3,63,226.00	28,789.78
	Total	3,58,72,913.62	13,08,092.91
Note	15 Short Term Loans And Advances	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Advance for goods & services	2,00,018.00	9,74,767.85
	Staff advances	14,494.00	10,500.00
	Balance with revenue authorities	2,20,65,141.95	55,10,130.99
	Others	1,48,10,359.81	84,93,560.00
	TOTAL	3,70,90,013.76	1,49,88,958.84

SHRI BHOLANATH CARPETS LIMITED

Ph. 0542-2420323

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221306

E-mail : finance@bholanath.biz

PART II - Form of STATEMENT OF PROFIT AND LOSS**SHRI BHOLANATH CARPETS LIMITED
(FORMERLY KNOWN BIL CONTINENTAL LIMITED)****Profit and Loss Statement For The Year Ended 31st March, 2018****(IN INR)**

SL. No.	Particulars	Refer Note No.	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
I.	Revenue from operations	PL-1	27,23,91,794.61	30,12,64,538.05
II.	Other Income	PL-2	27,05,883.00	53,94,555.50
III.	Total Revenue		27,50,97,677.61	30,66,59,093.55
	Cost of Materials consumed	PL-3	85,32,349.76	1,31,75,528.92
	Purchases of Stock-in-Trade	PL-4	22,31,05,808.51	24,54,97,035.14
	Changes in inventories of Stock-in-Trade	PL-5	56,07,589.13	50,15,638.77
	Employee Benefits Expense	PL-6	37,67,967.00	27,42,226.00
	Finance Costs	PL-7	44,16,903.87	39,56,838.00
	Depreciation and Amortization Expense	PL-8	21,90,655.92	21,12,238.22
	Payment to Auditors	PL-9	72,000.00	61,000.00
	Other expenses	PL-10	2,60,95,658.29	3,31,93,899.95
	Total expenses		27,37,68,932.48	30,57,54,405.00
V.	Profit before exceptional and extraordinary items and tax (III-IV)		13,08,745.13	9,04,688.55
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		13,08,745.13	9,04,688.55
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		13,08,745.13	9,04,688.55
X.	Tax expense:			
	(1) Current tax		6,80,246.00	6,43,632.00
	(2) Deferred tax		4,11,891.72	3,60,993.34
	(3) Interest on Self assessment tax		77,178.00	70,974.00
	(4) Earlier Tax Short / (Excess) Provision		-3,090.00	2,06,416.00
XI.	Profit (Loss) for the period from continuing operations (VII-VIII)		9,66,302.85	3,44,659.88
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIII.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XIV.	Profit (Loss) for the period (XI + XIV)		9,66,302.85	3,44,659.88

XV. Earnings per equity share:
(1) Basic**AUDITOR'S REPORT**SIGNED IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE.FOR O.P. TULSYAN & COMPANY
CHARTERED ACCOUNTANTS

(PARTNER)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SHRI BHOLANATH CARPETS LIMITED.

Shri Bholanath Carpets Ltd.

DIRECTOR

DIRECTOR

DIRECTOR

Director

PLACE: VARANASI

DATED: 30.05.2018

H.O. : B.27/5, D.S., Near Raja Garden, Ramesh Nagar, NEW DELHI-110015, Ph. : 25422346, 25422351

B.O. : 1. Kamalalaya Centre, Room No. 214, 156-A, Lenin Sarani, Kolkata-700013, Ph. 2272903, 2272904

2 Room No. 201-A, 2nd Floor, Prince Complex, Hazratganj, LUCKNOW; Ph. : 2217336, 2281977

3. Sudha Villa, J.C. Road, 1st Lane, Lalpur, Ranchi-834001 Ph. 0651-3254707

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31ST MARCH, 2018

		(IN INR)	
	Revenue From Operations	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
PL-1	Sale of products	26,51,72,992.57	29,52,93,464.05
	Sale of services	0.00	0.00
	Other Operating Revenues	72,18,802.04	59,71,074.00
		27,23,91,794.61	30,12,64,538.05
	Less: Excise Duty	0.00	-
	Total	27,23,91,794.61	30,12,64,538.05
PL-2	Other Income		
	Other Income		
	Interest Income	3,99,723.00	-
	Foreign Currency Fluctuation	0.00	18,00,265.50
	Miscellaneous Income	23,06,160.00	35,94,290.00
	Total	27,05,883.00	53,94,555.50
PL-3	Cost of Materials Consumed		
	Purchases Raw Materials	87,59,843.14	1,65,11,971.00
	Add: Opening Balance of Stock	99,01,524.45	65,65,082.37
		1,86,61,367.59	2,30,77,053.37
	Less: Closing Balance of Stock	1,01,29,017.83	99,01,524.45
	Total	85,32,349.76	1,31,75,528.92
PL-4	Purchase of Stock In Trade		
	Purchases of Traded goods	22,31,05,808.51	24,54,97,035.14
	Total	22,31,05,808.51	24,54,97,035.14
PL-5	Changes in inventory		
	Finished Stock		
	At the Beginning of Accounting Period	8,90,26,711.42	9,57,42,640.39
	At the End of Accounting Period	8,47,76,058.49	8,90,26,711.42
		42,50,652.93	67,15,928.97
	Work-in-Progress		
	At the Beginning of Accounting Period	17,00,290.20	-
	At the End of Accounting Period	3,43,354.00	17,00,290.20
		13,56,936.20	-17,00,290.20
	Total	56,07,589.13	50,15,638.77
PL-6	Employee Benefit Expenses		
	Factory Salary & Wages	27,72,875.00	15,62,173.00
	Directors Remuneration	6,96,000.00	6,96,000.00
	Sitting Fee To Directors	14,000.00	26,000.00
	Bonus	28,000.00	1,13,166.00
	Contribution To Provident Fund	61,536.00	90,309.00
	Staff Welfare	1,95,556.00	2,54,578.00
	Total	37,67,967.00	27,42,226.00

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31ST MARCH,2018

PL-7	Payment To Auditors	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Payment To Auditors	72,000.00	61,000.00
	Total	72,000.00	61,000.00
PL-8	Finance Costs		
	Interest To Bank	36,58,877.82	38,00,487.82
	Bank Charges & Commission	7,58,026.25	1,56,350.18
	Total	44,16,903.87	39,56,838.00
PL-9	Depreciation and Amortization Expense		
	Depreciation	21,90,655.92	21,12,238.22
	Total	21,90,655.92	21,12,238.22
PL-10	Other Expenses		
	Manufacturing Expenses:		
	Consumption Of Stores And Spare Parts		
	Opening Stock	7,83,018.23	3,75,040.13
	Add:Purchases	30,61,634.01	60,58,462.00
	Total	38,44,652.24	64,33,502.13
	Less:Closing Stock	4,79,604.12	7,83,018.23
		33,65,048.12	56,50,483.90
	Weaving Finishing & Other Job Charges	90,17,460.36	98,77,879.00
	Power & Fuel	9,42,961.00	4,46,764.00
	Manufacturing Expenses	8,26,780.30	28,50,311.00
	Dyeing Charges Woolen Yarn	11,53,186.00	19,67,151.00
	Total	1,53,05,435.78	2,07,92,588.90
	Administrative Expenses:		
	Insurance Charges	95,867.00	1,50,471.00
	Telephone, Telegram, Fax Charges	59,304.00	85,095.00
	Printing & Stationery	2,01,252.00	4,74,391.00
	Registraration & Membership	3,29,718.00	2,71,026.00
	Rates & Taxes	3,005.00	9,005.00
	Travelling-Directors	7,86,100.47	17,80,120.36
	Travelling-Others	1,30,853.00	1,91,404.00
	Vehicle Running & Maintenance	2,99,668.00	2,75,117.00
	Legal & Professional Fee/Expenses	3,90,521.00	1,61,277.00
	Repair & Maintainance	1,29,355.00	64,223.00
	Watch And Wards	2,361.00	1,50,306.00
	Filing fees	55,000.00	36,775.00
	Gardening charges	2,40,990.00	3,44,611.00
	Advertisement	79,200.00	96,122.00
	Sundry Balances W/o	96,418.00	2,05,076.66
	Internal Audit Fees	25,000.00	0.00
	Taxes W/o	5,392.00	7,674.00
	Miscellaneous Expenses	3,22,071.20	4,26,199.14
	Total :	32,52,075.67	47,28,893.16

SHRI BHOLANATH CARPETS LIMITED
NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31ST MARCH,2018

Selling And Distribution Expenses:		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
Packing , Freight,Insurance & Forwarding Exp.		58,80,916.38	45,14,852.25
ECGC Premium		4,14,025.29	12,56,244.16
Selling Expenses		11,24,026.17	18,79,551.48
Sample development & Quality		1,19,179.00	21,770.00
		75,38,146.84	76,72,417.89
Grade Total		2,60,95,658.29	3,31,93,899.95

M/s SHRI BHOLANATH CARPETS LIMITED FORMERLY KNOWN BIL CONTINENTAL LIMITED
SCHEDULE OF FIXED ASSETS AS ON 31.03.18

NOTE - 9

PARTICULARS	RATE	Rate	GROSS BLOCK		DEPRECIATION		NET BLOCK			
			AS ON 01.04.2017	ADDITION	AS ON 31.03.2018	UP TO 01.04.2017	FOR THE YEAR	UP TO 31.03.2018	AS ON 31.03.2018	AS ON 31.03.2017
Factory Building	3%	3.17%	4,31,01,855.00	0.00	0.00	2,83,52,066.34	9,72,979.73	2,73,25,046.07	1,57,76,808.93	1,67,48,708.86
Plant & Machinery	5%	5.33%	2,07,98,227.00	0.00	0.00	1,83,95,101.55	1,45,201.38	1,84,80,302.83	23,17,924.07	24,63,125.45
Plant & Machinery 2018										
Electric Installation	7%	9.50%	12,55,964.00	0.00	0.00	10,13,728.59	44,588.48	10,58,317.07	1,97,346.93	2,41,935.41
Other Machinery	5%	5.33%	83,72,424.00	0.00	0.00	78,90,232.07	23,950.98	77,14,193.05	6,58,230.85	6,82,191.83
Loom with Artisan	5%	6.33%	33,79,583.00	0.00	0.00	31,03,024.47	5,528.10	31,08,552.57	2,71,030.43	2,78,558.53
Computer & Allied Equipment	16%	31.67%	17,78,080.00	3,45,009.00	0.00	19,29,265.70	7,82,658.49	27,11,925.19	-5,87,827.19	-1,50,178.70
Office & Other Equipment	5%	5.00%	39,22,354.00	2,33,806.24	0.00	41,56,280.24	1,57,122.37	27,30,448.14	14,25,814.10	13,49,030.23
Furniture & Fixture	8%	9.50%	86,22,075.00	2,64,223.00	0.00	88,86,298.00	89,234.04	71,64,368.24	17,21,929.78	15,46,840.80
Trade Mark	10%	0.00%	49,300.00	0.00	0.00	48,300.00	0.00	48,300.00	0.00	0.00
Vehicles	10%	11.88%	19,89,971.00	0.00	0.00	18,90,472.45	0.00	18,90,472.45	99,488.55	99,488.55
Motor Cycle	100%	5.50%	52,985.00	0.00	0.00	12,718.72	4,702.13	17,420.85	35,264.15	40,288.28
Assets Below Rs. 5000/-	5%	0.00%	1,03,313.00	0.00	0.00	96,147.35	0.00	96,147.35	5,165.65	5,165.65
Assets above Rs. 50000/-	5%	6.33%	57,688.00	0.00	0.00	57,688.00	-35,320.78	54,603.60	2,984.40	-32,438.38
TOTAL :			9,34,83,528.00	8,43,138.24	0.00	9,43,26,666.24	21,90,655.92	7,24,02,286.51	2,19,24,370.73	2,32,71,888.41

Shri Bholanath Carpets Ltd.

 Director

Shri Bholanath Carpets Ltd.

 Director

SHRI BHOLANATH CARPETS LIMITED

Cash Flow Statement For The Year Ended 31st March, 2018

	Current year	
	AMOUNT (RS.)	AMOUNT (RS.)
A. Cash Flow from Operating Activities :		
Net Profit Before tax		13,08,745
Adjustments for :		
Deffered Tax Liabilities		
Depreciation	21,90,656	
Depreciation Reserve W/o	-	
Pre-operative Expenses	-	
Adjustment For Employees Contribution		
Capital Gain/ Loss On Sale Of Fixed Assets		
Excess Provision for Income Tax Written Back	3,090	
Interest On Income Tax	(77,178)	
Interest Recd to Profit and Loss Account	-	
Interest charged to Profit and Loss Account	-	
Operating Profit before working capital changes		21,16,568
Adjustments for :		34,25,313
Trade and Other Receivable	38,69,931	
Short Term Loans and Advances	(2,21,01,055)	
Inventories	56,83,510	
Loan And Advances		
Trade Payables and other Liabilities	50,85,175	
Cash Generated From Operation		(74,62,440)
Interest On Income Tax		(40,37,127)
Direct Taxes Paid		-
Deffered Tax Liabilities		6,80,246
Mat credit entitlement		4,11,892
Cash Flow Before Exceptional Item		-
Net Cash Flow from Operating Activities :		(43,05,481)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(8,43,138)	
Sale of Fixed Assets		
Purchase of Investments		
Payment for Capital in Progress		
Sale of Investment		
Proceeds from Long term Loan And Advances		
Dividend Received		
Interest Received		
Net Cash used in Investing Activities		(8,43,138)
C. Cash Flow from Financing Activities :		
Proceeds from Share Application Money		
Proceeds from Share Application		
Proceeds from Securities Premium		
Proceeds from Borrowings	85,12,586	
Repayment of Borrowings		
Increase In Share Capital		
Interest Paid		
Net Cash From Financing Activities		85,12,586
Net Increase/(Decrease) in Cash & Cash equivalents		33,63,967
Cash & Cash equivalents as at 1st April		13,08,093
Cash & Cash equivalents as at 31st March		3,58,72,914

As per our report attached
For O.P. TULSYAN & CO.
CHARTERED ACCOUNTANTS


PARTNER



For SHRI BHOLANATH CARPETS LIMITED
Shri Bholanath Carpets Ltd.

PLACE : Varanasi
Date: 30.05.2018


DIRECTOR DIRECTOR


DIRECTOR

Name of the Company: SHRI BHOLANTH CARPETS LIMITED		
LIST FORMING PART OF BALANCE SHEET : 31.03.2018		
PARTICULARS	DEBIT	CREDIT
Long Term Trade Payables :		
Prem Singh Aurai		2,045,200.00
Shri Bholanath Industries (Exempted Goods)		29,155,653.58
Total		31,200,853.58
Trade Payables :		
AAMINA HANDLOOM		172,570.00
Ajay Jaiswal & Co.C.S		63,380.00
AJAY KUMAR		10,167.00
Ajay Transport Corporation		3,250.00
A K DYES & CHEMICALS		55,786.00
Alok Traders		41,548.00
AMIT INDUSTRIES		157,776.00
Anand Airlink		583,336.40
ANUJ TRADING COMPANY		7,025.18
ASHISH MAURYA		4,521.00
Awadh Dyeing Corporation		6,260.00
BABU MASTER		46,718.00
BALA JI HANDICRAFT		9,840.00
BBB Speed Services		2,000.00
BHAGAWANDAS YARN DYERS		2,776.00
BHAVINI FABS		211,218.00
Bholanath Baranwal		461,032.00
BIKANER HANDLOOMS		85,371.00
BVM CARGO MOVERS		285.00
CARGO PARTNER LOGISTICS INDIA PVT LTD.		4,033.00
Constraarch - Mansys		120,450.00
DHARMEN PATEL		1,500.00
DHL Express (I) Pvt Ltd.		38,500.04
Drawback Services		4,709.00
EMERGING INDIA RUGS		99,387.24
Exim India		378,119.00
Fast Track Cargo		15,887.00
FEDEX EXPRESS		85,722.05
FREIGHT LOGISTIC LINES		408,423.00
Garun International India		263,775.16
GAURI SHANAKAR YADAV		10,412.00
GLOBELINK WW INDIA PVT LTD.		20,896.99
Good Weave Lables		4,207.68
Grace Global Logistics Pvt -Ltd		8,710.00
Graphic Point		5,477.00
Hind Terminals Pvt.Ltd.		34,668.00
I.A. DYING DIVISION		10,014.00
IRFAN ALI		848.00
Kanpur Logistics Park Pvt.Ltd		30,670.00
Link News & Advertising Service		21,630.00
LOKESH KUMAR		8,223.00
Maa Vindhya Vasini Road Lines		21,942.00
Mahalakhmi Yarns Pvt. Ltd		86,274.00
Mahender Finisher		3,813.00
Mals Cargo Pvt Ltd		60,602.00
Manoj Kumar Jaiswal		3,115.00
MANUAWAR		2,975.00
Maruti Udyog. MZP.		4,098.00
Conti...		

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET : 31.03.2018

PARTICULARS	DEBIT	CREDIT
Conti....		
MARUTI WOOLLEN MILLS		4,862.00
Mas Services Pvt.Ltd.		61,918.00
Minerva Agencies		45,646.00
MOHAMD WASHIM ANVAR CHUNAR		35,981.00
Neha Consultancy Services		2,255.00
Om Transport Co.		5,487.00
OM VINDHYAWASINI TRANSPORT CO.		13,842.00
Pamanand Maurya		20,046.00
Parvez Enterprises		14,836.00
PIYUSH ENTERPRISES		7,476.00
POPLI ENTERPRISES		52,396.00
P.P. INVESTMENT & CONSULTANTS		3,500.00
PRAMOD RAM TRIPATHI		1,162.00
Pranav Stationers		12,325.00
PRINCE DYES & CHEMICALS		12,511.00
PV AGENCIES FREIGHT FORWARDERS PVT. LTD.		6,366.00
RAMA KRISHNA TRANSPORT SERVICES		141,972.00
Ram Narayan Maurya		19,823.00
Ranjeet Kumar Yadav		71,226.00
Ravi Rugs Pvt. Ltd.		7,209.00
R.K. Senetory Home		5,015.00
R.L Chemicals		207,362.00
S A CARPETS		3,960.00
SAMAR YADAV & COMPANY		1,000.00
Saraft Khan Ghosia		600.00
S COMPUTER SALES & SERVICE		20,690.00
SHINE IMPEX		12,425.00
SHREE BALA JI FREIGHT SYSTEMS		3,500.00
Shri Bholanath Industries Ltd. Yarn A/c		41,590,421.65
SHRING ADVERTISING MEDIA		8,931.00
SHYAM LAL EXPORTS DYEING DIVISION		122,023.10
Sigma Goods Carrier		5,321.00
S R I COLOR SYSTEM		16,000.00
Surendra Pal		10,794.00
SURESH MAURYA BINDER		5,655.00
THE HANDLOOM EXPORT PROMOTION COUNCIL		40,579.00
The Suprem Industries Ltd.		1,710.00
VARANASI CARPETS (EXPORTS) PVT. LTD.		4,480.50
VEER TRADING COMPANY.		3,229.00
Vishal International		16,746.12
Brink & Campman		3,793,947.69
D Merquis		186,422.10
Enyoo Trade Co., Limited		103,725.00
Kazak		48,907.00
LLOYD ELECTRIC & ENGG. LTD.		687,156.00
MACLONG UNITED INTERNATIONAL		36,086.16
THAI HAND TUFT CARPET		147,346.31
Chand Ratan & Co.		4,037,986.00
Indo Globe Shipping Services P.Ltd.		1,607,733.00
Mundra & Company		658,446.00
Mundra Woolen Mill Pvt. Ltd.		143,240.00
Umashankar Maurya Kanaksarai		18,986.00
Amarnath Bind		1,139.00
Ashok Kumar Sharma (SH)		13,841.00
Babu Lal Yadav		26,778.00
Chhotelal Vishwakarma		65,137.00
Dassu Ram Yadav		21,665.00
D.D.B.Charitable Tust		15,329.00
Dhani Shanker Pandey		32,904.00
Conti....		

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
MOHAMD WASHIM ANVAR CHUNAR

PARTICULARS	DEBIT	CREDIT
Conti -		
Gayatarayan Pandey		69,840.00
Gita Prasad Pandey		39,397.00
Jai Chand Maurya		22,058.00
Lailan Prasad Yadav		11,258.00
Niyaj Ahemad		17,597.00
Om Prakash Dubey		1,866.00
Bafique Musalman, Kacchawa		29,616.00
Rajesh Kumar Srivastava		4,784.00
Rajesh Maurya Mistri		7,599.00
Rajesh Upadhyay		14,417.00
Ram Piyare Maurya		38,307.00
Ram Piyare Yadav D.D.		22,471.00
Ram Sajeewan Yadav		31,766.00
Ram Siromani Maurya		303.00
Samara Carpets P.Ltd		784,479.00
Santosh Kumar Sinha		21,631.00
Vijay Kant Shukla		43,399.00
Saad Woolfen Mills		20,000.00
Daga Brothers		80,900.00
HR CREATION (MZP)		2,650.00
Services Trade Co.		402,424.20
Abdul Ansari	253,200.00	
Ajit Dwivedi Aural	133,403.00	
Ambrish Kashyap Bhadohi	187,800.00	
Ambuziyadav Bhadohi	122,926.88	
Arif Husain Ghosia	111,465.02	
Arvind Gupta Bhadohi	250,400.00	
Asaraf Ali Bhadohi	192,200.00	
Dhani Ram Yadav	580,600.00	
Durgesh Yadav	200,000.00	
Faqiruddin Ansari	585,600.00	
Ganpati Ram	149,400.00	
Jalaludin Ahmed	250,000.00	
Kripa Singh Ghosia	140,000.00	
Lav Kush Tripathi Ghosia	105,200.00	
Madar Gupta Aural	194,400.00	
Manoj Sonakar Bhadohi		
Narrottam Prasad Yadav		
Nishar Khan Bhadohi	61,728.00	
Noor Khan Ghosia	33,430.21	
Pradeep Kumar Sharma	580,000.00	
Pradeep Kumar Yadav	250,000.00	
Rahmat Ali Bhadohi	132,528.00	
Rahul Singh Babu Sarai	197,800.00	
Rajan Bharati Thathara	500,000.00	
Rajesh Gupta Bhadohi	72,145.00	
RAJPUTANA STAINLESS LTD.	109,593.00	
Rose Carpets Local	2,400.00	
Sabir Alam Ghosia	133,456.00	
Sehabuddin Ansari Bhadohi	130,000.00	
Sanjay Bera Ghosia	132,800.00	
Sarfraj Khan	243,600.00	
Saukat Ali	240,800.00	
SUPERIYA NIN	93,968.16	
Vashim Ahmed Bhadohi	140,000.00	
Vishal Maurya Aural	147,700.00	
Total :	6,745,543.27	59,585,555.55

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET : 31.03.2018

PARTICULARS	DEBIT	CREDIT
Advance From Customers :		
Ashok Kumar VNS		
BEL TUF BVBA		125,485.03
BLESSED EARTH		299,840.02
Chunar Cement		
Depika Trading		
Designer Rugs (NSW) PTY Ltd		397,160.78
D Marquis Selections Pvt. Ltd		15,266.57
Gajanand		
Intelligent Network Apartments		75,420.55
MALIN ELISABETH OVERSSON		147,237.91
Organic Weave INC		1,082,503.70
PT Tadmansari Perkasa		294,094.75
ROSE CARPETS & CRAFT		325.00
Santosh Agrawal		
SIAM DYEMASTER CO. LTD		1,288,899.99
United Carpet SDN Bhd, Malaysia Yarn Division		39,396.71
Total : (A)		3,765,631.01
Other Advances :		
Eastern Class Carpet Factory		315,161.15
Total : (B)		315,161.15
Total : (A+B)		4,080,792.16
Duties and Taxes :		
CGST Output		64,200.68
GST PAYABLE		2,417.00
GST Tax Error (Books and 3B)		44,213.00
IGST Output		38,079.35
SGST Output		64,202.34
Total :		211,112.37
Other Miscellenous Liabilities :		
Carpet Finishing Expenses Payable		359,286.00
Clearing & Gardening Expenses Payable		18,021.00
ELECTRICITY PAYBLE		46,544.00
Provident Fund Payable		19,338.00
Puja Expenses Payable		1,650.00
TDS PAYABLE		80,522.00
Salary Payable		138,020.00
Total :		663,379.00

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET : 31.03.2018

PARTICULARS	DEBIT	CREDIT
Long Term Loans and Advances		
Security Deposits		
Cellular Phone (Security)	56,668.00	
SECRETARY RUBBER BOARD	30,000.00	
SERVICES TAX SECURITY	88,217.00	
SECURITY DEPOSITS (SALES TAX)	0.00	
Sales Tax Security Receipt No. 1	1,000.00	
Sales Tax Security Receipt No. 2	1,000.00	
Sales Tax Security Receipt No. 4	11,070.00	
Sales Tax Security Receipt No. 3	9,995.00	
U.P. Trade Tax (Security)	34,440.00	
SECURITY DEPOSITS (U.P.S.E.B)	0.00	
U.P.S.E.B. Receipt No. 1	4,750.00	
U.P.S.E.B. Receipt No. 2	1,275.00	
U.P.S.E.B. Receipt No. 3	3,845.00	
U.P.S.E.B. Receipt No. 4	975.00	
U.P.S.E.B. Receipt No. 5	9,734.00	
TELEPHONE SECURITY	0.00	
Mobile Receipts No. 5	2,000.00	
Telephone Security Receipt No. 1	1,200.00	
Telephone Security Receipt No. 3	1,000.00	
Telephone Security Receipt No. 4	9,330.00	
Telephone (Security) Receipt No. 5for Mobile	2,200.00	
Security SEz (By KRPL)	175,008.00	
Total :	443,707.00	
Advance to Sundry Creditors :		
A.R. Engineering Works	52,500.00	
Bajnath Shshepur	2,895.00	
BSE LIMITED	4,000.00	
Carpet Export Promotion Council	7,515.00	
Crisil Ltd.	3,100.00	
EXPORT PROMOTION COUNCIL FOR HANDICRFTS	810.00	
GOVINDA BARMAN	116.00	
J. K. Yarn Dyers	5,000.00	
LUXURY VACATIONS AND HOLIDAYS PVT. LTD.	500.00	
NASARIN BANG	662.00	
One Cert Asia Agri Certification Pvt.Ltd.	12,315.00	
O.P.Tulsiyan & Co.	9,200.00	
PIYUSH TIWARI	2,973.00	
RAYYAN RUG EMPORIUM	521.00	
SALAUDIN ANSARI	386.00	
Santosh Kumar Patel	20,690.00	
SKEMA TEX	66,253.00	
Starling Silk Mills Pvt. Ltd.	5,670.00	
SUBHASH CHAND YADAV	1,342.00	
SUBODH KUMAR MAHESHWARI	3,644.00	
Unnayan Sansthan	127.00	
Total :	200,018.00	
Advance for Goods and Services :		
Staff Advance (Assets)		
Dharmendra Dubey Impreat	3,500.00	
Jai Prakash Singh	210.00	
KRISHNA MISHRA SBCL	4,113.00	
Manoj Kumar Shukla	6,571.00	
Total	14,494.00	

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET : 31.03.2018

PARTICULARS	DEBIT	CREDIT
Balance With Revenue Authorities :		
TDS Receivable (A.Y. 2018-19)	85,068.00	
Duty Drawback Receivable	762,465.00	
Focus Licence Receivable Yarn	3,020,561.83	
Focus License Receivable Carpets	2,826,565.20	
Income Tax Demand/appealed (FY 09-10, 10-11, 11-12)	6,000,000.00	
Insurance Claim Receivable	7,000,988.00	
L.T.C. RECEIVABLE	518,928.95	
Service Tax	398,729.00	
SHECESS	3,056.00	
CGST Input Credit	412,568.50	
CGST Reversal Charges	1,208.50	
IGST Input Credit	153,849.32	
SGST Input Credit	879,945.15	
SGST Reversal Charges	1,208.50	
Total	22,065,141.95	
Others :		
NARENDRA SHARMA ADVOCATE DELHI	25,000.00	
R. N. TRIPATHI ADVOCATE	50,000.00	
Salasar Balaji Food	12,829,751.00	
Sandesh Kumar Saneja	30,000.00	
Heritage Hospital	1,450,000.00	
Tanveer Ahmad (Advocate)	5,000.00	
Anil Kumar Barnawal (SH)	64,298.90	
Awadh Narayan Shukla (SH)	6,389.58	
Bejnath Sharma	25,082.00	
Banshu Yadav	7,128.00	
Ghanshyam Mishra	3,411.00	
Goverdhan Nepali	11,860.00	
Gulab Chandra Vishwakarma	16,011.00	
Hriday Narain Pandey (KL)	1,000.00	
INDRAJEET YADAV (KL)	9,700.00	
Jagar Nath Sharma	9,150.00	
Jiya Lal Yadav	1,100.00	
Maha Nand Yadav	4,830.00	
Mahendra Yadav	4,724.00	
Nagesh Kr Shukla	4,269.00	
Narendra Kumar Tiwar	314.00	
Naveen Kumar Pandey	3,673.00	
Panch Dev Gaur	1,898.00	
Panna Lal Sharma	4,435.00	
Rajendra Gaund	3,944.00	
Rajendra Kumar Yadav HT	2,155.00	
Ram Kuber Mali	4,167.11	
Ram Kumar Shukla	1,038.00	
Ravi Kumar Sinha	8,000.00	
Santli Swaroop Tiwar	12,256.00	
S. M JAMAL	1,395.00	
Sujeet Kumar Sinha	6,165.00	
Sunit Kumar Sharma	816.00	
AMBARISH CHATTERJEE	34500.00	
BIPIN GARG & CO	3500.00	
Container Corporation of India Ltd.	79470.26	
Fast Freighters INC.	641.00	
GHUFRAN AHAMAD	1198.00	
Purshattan Das & Co.	1,800.00	
EVENTZPRO	2,894.00	
Prepaid Insurance	75,396.96	
Total	14,810,359.81	

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET - 31.03.2018

Party	Less 180 Days	More Than 180 Days	Total
Inland Debtors :			
Anup Agrawal		287,154.00	287,154.00
ABHOK KUMAR JAISWAL		451,811.00	451,811.00
Bijal Handloom Industries		107,415.00	107,415.00
Bolin Kumar		207,264.00	207,264.00
Center Vyapar		4,032,611.00	4,032,611.00
EAST INDIA COMPANY		3,609.00	3,609.00
ECO Cement India (ECO Steel)		2,805,230.97	2,805,230.97
Hira Lal		428,901.00	428,901.00
Jainanwar Prasad		262,022.94	262,022.94
KAANDLA RUGS LIMITED	4,243,844.35	2,375,896.00	6,619,740.35
Karthiqa HUF		319,479.16	319,479.16
Kobinco Credit Pvt. Ltd.		2,879,970.42	2,879,970.42
KUSHUM AGARWAL		522,830.00	522,830.00
LAXMINA DEVI		176,871.00	176,871.00
MADAN LAL		329,057.00	329,057.00
Manju Jain		238,349.00	238,349.00
MANOJ Patel		194,224.00	194,224.00
Mehra Devi		242,178.28	242,178.28
Organic Weave Ltd	5,412,002.97		5,412,002.97
PINKI		47,125.00	47,125.00
POONAM CHAND		350,578.00	350,578.00
Prity Tuzyan		45,986.00	45,986.00
Progressive		1,216,202.08	1,216,202.08
Punshillam Dax HUF		593,980.00	593,980.00
Purvanchal Project & Consultants P.Ltd		5,566,871.76	5,566,871.76
R.P. SINGH HUF		285,871.00	285,871.00
Rungta Projects Ltd	25,325,991.00		25,325,991.00
Sandeep Enterprises		388,442.00	388,442.00
Sandeep Huf		334,920.00	334,920.00
SHASHANK BASU		10,001.00	10,001.00
Shreyans Agencies		1,195,163.00	1,195,163.00
S. K. Jain		161,755.00	161,755.00
S.S. PAUL	12,495.00		12,495.00
Sundry Party		10,507,158.79	10,507,158.79
TARACHAND AGARWAL		8,400.00	8,400.00
TEXTILES INDIA		45,460.00	45,460.00
Utkarsh		879,338.00	879,338.00
Vedanta Academy (Charitable Trust)	9,500.33		9,500.33
VISHAMBHAR NATH		185,736.50	185,736.50
TOTAL	36,003,833.65	37,941,877.90	73,945,711.55
Foreign Debtors :			
Carpet Art Manufacturing (Yam Division)	2,288,763.47		2,288,763.47
EMAAR DEVELOPMENT LLC	741,621.65		741,621.65
JAMBROS INC.	1,766.80		1,766.80
JOSEPH CARINI CARPETS	350,481.07		350,481.07
LAVENDER AND LOOM LLC		422,610.00	422,610.00
MUKU SHOTEN	97,140.00		97,140.00
Paragon Carpetmaker SDN BHD	4,245,694.16		4,245,694.16
PATRICK JAMES INC	81,836.51		81,836.51
Patterson Flynn Usa	24,695.71		24,695.71
P.T.LUNG VICTORY CARPET	2,621,842.00		2,621,842.00
PT RAINBOW/INDAH CARPET		1,943,967.00	1,943,967.00
SHANGHAI JIEDE DECORATION ENGEERING LTD.		364,988.26	364,988.26
SINOSIAM CARPET CO. LTD.		140,065.96	140,065.96
SINTORANCE AIR TRANSPORTATION DEVELOPMENT CO. LTD.		1,796,886.00	1,796,886.00
The Esib Hotel Supply	170,953.00		170,953.00
Triwest Trading	239,808.42		239,808.42
United Carpet SDN. Bhd, Malaysia	99,275.23		99,275.23
VENJARA E. SALEMOMAMED & SON	85,193.00		85,193.00
TOTAL	11,049,071.02	4,668,517.22	15,717,588.24

Name of the Company: SHRI BHOLANTH CARPETS LIMITED
LIST FORMING PART OF BALANCE SHEET - 31.03.2018

Party	Less 180 Days	More Than 180 Days	Total
Debtors Woolen Yarn Through Direct :			
ATJANI CARPETS	10,827.00		10,827.00
AYAAN RUGS	2,623.96		2,623.96
AYUB RUGS	7,840.00		7,840.00
CLASSIC COIR FACTORY	16,355.75		16,355.75
EXTRAWEAVE PRIVATE LIMITED	59,661.00		59,661.00
HASAN RUGS EMPORIUM	27,050.00		27,050.00
INDIAN RUG GALLERY	375,760.00		375,760.00
KAY INTERNATIONAL	46,704.00		46,704.00
LOOMAGE INDIA	109,340.25		109,340.25
PALM FIBRE (INDIA) PVT.LTD.	2,000.00		2,000.00
PREMIER CARPETS	157,290.00		157,290.00
RIVIERA HOME FURNISHINGS PVT.LTD.	599,439.25		599,439.25
TEPPICH DE ORIENTA	203,271.50		203,271.50
TRANS INTERNATIONAL	36,225.00		36,225.00
VARANASI CARPETS	182,309.40		182,309.40
WILLIAM GOODACRE & SONS INDIA PVT. LTD	42,347.73		42,347.73
Wilton Weavers Pvt. Ltd.	103,500.00		103,500.00
TOTAL	1,982,544.84		1,982,544.84
Debtors Woolen Yarn Through Agents			
AJAY CARPETS	610,764.02		610,764.02
AMASS INTERNATIONAL	153,930.00		153,930.00
ANISA HOME	5,118.76		5,118.76
A S CARPETS	93,645.04		93,645.04
A WAHEED ROYAL CARPET CO.	441,821.00	38,632.00	480,453.00
BHADRI ART GALLERY	3,808.00		3,808.00
CHAMPO CARPETS	6,726.00		6,726.00
CLASSIC RUGS	331,072.00		331,072.00
DEEPAK RUGS	35,665.00		35,665.00
EASTERN HOME INDUSTRIES	137,025.00		137,025.00
Eastern Home Industries Ltd.	7,481.26		7,481.26
HMAH RUGS	9,147.73		9,147.73
HUSSAIN INTERNATIONAL	1,013,898.90		1,013,898.90
Kapoor Carpets	2,152.00		2,152.00
R. MURARI LAL & SONS	18,657.50		18,657.50
Prakash Sagar Enterprises	8,269.00		8,269.00
PRASAD CARPET INTERNATIONAL	304,903.96		304,903.96
RUGS VILLAGE	84,892.50		84,892.50
SAIF CARPETS PVT.LTD.	1,090,994.72		1,090,994.72
Saleem Rug Industries	183,029.02		183,029.02
SANDEEP EXPORTS	844,720.92		844,720.92
SHAAD BROTHERS	5,488.00		5,488.00
SHAMSHI EXPORTS	297,935.32		297,935.32
S.K. Carpet Yarn		21,890.00	21,890.00
U.N. CARPETS	552,463.12		552,463.12
Veer Trading Co.	370,203.60		370,203.60
WAZIRI RUGS CARPETS	89,723.90		89,723.90
Zayn & Zara		141,276.00	141,276.00
Total	6,603,516.27	201,798.00	6,805,314.27
Others :			
Amari Investments	10,000.00	7,122,537.80	7,132,537.80
Total	10,000.00	7,122,537.80	7,132,537.80
GRAND TOTAL	55,648,965.78	49,934,730.92	105,583,696.70

SCHEDULE FORMING PARTS OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Note: 16

Notes forming part of the financial statements

1 Significant accounting policies

A Basis of accounting and preparation of financial statements

- a The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles generally accepted in India, the mandatory Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013 ("The 2013 Act")/Companies Act, 1956 ("The 1956 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- b All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in Revised Schedule VI of Companies Act, 1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of classification of current or non-current assets and liabilities.

B Use of estimates

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenues and expenses for the year. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known / materialize.

C Inventories

The inventories of raw materials and traded goods dealt with by the Company are valued at cost. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location. The inventories of finished goods and traded goods is valued at lower of cost or net realisable value.

D Prior Period Items and Extraordinary Items :

Prior period items and extraordinary items are separately classified, identified and dealt with as required under Accounting Standard 5 on 'Net Profit or Loss for the Period, Prior Period Items and changes in Accounting Policies' as notified under the Companies (Accounting Standards) Rules, 2006

E Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

G Revenue recognition

The Company adopts accrual basis of accounting in preparation of accounts. All expenses and income to the extent considered payable and receivable respectively unless stated otherwise have been accounted for on mercantile basis.

- a **Sale of Goods**
Revenue from sale of products net of returns, is recognised on despatch or appropriation of goods in accordance with the terms of sale. Sales are recognised when substantial risks and reward of ownership in the goods are transferred to the buyer, upon supply of goods, and are recognised net of trade discount, rebates, excise duty and vat on goods manufactured.
- b **Sale of Services**
Revenue from services is recognised in accordance with the specific terms of contract on performance.
- c **Other Operating Revenue**
 - i Other operating revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract
 - ii Sundry creditors not to be paid as decided by the management is written off and accounted as misc. income.

H Tangible fixed assets, Depreciation and Impairment

- a Fixed Asset is shown at Cost less accumulated depreciation. All direct cost relating to acquisition of assets is capitalised upto the date the assets are ready for their intended use. Depreciation / amortisation is provided on a pro-rata basis from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation / amortisation is provided upto the month of sale or disposal of the assets.
- b The Company provided depreciation at the prescribed rates based on useful life of assets provided as per Companies Act, 2013
- e The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount.

I Investments

Long-term and Short Term Investments (excluding investment properties), are carried individually at cost at which the same is purchased. Cost of investments include acquisition charges such as brokerage, fees and duties and other charges. Long term investments are carried individually at cost. However, provision for diminution is made to recognise a decline, if any, other than temporary, in the carrying value of the investment. Current investments are carried individually at lower of cost and fair value.

J Employee benefits

Short term employees benefits such as salaries, performance incentives, etc., are recognised as an expenses at actual. The Company has no Defined Contribution Plan in operation. In absence of any statutory or contractual liability no provision for any accrued Defined Benefit Plan like Gratuity is made.

K Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, upto the date when the assets are ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

L Segment reporting

The Company's primary segment is identified as business segment based on nature of product, risks, returns and the internal business reporting system and secondary segment is identified based on geographical location of the customers as per Accounting Standard - 17. The Company is principally engaged in a single business segment.

M Earnings per share

The Company reports basic earnings per share (EPS) in accordance with Accounting Standard AS- 20 on 'Earnings per Share'. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

N Taxes on income

Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to the Company resulting in payment of normal income tax.

Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets are recognised for timing differences other than unabsorbed depreciation and carry forward losses only to the extent that there is a reasonable certainty that there will be sufficient future taxable income to realise the assets. Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognised only to the extent there is a virtual certainty of its realisation.

O Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements. Provision for product warranties is made for contractual obligations in accordance with the policy in force and is estimated for the unexpired period.

Shri Bholanath Carpets Limited

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221306

Foreign Currency Translations

Foreign Currency Transactions are accounted for the exchange rates prevailing at the date of transaction. Gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss. No provision for Exchange Fluctuation on monetary assets and liabilities denominated in foreign currencies as the year end has been made on the basis of exchange rates prevailing existed at the balance sheet date. Non monetary items has been carried at historical cost and any gains or losses, if any are recognised at

Q Miscellaneous Expenditure :

Preliminary, Public Issue, Rights Issue Expenses and Expenses on Private Placement of shares are amortized as prescribed under the provisions of Income Tax Act 1961 at present it is amortised over a period of 5 years.

2 A. Related party disclosure as identified by the management in accordance with the Accounting Standard (AS) 18 on "Related Party Disclosures" are as follows :

Sl. No.	Nature of Transactions	KMP	Others
1	Directors Remuneration	6,96,000.00	-
2	Sale of finished goods		1,37,38,689.32
3	Payment Received		4,69,70,449.69
3	Payment made		13,10,24,326.00
4	Purchase		11,21,64,606.62

3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no dues outstanding to micro, medium & small enterprises as on the Balance Sheet date. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

4 Details of consumption of imported and indigenous items

Disclosure Requirements relating to manufacturing companies, trading companies, FOB value of export etc as required by Part -II of Revised Schedule -VI to the extent not applicable has not been provided by the management of the company.

5 Sundry Debtors, Loans and Advances, Cheque in Hand :

- In the opinion of Management and to the best of their knowledge and belief the value of realization of Loans, Advances and Current Assets in ordinary course of Business will not be less than the amount for which they are stated in the Balance Sheet.
- Sundry Debtors represent the debt outstanding on sale of goods and is considered good. The Company holds no other securities other than the personal security of the debtors. The Balances of Sundry debtors are subject to confirmations from the parties.
- Sundry Debtors and Loans and Advances shown under the head Current Assets includes the amounts due from concerns which are under same management or in which some of the Directors are interested as Directors/Trustees, which amounts Rs.NIL
- Cheque in hand of Rs. 3,40,00,000/- shown under the head Cash and Cash Equivalent is subject to realisation from the parties.

6 Earnings and Expenditure in foreign currency : NIL

Particulars	31.03.2018 (Rs.)	31.03.2017 (Rs.)
a) CIF Value of Imports		
(i) Machinery and Equipment	NIL	NIL
(ii) Stores and Spares	NIL	NIL
(iii) Other Consumables	NIL	NIL
b) Investments	NIL	NIL
c) Expenditure (Capital)	NIL	NIL

(4)

Shri Bholanath Carpets Limited

Regd. Office : G.T. ROAD, KACHHAWAN, VARANASI, UTTAR PRADESH, 221306

7 The previous financial year's figures have been reworked, regrouped and reclassified to the extent to the extent possible, wherever necessary to conform to current year presentation.

Signature to the Schedules "1" to "7"

(As per our report of even date attached)

For O.P. TULSYAN & CO.
CHARTERED ACCOUNTANTS



PLACE : Varanasi
DATED : 30.05.2018

S.N. Agrwal
(PARTNER)

Shri Bholanath Carpets Limited

Shri Bholanath Carpets Ltd.

Shri Bholanath Carpets Ltd.

(DIRECTOR)

Director

(DIRECTOR)

SHRI BHOLANATH CARPETS LIMITED

CIN: L17226UP1973PLC003746

Regd. Office: G.T. Road, Kachhawan Varanasi UP 221307 IN

Phone: +91-542- 2620221; Email: info@bholanath.biz ; Website: www.bholanath.biz

NOTICE

NOTICE is hereby given that 45th Annual General Meeting of the members of the Company M/s. Shri Bholanath Carpets Limited will be held at Registered office of the Company at G. T. Road, Kachhawan, Varanasi, U.P.- 221313, on Saturday, the 29th Day of September, 2018 at 11.30 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2018 and the Report of Auditors thereon.
2. To reappoint Shri Vivek Baranwal (DIN: 02076746), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To consider and reappoint Statutory auditors:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. O.P.Tulsyan & Co., Chartered Accountant, (Firm Registration No.500028N) be and is hereby re-appointed as the Statutory Auditors of the Company and to hold the office from the 44th Annual General Meeting till the conclusion of 48th Annual General Meeting of the Company which will be held in the year 2022, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, Shri (CA) Shrinarayan Khemka (DIN:) who has the age of 81 years as on August 01, 2018 and who was appointed as an Independent-cum- Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from August 14, 2018 by the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby regularized/appointed as an Independent Director of the Company for a period of five years with effect from August 14, 2018 and whose office shall not be liable to determination by retirement of Directors by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Shri (CA) Shrinarayan Khemka (DIN:) be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, Smt. Nisha Tripathi (DIN: 08151050) who was appointed as an Independent-cum- Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from June 06, 2018 by the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director of the Company, be and is hereby regularized/appointed as an Independent Director of the Company for a period of five years

with effect from June 06, 2018 and whose office shall not be liable to determination by retirement of Directors by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Smt. Nisha Tripathi be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan, Varanasi-221313, U. P.

IMPORTANT NOTES:**1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), which sets out details relating to Special Business at the meeting, is annexed hereto. Details under **SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015** (hereinafter referred as 'LODR Regulations') and under **Secretarial Standard -2** issued by **Institute of Company Secretaries of India**, in respect of the Directors seeking appointment/re-appointment at the AGM, also contained in Explanatory Statement pursuant to Section 102 of the Act. The Directors have furnished the requisite declarations for their Appointment / reappointment.

3. The register of members and the share transfer books of the company will remain closed from September 23, 2018 to September 29, 2018 (Both days inclusive) in accordance with the provisions of the Companies Act, 2013 and the LODR Regulations, for the purpose of AGM and determining names of the shareholders eligible for dividend on equity shares, if declared. The dividend, if declared at the AGM, will be paid:

a. For equity shares held in physical form - those shareholders whose names will appear in the Register of Members on the close of the day on September 21, 2018.

b. For equity shares held in dematerialized form – those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owner on close of day on September 21, 2018.

4. Members holding shares in dematerialized form are requested to ensure that addresses furnished by them to their respective Depository Participants are correct and up-to-date, so that the correspondence from company could reach them promptly. However, the Members holding shares in physical form may notify the same to the Registrar and Share Transfer Agent of the Company.

5. The Securities and Exchange Board of India (SEBI) has **mandated the submission of PAN by every participant in securities market.** Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. SEBI has by its **Circular dated 20th April, 2018** mandated that the Companies through their Registrar and Transfer Agents (RTA) take special efforts for collecting copies of PAN and Bank Account details for the holders holding securities in Physical Form. Those security holders whose folio(s) do not have complete details relating to their Permanent Account Number (PAN) and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration/ update.

6. Members who are holding shares in physical form are hereby informed that SEBI has amended regulation 40 of SEBI (LODR) Regulations, 2015 vide Notification dated June 08, 2018 and in terms of said notification except in case of transmission or transposition of securities, **requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository after December 05, 2018.**

7. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address,

physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.

8. Members may also note that the Notice of the 45th AGM and the Annual Report for 2017-18 will also be available on the Company's website www.bholanath.biz for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting. Corporate members intending to send their authorized representatives to attend and vote at the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send, a certified true copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
10. Members desirous of having any information as regards accounts are requested to write to the company at least Seven days in advance so as to enable the Management to keep the information ready.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days Annual Report 2017-18/ 3 except Saturdays and Sundays, up to and including the date of the AGM of the Company. The details of above offices are given in this Annual Report.
12. Members of the Company had approved the appointment of M/s. O.P.Tulsyan & Co., Chartered Accountants, as the Statutory Auditors at the AGM held in the year 2014 of the Company which is valid till AGM which will be held in the year 2019 of the Company. In accordance with the Companies (Amendment) Act, 2017, enforced on May 7, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
13. Pursuant to Section 108 of Act read with Rule 20 of Companies (Management and Administration) Rules,

2014, the Company is pleased to provide members' facility to exercise their right to vote at the 45th AGM by electronic means (remote e-voting) and the business may be transacted through remote e-voting services provided by e-voting services provided by NSDL. The Members, whose names appear in the Register of Members / list of Beneficial Owners on the close of the day on Friday, September 21, 2018 (cut-off date), i.e. the date 2 days prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members for e-voting and for physical voting at the meeting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. Friday, September 21, 2018. The remote e-voting facility will be available at the link <https://www.evoting.nsdl.com> during the following voting period: Commencement of remote e-voting: FROM 9.00 A.M. on Wednesday, September 26, 2018 End of remote e-voting: TO 5.00 P.M. on Friday, September 28, 2018. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by NSDL upon expiry of aforesaid period.

In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the AGM. The facility for ballot / polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot/polling paper. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.

The login ID and password for e-voting along with process and manner for generating or receiving the password and for casting of vote in a secure manner (remote e-voting instructions), is being sent alongwith this notice through permitted mode. Any person, who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cutoff date, may obtain the User Id and password in the manner as mentioned remote e-voting

instructions. The persons, who have received this notice and e-voting details, ceased to be a Member as on the cut-off date should treat this and e-voting details Notice for information purposes only. The remote e-voting instructions are also available on the website of the company at www.bholanath.biz.

The Company has appointed Mr. Ajay Jaiswal & Co., Practicing Company Secretary (C.P. No. 3486), as Scrutinizer to scrutinize the physical voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose. He has also confirmed that in case of any emergency and he could not attend AGM, he shall be represented by CS Ajay Jaiswal, who shall act as Scrutinizer for e-voting and polling on resolutions to be passed at the forthcoming AGM of the Company. After the conclusion of voting at the general meeting, the scrutinizer shall, immediately first count the votes cast at the meeting, thereafter

unblock the votes cast through remote e-voting in the presence of at least two witnesses (who shall not be in the employment of the company). Thereafter, Scrutinizer shall give a consolidated report, specifying the total votes cast in favor or against, if any, within forty eight hours of conclusion of the meeting, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith. The results declared shall be available on the website of the Company (www.bholanath.biz) and on the website of the NSDL (<https://www.evoting.nsdl.com>). The results shall simultaneously be communicated to the Bombay Stock Exchange. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

On Behalf of the Board

Sd/-
Bholanath Baranwal
(Chairman & Managing Director)
DIN: 00306086

Date: 30.08.2018

Place: Varanasi

Registered Office: G. T. Road, Kachhawan, Varanasi - 221313, U. P.

**PROXY FORM
MGT 11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s):	Folio No.
Registered address:	Folio No/*Client Id:
E-mail ID:	*DP Id:

*Applicable for investors holding shares in electronic form.

I/We, being the member(s) ofshares of SHRI BHOLANATH CARPETS LIMITED, hereby appoint:

- 1) Name: E-mail Id:
Address: **or failing him**
- 2) Name: E-mail Id:
Address: **or failing him**
- 3) Name: E-mail Id:
Address:

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the **45th Annual General Meeting** of the Company, to be held at Registered Office of the Company at G. T. Road, Kachhawan, Varanasi - 221313, U. P. on Friday, the 29th day of September, 2017 at 11.30 A.M. and at any adjournment thereof in respect to such resolutions as are indicated below:

** I wish my/our above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1)		
2)		
3)		

Signed this day of 2018

Signature of shareholder

Affix ` 1 Revenue Stamp Here

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. **This is only optional. Please put a `X` in the appropriate column against the resolutions indicated in the Box. If you leave the `For` or `Against` column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated in the form.

ATTENDANCE SLIP

45th ANNUAL GENERAL MEETING ON SATURDAY, 29th SEPTEMBER, 2018 AT 11.30 A.M. AT
SHRI BHOLANATH CARPETS LIMITED, G.T. ROAD, KACHHAWAN, VARANASI-221313.

Registered Folio No./ DP ID No./ Client ID No.	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	
Number of Shares held:	

I/ We hereby record my/ our presence at the 44th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 11.30 A.M. at Shri Bholanath Carpets Limited, G.T. Road, Kachhawan, Varanasi-221313.

Name of the member/ proxy

Signature of member/ proxy

Note:

Please fill the proxy form and submit at the entrance of the Meeting Hall.

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 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 <https://www.evoting.nsdl.com>.
3. Click on “Shareholders” tab.
4. Now, select the “Electronic Voting Sequence Number (EVSN) – “109709” 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:

	FOR MEMBERS HOLDING SHARES IN DEMAT FORM		FOR MEMBERS HOLDING SHARES IN PHYSICAL FORM
User ID	For NSDL:	8 character DP ID followed by 8 digits Client ID	Folio Number registered with the Company
	For CDSL:	16 digits beneficiary ID	
PAN*	<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): 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.</p> <p>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.</p> <p>FOR EXAMPLE: 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>		
DOB	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.		

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 NSDL 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– 109709** 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.evoting.nsdl.com>. And register them, 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 Regulation 44 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015**, 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).

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- 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 26th September, 2018 (09:00 am) and ends on 28th September, 2018 (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 21st September, 2018, 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:
 - B. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - 01) 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.
 - 02) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - 03) Click on Shareholder - Login
 - 04) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - 05) 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.
 - 06) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - 07) Select "EVSN" of "**Shri Bholanath Carpets Ltd**".
 - 08) Now you are ready for remote e-voting as Cast Vote page opens.
 - 09) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - 10) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - 11) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - 12) 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 with a copy marked to evoting@nsdl.co.in.



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- C. 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] :
- (ii) 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
 - (iii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.
 - (iii) 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 downloads section of www.evoting.nsdl.com or call on toll free no.: **1800-222-990**.
 - (iv) 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.
 - (v) 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).
 - (vi) 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 21st September, 2018.
 - (vii) 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. 21st September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or 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 or contact NSDL at the following toll free no.: **1800-222-990**.
 - (viii) 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.
 - (ix) 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.
 - (x) The Company has appointed Shri Ajay Jaiswal, Practicing Company Secretary (Membership No. FCS – 5112) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (xi) 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.

- (xii) 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 favor 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.
- (xiii) The Results declared along with 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.

SBC

