



PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL

# Annual Report

## 2020 - 2021



**BHILWARA TECHNICAL TEXTILES LIMITED**

## BOARD OF DIRECTORS

Shri Shekhar Agarwal	Chairman & Managing Director and CEO
Shri Riju Jhunjhunwala	Director
Shri Priya Shankar Dasgupta	Director
Smt. Sunita Mathur	Director
Shri Shantanu Agarwal	Director

## KEY MANAGERIAL PERSONNEL

Shri Shekhar Agarwal	Chairman & Managing Director and CEO
Shri Arjun Sharma	Company Secretary & Chief Financial Officer (Upto 9th July, 2021)

## REGISTERED OFFICE

LNJ Nagar, Mordi  
Banswara – 327 001 (Rajasthan)  
Phone: 02961-231251-52, 02962-302400  
Fax: 02961 – 231254  
CIN: L18101RJ2007PLC025502

## CORPORATE OFFICE

Bhilwara Towers  
A-12, Sector-1  
Noida – 201 301 (U.P.)  
Phone: 0120-4390300, 4390000  
Fax: 0120-4277841  
Website : www.bttil.co.in

## AUDITOR

M/s. Doogar & Associates

## SECRETARIAL AUDITOR

M/s. Manisha Gupta & Associates

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## Management Discussion & Analysis Report

### World Economy

Following the devastating health and economic crisis caused by COVID-19, the global economy appears to be emerging from one of its deepest recessions on the path to a subdued recovery. High uncertainty surrounds this outlook, related to the continuance and end to the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalization and the evolution of financial conditions. Following a collapse last year caused by the COVID-19 pandemic, global economic output is expected to expand 4 percent in 2021 but still remains more than 5 percent below pre-pandemic projections. Global growth is projected to moderate to 3.8 percent in 2022, weighed down by the pandemic's lasting damage to economic growth. In particular, the shock to investment and human capital is eroding growth prospects in emerging market and developing economies (EMDEs) and setting back key development goals. The global recovery, which has been dampened in the near term by a resurgence of COVID-19 cases, is expected to strengthen as vaccination proceeds and the pandemic is brought under control, and as confidence, consumption, and trade gradually improve.

COVID-19 has continued to spread around the world. Some areas have experienced a sharp resurgence of infections and daily new cases remain high. Over the long-term, the consequences of the crisis could be severe. Although recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook. The strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics entering the crisis.

### Indian Economy

COVID-19 has been projected worse than the Great Depression of 1930. When India went into one of the hardest lockdowns in the world on March 25, 2020 last year, the impact on businesses was so grave that the economy went into recession, for the first time in 40 years. Now, as the country battles a second wave of Covid-19, with active cases rising sharply, there is heightened fear that whatever economic recovery had been achieved in the past six months, could be wiped out. The relentless surge in Covid-19 cases over the past few weeks has created considerable uncertainty over the state of the Indian economy. Several states have, in response to the spurt in cases, begun to impose restrictions on economic activities. While the restrictions being imposed are, as of now, less severe than those imposed last year, their impact has begun to be felt in the broader economy.

While infections continued to increase during this period, Indians are now mainly confined to their homes to contain the spread of the virus. The announcement did not come without chaos – it created widespread panic, specifically among lower classes of society including farmers and migrant workers who were left stranded and jobless overnight from their faraway homes.

The second wave of Covid-19 infection is spreading across the country and state after state is announcing restrictions even though a nationwide lockdown has been avoided. The outbreak is no longer concentrated in a few states or even in urban areas as was earlier thought. The second wave of the pandemic has posed a downside risk to economic activity in the first quarter of FY2021-22. The impact of the second wave of the coronavirus pandemic on the economy is likely to remain muted as compared to the first wave. This economic uncertainty is unlikely to dissipate rapidly unless the COVID caseload begins to decline.

India's real GDP is expected to record a growth of 11 per cent in 2021-22 and nominal GDP by 15.4 per cent, although on a lower base. The V-shaped economic recovery is supported by the initiation of a mega vaccination drive with hopes of a robust recovery in the services sector and prospects for robust growth in consumption and investment.

### Textile Industry

The global textile market is expected to grow from \$594.61 billion in 2020 to \$654.57 billion in 2021 at a compound annual growth rate (CAGR) of 10.1%. The growth is mainly due to companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. India is the third-largest in textile manufacturing in the world and is responsible for more than 6% of the total textile production, globally. Rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to set up modern installations which are capable of highly efficient fabric production.

The outbreak of Coronavirus disease (COVID-19) has acted as a massive restraint on the textile manufacturing market in 2020 as supply chains were disrupted due to trade restrictions and consumption declined due to lockdowns imposed by governments globally. Steps by national governments to contain the transmission have resulted in halting of manufacturing activities and a decline in economic activity with countries entering a state of 'lock down' and the outbreak is expected to continue to have a negative impact on businesses throughout 2020 and into 2021. The textile

industry is an immense global market that affects every country in the world either directly or indirectly. From a global perspective, the textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India.

### Technical Textile

Technical Textiles is a high technology sunrise sector which is steadily gaining ground in India. Technical textiles are an important part of the textile industry and have good potential, largely untapped in India, and with the increase in disposable income, the consumption of technical textiles is also expected to increase. Given the large scale at which emerging nations are industrialising, the market for technical textiles can only be expected to grow in tandem with industrial growth in different parts of the world.

The technical textiles industry has immense potential in the developing countries. Asia is now emerging as a powerhouse of both production as well as end-use consumption of technical textiles. Considering its highly skilled and scientific/technical manpower and abundant availability of raw material, India can emerge as a key player in the technical textiles industry.

### Business

BTTL started its trading operations by exporting 100% Cotton Raw White yarns, 100% Cotton Dyed yarns and 100% Cotton Mélange yarns. These exports were mainly done to Europe, Mauritius, Tunisia, Bangladesh etc. Since most of these products are commodity in nature, they have thin trading margins. Despite difficult market conditions,

### Significant Changes i.e. Change of 25% or More in the Key Financial Ratios

In accordance with the amendments notified by SEBI in Regulation 34 the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 on 9<sup>th</sup> May, 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported hereunder :-

Particulars	Period Ended 31.03.2021	Period Ended 31.03.2020	% change	Remarks
<b><u>Stability Ratios</u></b>				
Debt Equity Ratio (Total Debt)	—	—	—	—
Debt Service Coverage Ratio (DSCR)	—	—	—	—
Interest Coverage Ratio	—	—	—	—
<b><u>Liquidity Ratios</u></b>				
Current Ratio (Incl. CPTL)	27.87	106.27	-73.77	High ratio as on 31 <sup>st</sup> March 2020 was due to substantial reduction in trade payable as on that date.
Current Ratio (Excl. CPTL)	27.87	106.27	-73.77	
Debtors Turnover Ratio (no. of days)	4.12	—	100.00	As on 31st March, 2020, there was Nil trade receivable.
Inventory Turnover Ratio (no. of days)	42.86	—	100.00	As on 31st March, 2020, there was Nil inventory.
<b><u>Profitability Ratios</u></b>				
Operating Profit Margin	20.41	18.18	12.27	—
Net Profit Margin	17.64	15.63	12.86	—

unprecedented challenges and lockdown restriction, your company recorded reasonably good performance. During the year under review, the yarn sale of your Company has recorded higher turnover & profitability despite difficult market conditions in both domestic and international markets. The Company has undertaken cost optimization and rationalisation exercise to bring down the cost and is also taking all necessary steps to improve margins.

During the year under review, your Company recorded higher revenue of Rs. 651.81 Lakh for the year ended 31st March, 2021 against Rs. 196.10 Lakh recorded in the previous year ended 31st March, 2020. Further, during the year under review, your Company recorded higher net profit of Rs. 109.78 Lakh against Rs. 30.65 lakh in the previous year.

Your Company is proposing to accelerate exports of various yarns and is hopeful of achieving sizeable turnover and profitability.

The Company holds substantial stake in equity share capital of BMD Private Limited which is a leading manufacturer of high-performance specialized furnishing fabrics for automotive, contract furnishing, flame retardant fabric & air texturized yarn. BMD Private Limited has also forayed in Wind and Solar Power Generation which also gives the Company exposure in the renewable energy sector. BMD Private Limited has a continuous track record of good performance and maintains leadership for its products in OE Segment.

### **Change in Return on Net Worth in Comparison to The Previous Year**

During the financial year ended 31st March, 2021, the net worth of the Company was Rs. 19.17 Crore as compared to Rs. 18.02 Crore in the previous financial year ended 31st March, 2020. The return on net worth was 19.70% in the financial year ended 31st March, 2021 against 5.25% in the previous financial year ended 31st March, 2020.

### **Disclosure of Accounting Treatment**

The Company has followed the same Accounting treatment as prescribed in the relevant Accounting Standards while preparing the Financial Statements.

### **Human Resources**

The Company believes that human resources are the most critical element responsible for growth. We strive towards attracting, retaining, and developing the best talent required for the business to grow. The Company's endeavor is to provide high priority to its employees and focus on talent retention. Your Company believes in building leadership capability through adequate training to ensure cohesive working environment and a contented team work for the organization. The Company believes in minimizing attrition levels so as to bring continuity of service leading to high performance by all employees. There is a focus on adopting best practices so as to ensure a better work life balance for all the members of the Company. The Company at present has two employees.

### **Cautionary Statement**

Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'Forward-Looking Statements' within the meaning of applicable laws and regulations. Forward-looking statements are identified in this report by using words like 'anticipates', 'believes', 'expects', 'intends' and similar expressions in such statements. Such statements, however involve known or unknown risks, significant changes in the Political and Economic Environment in India or Key Markets abroad, Exchange Rate Fluctuations and other costs that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility in respect of forward-looking statement herein which may undergo changes in future on the basis of subsequent developments, information or events.

## Directors' Report

### Directors' Report

Your Directors are pleased to present the 14th Annual Report of your Company together with the Audited Standalone and Consolidated Financial Statements and the Auditors Report for the financial year ended 31<sup>st</sup> March 2021.

### Company's Performance

Your Company's performance during the fiscal year 2020-21 is summarized below:

### Financial Results

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Total Income	783.71	271.57	783.71	271.57
Profit before Interest & Depreciation	133.04	35.64	133.04	35.64
Less: Interest/Finance Cost	0.01	-	0.01	-
<b>Profit before Depreciation &amp; Amortisation</b>	<b>133.03</b>	<b>35.64</b>	<b>133.03</b>	<b>35.64</b>
Less: Depreciation & Amortisation	-	-	-	-
Share in Associates	-	-	689.10	(404.82)
<b>Profit/(Loss) before Tax</b>	<b>133.03</b>	<b>35.64</b>	<b>822.13</b>	<b>(369.18)</b>
Less:				
a) Current Tax	16.30	0.36	16.30	0.36
b) Deferred Tax	6.59	4.63	6.59	4.63
c) Tax Adjustment for earlier years	0.36	-	0.36	-
<b>Profit/(Loss) after Tax</b>	<b>109.78</b>	<b>30.65</b>	<b>798.89</b>	<b>(374.17)</b>
<b>Other Comprehensive Income</b>				
Share in OCI of Associate	-	-	51.87	(37.02)
<b>Total Comprehensive Income</b>	<b>109.78</b>	<b>30.65</b>	<b>850.76</b>	<b>(411.19)</b>

### Dividend and Other Appropriations

In order to conserve resources, your Directors do not recommend any dividend for the year under review.

### Operational Information

Your Directors inform the members that during the year under review, despite difficult market conditions, unprecedented challenges and lockdown restriction, your company recorded reasonably good performance. Your company has recorded higher turnover & profitability, with yarn sales showing good performance during the year under review.

Your Directors are hopeful that the current economic momentum will continue and your Company would improve its performance and profitability in future. Your Directors inform the members that your Company is continuously exploring opportunities and avenues for pursuing a profitable venture in technical textile space.

During the year ended 31<sup>st</sup> March, 2021, your Company recorded a higher revenue of Rs. 651.81 Lakh against Rs. 196.10 Lakh recorded in the previous year ended 31<sup>st</sup> March, 2020. Further, during the year under review, your Company recorded a higher net profit of Rs. 109.78 Lakh against Rs. 30.65 lakh in the previous year.

Your Company is proposing to accelerate the volume of business through exports and domestic sales of various textile products and is hopeful of achieving higher turnover and profitability.

### Directors and Key Managerial Personnel

Your Directors inform that Shri Shantanu Agarwal, Director retires by rotation and being eligible offers himself for reappointment.

Your Directors further inform the members that pursuant to the provisions of Section 149(7) of the Companies Act, 2013 a declaration has been received from Independent Directors at the beginning of the financial year stating that



they meet the criteria of independence as specified under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) & 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

During the year, Shri Shekhar Agarwal, Chairman & Managing Director and CEO of the Company was re-appointed by the Board of Directors of the Company on the basis of recommendation made by Nomination and Remuneration Committee for a period of three years commencing from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March, 2024. During the tenure, Shri Shekhar Agrawal will be attaining the age of 70 year in the year 2022. The proposal for confirmation of re-appointment of Shri Shekhar Agarwal, Chairman & Managing Director of the Company for a period of three years shall be put up before the members in the ensuing Annual General Meeting for their approval. Shri Shekhar Agarwal is not disqualified from being appointed as Chairman & Managing Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as the Chairman & Managing Director of the Company. Shri Shekhar Agarwal is not debarred from holding the office of Director pursuant to any SEBI Order or any other such authority. Your Directors further approved the proposal for the appointment of Shri Shekhar Agarwal, liable to retire by rotation as Director. The said proposal shall also be put up before the members at the ensuing Annual General Meeting for their approval.

During the year, Shri Shekhar Agarwal, Chairman & Managing Director and CEO & Shri Arjun Sharma, Company Secretary and Chief Financial Officer acted as Key Managerial Personnel of the Company.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. Further, none of the Directors are debarred from holding the office of Director pursuant to any SEBI Order or any other such authority. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013.

#### **Auditors:**

##### **Statutory Auditor**

M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N) were appointed as Statutory Auditors of the Company at the 10<sup>th</sup> Annual General Meeting of the members of the company held on 21<sup>st</sup> September, 2017 for a period of 5 years till conclusion of 15<sup>th</sup> Annual General Meeting subject to ratification by members at every subsequent Annual General Meeting.

Your Directors inform the members that in accordance with the amendment notified by MCA on 7<sup>th</sup> May, 2018, the requirement of ratification of the appointment of Statutory Auditor at every Annual General Meeting has been omitted and is no longer required.

During the year 2021, the Auditors had not reported any matter under Section 143 (12) of the Act; therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts which are forms part of this Annual Report. The Auditors' Report does not contain any qualification, reservation or adverse remark and disclaimer. However, the Statutory Auditors have confirmed their eligibility under section 141 of the Companies Act, 2013 and rules framed there under.

##### **Internal Auditor**

During the year, under Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s Ashim & Associates, Chartered Accountants as the Internal Auditors of the Company.

The role of internal auditors includes but is not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensuring its proper implementation, reviewing of SOPs and their amendments, if any.

##### **Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Manisha Gupta & Associates, Company Secretaries, a practicing secretaries firm as the Secretarial Auditor of the Company for the year ending 31<sup>st</sup> March, 2021. The Report of Secretarial Audit is annexed as **Annexure - I**.

The Report of Secretarial Audit does not contain any qualification, reservation or adverse remark.

##### **Corporate Social Responsibility**

Your Directors inform the Members that your Company is not covered within the scope of Section 135 of Companies Act, 2013 and the Rules framed thereunder. However, your Directors endeavor to contribute to such causes as and when they deem appropriate.

##### **Number of Meetings of the Board**

The particulars of the meetings held during the year along with the details regarding the meetings attended by the Directors forms part of the Corporate Governance Report. The composition of the Board and its Committees has also been given in detail in the Report on Corporate Governance.

##### **Annual Return**

Pursuant to Section 92 of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014 the Annual Return is available on the website of the Company on the following link :

<https://www.bttl.co.in/ar2020-21.pdf>

### **Directors' Appointment and Remuneration Policy**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Schedule II Part D, the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors, KMP and Senior Management and their remuneration. The said policy forms part of the Director Report as given in **Annexure - II**.

### **Annual Evaluation by the Board**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation has been made by the Board of its own performance, its committees and the individual Directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of the Director Report. Your Directors feel pleasure in informing the members that the performance of the Board as a whole and its member individually was adjudged satisfactory.

Further, every Independent Director of the Company is familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc., through various programs.

### **Particulars of Loans, Guarantees or Investments**

Details of loans, guarantees and investments are given in the notes to the Financial Statements at appropriate places.

### **Particulars of Contracts or Arrangements with Related Parties**

During the year under review, the related party transactions are being done on an arm's length basis and in the ordinary course of business and do not have any possible conflict with the interests of the Company. Your Directors draw attention of Members to note no. 32 to the financial statement which contain particulars of transactions with related parties as per applicable provisions of Companies Act, 2013.

Further, prior omnibus approvals from the Audit Committee are obtained for the transactions which are repetitive and normal in nature and in accordance with the Related Party Transaction policy. The disclosures are made to the Audit Committee and the Board of Directors on a quarterly basis.

### **Significant and Material Orders Passed by the Regulators or Courts**

There was no significant and material order passed by the regulators or courts during the year.

### **Risk Management**

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be resilient and respond decisively to changing environment.

### **Corporate Governance**

Your company has complied with all the requirements of Corporate Governance as required under Listing Regulations, wherever applicable.

A comprehensive report on Corporate Governance in this regard is made part of this Annual Report and a Certificate from the Statutory Auditors of your Company i.e. M/s Doogar & Associates, Chartered Accountants regarding compliance of the conditions of the Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements), 2015 form part of this Annual Report.

### **Whistle Blower Policy**

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed. The policy has been disclosed on the website of the Company, the link of which is given hereunder:

[http://www.bttl.co.in/wh\\_policy.pdf](http://www.bttl.co.in/wh_policy.pdf)

### **Management Discussion and Analysis Report**

Management Discussion and Analysis Report, as required by regulation 34 (2) of listing regulations, forms part of this Annual Report.

### **Internal Control Systems**

The Company has a well-placed internal control system which ensures proper safeguard of all assets prevention and detection of frauds and errors, and all the transactions are recorded and reported correctly. The Company maintains an internal control system designed to provide assurance regarding safeguarding of assets of the company, compliance of all applicable laws and regulations and ensuring effectiveness of operations.

The Company's Audit Committee reviews adherence to internal control systems and legal compliances. This committee reviews all quarterly and yearly results of the Company and commends the same to the Board for its approval. Your Directors endeavour to continuously improve and monitor the internal control systems.

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rules, 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure-III** forming part of this Report.



### Particulars of Employees

The information of employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure – IV**. Further, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as **Annexure - V**.

### Significant Material Changes after Balance Sheet Date affecting Financial Position

There is no change or commitment which affects the financial position of the Company that may have occurred between the end of the financial year of the Company to which financial statements relates to, i.e. 31<sup>st</sup> March, 2021 and the date of report, 21<sup>st</sup> May, 2021.

### Subsidiary, Joint, Venture and Associate Company

The Company does not have any subsidiary or joint venture company. However, BMD Private Limited is an associate company of the Company.

A statement containing the salient features of the financial statements of BMD Private Limited in the prescribed format AOC-1 is appended as **Annexure-VI**. Pursuant to the requirement of Section 129 of the Companies Act, 2013 the financial statement of associate company has been consolidated and presented in the consolidated financial statements presented in the Annual Report.

### Public Deposit

During the period under review, your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

### Directors' Responsibility Statement

**Pursuant to section 134(3) of the Companies Act, 2013, the Directors State that :**

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) appropriate accounting policies have been selected and applied consistently and they have made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company on 31<sup>st</sup> March, 2021 and of the profit and loss of the Company for the year ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Maintenance of Cost Records

The Company is not required to maintain cost records under Sub-Section (1) of Section 148 of the Companies Act 2013.

### Compliance with the Provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee for reporting concerns related to sexual harassment at workplace.

Your Directors inform the members that during the year under review, the Internal Complaint Committee did not report any complaint with regard to sexual harassment under review.

### Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

### General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- iii. No amount has been transferred to general reserves during the year.
- iv. There is no change in the nature of business of the Company.
- v. There were no frauds found which have been reported to the Audit Committee / Board members as well as to the Central Government.

### 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 and other associated and incidental factors may however lead to variation in actual results.

### Acknowledgements

Your Directors acknowledge the support and assistance extended by the stakeholders, bankers, Central Government & State Government including various other authorities. The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

**For and on behalf of the Board**

**Sd/-  
Shekhar Agarwal**

Chairman &

Managing Director and CEO

DIN -00066113

**Place:** Noida (U.P.)

**Date:** 21<sup>st</sup> May, 2021

## Annexure I To Directors' Report Form - MR-3 Secretarial Audit Report

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**For The Financial Year Ended 31<sup>st</sup> March, 2021**

To  
The Members  
Bhilwara Technical Textiles Limited  
(CIN: - L18101RJ2007PLC025502)  
LNJ Nagar, Mordi  
Banswara-327001,  
Rajasthan

I have conducted the secretarial audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhilwara Technical Textiles Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 Take (Substantial Acquisition of Shares and overs) 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, 2018;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014-**Not Applicable**;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-**Not Applicable**;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable**;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable**;
- (vi) I further report that, I have also referred the following laws specifically applicable on the Company having regard to the nature of Industry in which company is operating: -
- Textiles (Development & Regulation) Order, 2001
  - National Textile Policy, 2000
  - The Textiles Committee Act, 1963
  - The Textile Undertakings (Nationalisation) Act, 1995

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

- Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings as issued and revised thereof by The Institute of Company Secretaries of India (“ICSI”).
- The Securities and Exchange Board of India (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. as mentioned above.

**I 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, if any, that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and generally detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured (where they were) and recorded as part of the minutes.

**I 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.

**I further report that** during the audit period the company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For Manisha Gupta & Associates**  
(Company Secretaries)

**Sd/-**

**Manisha Gupta**

**Date:** - 21st May, 2021      Practicing Company Secretary

**Place:** - Delhi      Mem. No. F6378

UDIN: - F006378C000335278      CP No. 6808

**Note :-**

- This report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.
- We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this report.

## Annexure A

To,  
The Members,  
**Bhilwara Technical Textiles Limited**  
**LNJ Nagar, Mordi**  
**Banswara,**  
**Rajasthan-327001**  
**CIN:- L18101RJ2007PLC025502**

### My report of even date is to be reads letter. 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. I have followed the audit practices and processes 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc. Further, my verification to the compliance of the laws specifically to the Company are limited to test check on random basis without going into the detailed technical scrutiny.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures 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 Manisha Gupta & Associates**  
*(Company Secretaries)*

Sd/-

**Manisha Gupta**

Practicing Company Secretary  
Mem. No. F6378  
CP No. 6808

**Date:** - 21st May, 2021

**Place:** - Delhi

**UDIN:** -F006378C000335278

## Annexure- II To Directors' Report Nomination & Remuneration Policy

Pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time, every Listed Public Company is required to constitute a Nomination and Remuneration Committee with at least three or more Non-Executive Directors, out of which not less than one half shall be Independent Directors. The Company has a Nomination & Remuneration Committee with three Non-Executive Directors.

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applies to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company.

### Key Managerial Personnel (KMP) means and comprise-

- Managing Director & Chief Executive officer;
- Whole-time Director;
- Company Secretary;
- Chief Financial Officer;
- Such other Officer as may be prescribed.

Senior Management shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Mangaer (including Chief Executive Officer / Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer and including functional heads.

### Role and Objective of the Committee:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance.
5. Recommend to the Board a Policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
6. To devise a policy on Board diversity



7. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run Company successfully.
8. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To develop a Succession Plan for the Board and to review it regularly.
10. Recommend to the board, all remuneration, in whatever form, payable to senior management.
11. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Regulation, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder

**Membership:**

1. The Committee shall comprise at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half of them shall be independent
2. Minimum two (2) members or one third of the members, whichever is greater, including at least one (1) Independent Director in attendance shall constitute a Quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

**Chairperson:**

1. Chairperson of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
4. Chairperson of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member of the committee to answer the shareholders' queries.

**Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet at least once in a year.

**Committee Member's Interests:**

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of

the Committee.

**Voting:**

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairperson of the meeting will have a casting vote.

**Appointment of Directors/KMP/Senior Management:**

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which include but not limited to qualifications, skills, experience, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Management, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorship and such other relationship and the impact of the same on the Company's welfare.

**Letter of Appointment :**

Each Director/KMP/Senior Management is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

**Policy on Board Diversity**

The Nomination and Remuneration Committee shall ensure that the Board of Directors have the combination of Directors from different areas/fields or as may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/financial management expertise may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/financial management expertise.

**Remuneration of Directors, Key Managerial Personnel and Senior Management:**

The salaries of Directors, Key Managerial Personnel and other Senior Management shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

**1. Fixed Pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force. The salary paid need to be competitive and reflective of the



individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis.

## 2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations 2015 as amended from time to time.

## 3. Provision for excess remuneration :

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of members by way of Special Resolution where required, he shall refund such sums to the Company within two years or such lesser period as may be allowed by the Company and until such sum is refunded, hold it in trust of the Company.

## 4. Increment :

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.

## Remuneration to Non-Executive/Independent Director:

### 1 Remuneration/Commission:

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made there under for the time being in force.

### 2. Sitting Fees:

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof, provided that the amount of such fees shall not exceed the maximum amount as provided by the Companies Act, 2013, as amended from time to time.

## Other Provisions:

- Section 197(1) of the Companies Act, 2013 provides that the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company, with the approval of the Shareholders, may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may, with the approval of the shareholders, authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than

one such official.

- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other case.
- The Independent Directors shall not be entitled to any Stock Option.

## Evaluation/ Assessment of Directors/ KMPs/ Senior Management of the Company

The evaluation/assessment of the Directors, KMPs and the Senior Management of the Company is to be conducted on an annual basis and to satisfy the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following criteria may assist in determining how effective the performance of the Directors/ KMPs/Senior Management has been:

- Leadership & stewardship abilities
- Assess policies, structures & procedures
- Regular monitoring of corporate results against projections
- Contributing to clearly defined corporate objectives & plans
- Obtain adequate, relevant & timely information.
- Review achievement of strategic and operational plans, objectives, budgets
- Identify, monitor & mitigate significant corporate risks
- Directly monitor & evaluate KMPs, senior management
- Review management's Succession Plan
- Effective meetings
- Clearly defining role & monitoring activities of Committees
- Review of ethical conduct

Evaluation following the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

## Deviations From This Policy:

Deviations on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

## Annexure – III To Directors’ Report

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Companies (Accounts) Rules, 2014.**

<b>I</b>	<b>Conservation of Energy</b>	<b>Not Applicable</b>
	a. Energy conservation measures taken :	
	b. Additional Investment & proposals, if any, being implemented for reduction of consumptions of energy :	
	c. Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost production of goods.	
<b>II</b>	<b>Technology Absorption</b>	<b>Not Applicable</b>
	Research and Development	
	Technology Absorption, Adaption and Innovation	
<b>III.</b>	<b>Foreign Exchange Earnings and Outgo.</b>	
	During the year, the Company earned Foreign Exchange to the tune of Rs. 106.66 Lakh at FOB Price against no Outflow of foreign exchange. During the previous year, Foreign exchange Inflow was Rs. 195.77 Lakh against no Outflow.	

## Annexure - IV To Directors’ Report

**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 percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2020-21.

Sl. No.	Name of Director/ KMP and Designation	% increase in remuneration in the financial year 2020-21
1	Shri Shekhar Agarwal (Chairman & Managing Director and CEO)	-
2	Shri Arjun Sharma (Company Secretary & Chief Finance Officer)	No increase

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company:**  
Since there are only two employees of the Company, the median cannot be calculated. No remuneration is paid to Shri Shekhar Agarwal, Chairman & Managing Director and CEO of the Company.
- The percentage increase in the median remuneration of employees in the financial year.** Since there are only two Employee of the Company, the median cannot be calculated.
- There was only two permanent employees on the rolls of the Company as on the 31<sup>st</sup> March, 2021.
- Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year and increase in the managerial remuneration for the same financial year.** There was no increase in the salary during the financial year.
- It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

## Annexure – V to Directors’ Report

Statement of particulars of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

### A. The Name of the top ten employees in terms of remuneration drawn.

There are only two employees in the Company and their remuneration details are as follows:-

S.No.	Name of Employee	Designation	Annual Remuneration (Rs.In Lacs)	Qualification	Experience (Years)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (Months)
1	Shri Arjun Sharma	Company Secretary & CFO	3.75	B.Com, CS	4	07th February, 2019	Nil	Permanent	29	South West Pinnacle Exploration Limited	Company Secretary	16 Months
2	Shri Sourabh Pratap	Commercial Officer	1.11*	MBA	6	1st November, 2020	Nil	Permanent	28	Maral Overseas Limited	Asst. Steno	34 Months

The above remuneration are CTC of the employees of the Company.

\*Paid proportionately from the date of appointment.

### B. Persons employed throughout the financial year & paid Rs. 102 lacs p.a. or more.

No employee is drawing remuneration in excess of the limits prescribed under the said provision.

### C. Persons employed part of the financial year and paid Rs. 8.50 lacs p.m. or more:- NIL

## Annexure- VI To Directors' Report

### Form AOC-1

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate companies

<b>Name of the associate</b>	BMD Private Limited
<b>1. Latest audited Balance Sheet Date</b>	31 <sup>st</sup> March, 2021
<b>2. Date on which the Associate or Joint Venture was associated or acquired</b>	16 <sup>th</sup> December, 2008
<b>3. Shares of Associate held by the company on the year end</b>	
Number of Shares	66,00,000 EquityShares
Amount of investment in associate	₹ 6,60,00,000/-
Extent of Holding%	49.87%
<b>4. Description of how there is significant influence</b>	No Significant influence
<b>5. Reason why the associate is not consolidated</b>	N.A.
<b>6. Net worth attributable to shareholding as per latest audited Balance Sheet</b>	127.07 Crore (49.87% of 254.81Crore)
<b>7. Profit/Loss for the year</b>	₹ 13.82 Crore
i. Considered in Consolidation	₹ 6.89 Crore
ii. Not Considered in Consolidation	₹ 6.93 Crore

1. Names of associates or joint ventures which are yet to commence operations. – N.A.

2. Names of associates or joint ventures which have been liquidated or sold during the year. –N.A.

#### For and on behalf of Board of Directors

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director  
and CEO  
DIN: 00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN: 02314304

Sd/-  
**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

**Date:** 21<sup>st</sup> May, 2021

**Place:** Noida (U.P.)

# Report on Corporate Governance

## Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all the stakeholders of the Company, including members, creditors and employees. The Company operates in compliance with all regulatory and policy requirements as well as industry related ethical guidelines.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conduct business in an ethical manner. The Company strongly believes in good corporate governance and aims at being a good corporate citizen. Your Company is committed to adopting best practices in the functioning of the company to achieve business excellence by enhancing long-term shareholders' value.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholder Information, reports Bhilwara Technical Textiles Limited's compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Board of Directors

### Composition of the Board

The Company has a balanced mix of Executive and Non-Executive Directors as on 31<sup>st</sup> March, 2021, comprising of 5 (five) Directors, out of which 4 (four) Directors were Non-Executive. Among the Non- Executive Directors, 2 (Two) Directors were Independent Directors from diverse fields / professions. It is our belief that an experienced & professional Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

The name and categories of Directors on the Board, their attendance at the Board Meetings held during the year along with the number of Directorship, Membership and Chairmanship held in various Committees in other Companies during the financial year ended the 31<sup>st</sup> March, 2021, are given below:

Name Designation & Category of Directorship	No. of meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directors hips*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2021#	Name of the Company	Category of Directorship
Shri Shekhar Agarwal, Chairman & Managing Director and CEO, Promoter Executive	4	4	4	3	Maral Overseas Limited	Managing Director
					HEG Limited	Director
					BSL Limited	Director
					RSWM Limited	Director



Name Designation & Category of Directorship	No. of meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directors hips*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2021#	Name of the Company	Category of Directorship
Shri Riju Jhunjhunwala, Promoter Director, Non-Executive	4	0	6	1 (Chairman of Committee)	RSWM Limited	Managing Director
					HEG Limited	Director
Shri Shantanu Agarwal, Promoter Director Non-Executive	4	4	1	2	Maral Overseas Limited	Joint Managing Director
Shri Priya Shankar Dasgupta, Independent- Director, Non-Executive	4	4	7	6 (including 3 as Chairman)	Maral Overseas Limited	Director
					RSWM Limited	Director
					Ester Industries Limited	Director
					Cummins India Limited	Director
					Timken India Limited	Director
Smt. Sunita Mathur, Independent- Director Non-Executive	4	4	1	-	-	-

**Notes:**  
 \*Excludes Directorships in private limited companies, foreign companies, memberships of management committees of various chambers, bodies and section 8 companies.  
 #Includes Audit and Stakeholders Relationship Committees only.

None of the Directors is a member in more than ten Board level Committees or the Chairperson of more than five such Committees across all the Public Companies in which he/she is a Director. During the year, due to health reasons, Shri Riju Jhunjhunwala was unable to attend any meeting.

None of the Directors are related to each other except Shri Shekhar Agarwal, being father of Shri Shantanu Agarwal.

**Matrix setting out the skills/expertise/competence of the Board of directors:**

S. No.	Name of Director	Field of Skill/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing /Sales	Administration
1	Shri Shekhar Agarwal- Chairman & Managing Director and CEO	√	-	√	√	√	√
2	Shri Shantanu Agarwal- Non-Independent Director	√	-	√	√	√	√
3	Shri Riju Jhunjhunwala- Non-Independent Director	√	-	√	√	-	√

S. No.	Name of Director	Field of Skill/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing /Sales	Administration
4	Shri Priya Shankar Dasgupta-Independent Director	√	√	-	-	-	√
5	Smt. Sunita Mathur-Independent Director	√	√	√	-	-	-

### Number of Board Meetings

During the year 2020-21, the Board of the Company met four times on 22<sup>nd</sup> June, 2020, 14<sup>th</sup> August, 2020, 10<sup>th</sup> November, 2020, and 10<sup>th</sup> February, 2021. The maximum time gap between any two consecutive meetings was as per the provision of Companies Act, 2013 and Listing Regulation, 2015 as amended from time to time.

The Company, in consultation with all the Directors of the Company prepares a tentative calendar for the next meetings of the Board/Committee to ensure the presence of all the Directors in the meetings. Agenda papers containing all the necessary information are sent well in advance to all the Directors of the Company so as to enable the Directors to become aware of all the facts on a timely basis.

The Annual General Meeting of the Company was held on 22<sup>nd</sup> September, 2020 through Video Conferencing / Other Audio-Visual Means during the financial year ended 31<sup>st</sup> March, 2021 was attended by all the Directors of the Company except Shri Riju Jhunjhunwala who had not attended any meeting due to health reasons. The Chairman of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company was attended the said Annual General Meeting. The Statutory and Secretarial Auditors also attended the said AGM.

The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

### Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation /disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than Shri Riju Jhunjhunwala and Shri Shantanu Agarwal are Independent in terms of Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. During the year under review, the Independent Directors fulfilled the conditions specified in the Listing Regulations and are independent of the management.

### Directors with Materially Significant Pecuniary Relationship or Business Transaction with the Company

Non-Executive Directors receive sitting fees for attending the Board Meeting and other sub- Committee meeting of the Board. There had been no materially significant pecuniary relationships between the Company and its Directors in the financial year under review.

### Familiarization Programme for Independent Directors

The familiarization programme was conducted during the year for the Independent Directors, to provide them an overview of the business of the Company. Independent Directors were provided with certain documents which helped them to get an overview of the Company. All Independent Directors met periodically with other Key Managerial Personnel, etc. to help them understand the service and product management and other areas related to the Company.

The details on the Company's Familiarization Program for Independent Directors can be accessed at: <https://www.bttl.co.in/famp20-21.pdf>

### The information placed before the Board includes:

The Board has complete access to all information about the Company. The following information is regularly provided to the Board:

- Annual operating plans and budgets and any updates.

- Capital budgets and any updates.
- Quarterly results of the listed entity.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- The Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgments or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, among others.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018.

The Board is presented with detailed notes on these matters, as part of the agenda papers of the meeting or directly tabled at the Board meetings, as and when required. The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

### Shareholding of Non-Executive Directors

#### Equity Shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2021:-

Name of Director	Category	Number of Equity shares held
Shri Riju Jhunjhunwala	Promoter Non-Executive	NIL
Shri Shantanu Agarwal	Promoter Non-Executive	5308115
Shri Priya Shankar Dasgupta	Independent-Non-Executive	NIL
Smt. Sunita Mathur	Independent-Non-Executive	NIL

### Committees of the Board

The Board's Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board's Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to have been performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. With a view to have better Corporate Governance and accountability, the Board has constituted following Committee viz. Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

#### Audit Committee

As on 31st March, 2021, the Company's Audit Committee comprised three members — two of whom, including the Chairperson of the Committee, are Independent while the third is a Non-Executive Director. The terms of reference of the Audit Committee are in conformity with those mentioned in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. In the financial year 2020-21, the Audit Committee met four times on 22<sup>nd</sup> June, 2020, 14<sup>th</sup> August, 2020, 10<sup>th</sup> November, 2020 and 10<sup>th</sup> February, 2021. Details of attendance of Audit Committee are given below:-

**Details of the Audit Committee**

<b>Name of the Member</b>	<b>Category</b>	<b>No. of Meetings held during the year</b>	<b>No. of Meetings Attended</b>
Smt. Sunita Mathur (Chairperson)	Independent, Non-Executive	4	4
Shri Priya Shankar Dasgupta	Independent, Non-Executive	4	4
Shri Shantanu Agarwal	Non-Executive Non Independent	4	1

Smt. Sunita Mathur, Chairperson of the Audit Committee possesses high degree of accounting and financial management expertise and all other Members of the Committee have rich experience and sound accounting and financial knowledge. The Chairperson of the Audit Committee attended the Annual General Meeting held on 22<sup>nd</sup> September, 2020 through Video Conferencing and Other Audio Video Visual Means and was available to answer shareholder queries.

During the year, Shri Shantanu Agarwal, Director of the Company was appointed as a member of the Audit Committee w.e.f 10<sup>th</sup> November, 2020 in place of Shri Riju Jhunjhunwala. During the year, due to health reasons, Shri Riju Jhunjhunwala did not attend any meeting.

Shri Arjun Sharma, Company Secretary & Chief Financial Officer is also secretary to the Committee. Invitees to the Audit Committee include the Chairman & Managing Director and CEO and the representative of the Statutory Auditor and Internal Auditor.

The Company has performed all functions mentioned in the terms of reference of the Audit Committee as listed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditor of the Company.
- Approval of payment to statutory auditor for any other services rendered by the statutory auditor.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) 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.
  - Modified opinion in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews, wherever applicable:**

- Management Discussion and Analysis of the financial condition and results of operations of the Company.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
- Management letters/letters of internal control weaknesses issued by the Statutory Auditor. Internal audit reports relating to internal control weaknesses.
- Internal Audit Report relating to Internal Control Weakness.
- Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital among others), as part of the quarterly declaration of financial results whenever applicable
- Statement certified by the Statutory Auditor, on an annual basis detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice, if applicable

**Pursuant to its terms of reference, the Audit Committee is empowered to:**

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**Internal Financial Control and its adequacy**

Company's Internal Financial Control identifies opportunities for improvement and draws up recommendations and good practices that can be used as a benchmark to develop or strengthen their internal control systems and enhance the reliability of their financial statements. The Company has laid down policies and procedures for ensuring orderly and efficient conduct of its business including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation and disclosure of financial information.

**Nomination and Remuneration Committee**

**a) Terms of reference**

The terms of reference of Nomination and Remuneration Committee are in line with the Provision of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which included the following:-

- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualification, positive attributes and independence of a Director.
- Recommend to the Board a policy relating to the remuneration for the Directors, KMP and other Employees.
- Succession planning for the Board and Senior Management of the Company.
- Determining the appropriate size and composition of the Board.
- To determine whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors.
- Recommendation to the Board, all remuneration, in whatever form, payable to the Senior Management.
- Carry out such other functions as are required or appropriate in discharging their duties.



## b) Composition of the Committee

As on 31<sup>st</sup> March, 2021, the Company's Nomination and Remuneration Committee comprised three members, two of whom, including the Chairperson of the Committee, are Independent while the third is a Non-Executive Promoter Director. During the year the Nomination and Remuneration Committee met twice on – 22.06.2020 and 10.02.2021. During the year, due to health reason, Shri Riju Jhunjhunwala did not attend any meeting. As on 31<sup>st</sup> March, 2021 the attendance of Nomination and Remuneration Committee are given below:

Sr. No	Name of the member	Position	No. of Meetings held during tenure	No. of meetings attended
1	Shri Priya Shankar Dasgupta (Chairperson)	Independent, Non-Executive	2	2
2	Shri Riju Jhunjhunwala	Promoter Non-Executive	2	0
3	Smt. Sunita Mathur	Independent, Non-Executive	2	2

### Nomination and Remuneration Policy

Pursuant to SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015 and relevant provision of Companies Act 2013, the Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is reviewed and approved by the Board of Directors on the commendation of the Nomination & Remuneration Committee. The policy is in consonance with the existing industry practice and forms part of Directors Report. The policy is also available on the website of the company under the following: <https://www.bttl.co.in/nrc.pdf>

The terms of reference of the Nomination and Remuneration Committee, inter alia, include determination of salary, perquisites, commission to be paid to the Company's Managing Director(s) and whole time Directors, recommend to the Board retirement benefits to be paid to the Managing Director(s) and whole time Directors. The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequently approved by the shareholders in the General Meeting. The Nomination and Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance, industry standards and various other factors. The non-executive directors are paid sitting fees for attending the Board meetings as well as other Committee meetings.

The performance evaluation criteria for Directors including Independent Directors/ KMPs and Senior Official of the Company are as per the Nomination and Remuneration Policy of the Company. Evaluation will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Board has carried out the performance evaluation of its own performance, Committees and individual Directors. An evaluation is done taking into consideration person's leadership, coordinating and steering skills, frequency for attending the meetings, initiatives, contribution, integrity etc.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

### Remuneration of Non-Executive/ Independent Director:

Non-Executive/Independent Directors are paid sitting fees for attending the Board and Committee meetings. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

### Remuneration of Executive Directors & Key Managerial Personnel

The remuneration of Key Managerial Personnel is paid on monthly basis as approved by the Board on the recommendation of the Nomination and Remuneration Committee and the remuneration of Executive Director is also subject to the approval of the shareholders in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.

Remuneration Paid to Directors as on 31<sup>st</sup> March, 2021

Name of Director	Category	Sitting fees #	Salaries, allowances and perquisites	Commission	Total
Shri Shekhar Agarwal*	Promoter –Chairman & Managing Director and CEO	-	-	-	-
Shri Shantanu Agarwal	Promoter-Non-Executive	0.10	-	-	0.10
Shri Riju Jhunjunwala	Promoter-Non-Executive	0.00	-	-	0.00
Shri Priya Shankar Dasgupta	Independent-Non-Executive	0.30	-	-	0.30
Smt. Sunita Mathur	Independent, Non-Executive	0.32	-	-	0.32

**Notes:**

\* Shri Shekhar Agarwal, Chairman & Managing Director and CEO holds 4.48 % and Shri Shantanu Agarwal, Promoter-Non-Executive Director holds 9.09% Equity Shares of the Company as on the 31<sup>st</sup> March, 2021.

# Include sitting fees of all Committee Meetings.

During the year ended the 31<sup>st</sup> March, 2021, the Company did not advance any loans to any of its Directors. The Company does not have any Stock Option Scheme.

**Stakeholders Relationship Committee**

As on 31<sup>st</sup> March, 2021, the Company's Stakeholders' Relationship Committee comprised of three Members - Shri Priya Shankar Dasgupta (Chairperson), Shri Riju Jhunjunwala and Smt. Sunita Mathur. The Company Secretary, Shri Arjun Sharma is the Compliance Officer of the Company.

The terms and reference of the Committee:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of measures taken for effective exercise of voting rights by shareholders.

During the Financial Year 2020-21, the Committee met four times on 22<sup>nd</sup> June, 2020, 14<sup>th</sup> August, 2020, 10<sup>th</sup> November, 2020 and 10<sup>th</sup> February, 2021. During the year, due to health reasons, Shri Riju Jhunjunwala did not attend any meeting.

Name of the member	Position	No. of meetings held during tenure	No. of meetings attended
Shri Priya Shankar Dasgupta (Chairperson)	Independent, Non-Executive	4	4
Shri Riju Jhunjunwala	Promoter, Non-Executive	4	0
Smt. Sunita Mathur	Independent, Non-Executive	4	4

**Investor Complaints**

The Committee received no complaint from the shareholders during the year ended 31<sup>st</sup> March, 2021 under review. No Stakeholders Grievance remained unattended/pending for more than stipulated time. There was no complaint pending for disposal as on 31<sup>st</sup> March, 2021. No request for dematerialization of Equity Shares of the Company was pending for approval as at the 31<sup>st</sup> March, 2021.

**Details of Shareholders'/Investors' Queries and Grievances received and attended by the Company during the year ended the 31<sup>st</sup> March, 2021.**

Sl. No.	Nature of query/complaint	Pending as on 1 <sup>st</sup> April, 2020	Received during the year	Resolved during the year	Pending as on 31st March, 2021
1.	Non-receipt of bonus/transfer / transmission / Issue of Duplicate Shares/ Others	Nil	Nil	Nil	Nil
2.	Non-receipt of Dividend, Non-receipt of Refund Order & Non-receipt of Annual Report	Nil	Nil	Nil	Nil
3.	Dematerialization/Rematerialization of shares	Nil	Nil	Nil	Nil

The Company also has a Share Transfer Committee to deal with the requests of transfer/transmission of Equity Shares, Issue of Duplicate Share Certificates and Consolidation/Split/Replacement of Share Certificates, Re-materialisation of Shares etc.

The Share Transfer Committee presently comprises of:

- 1) Shri Shekhar Agarwal
- 2) Smt. Sunita Mathur

The Share Transfer Committee of the Company meets as often as required under the chairpersonship of Shri Shekhar Agarwal, Chairman & Managing Director and CEO. All valid requests for share transfer received during the year have been acted upon by the Company within the stipulated time limit.

To expeditiously approve transfer of shares, Shri Shekhar Agarwal, Chairperson and Managing Director and Shri Atul Kumar Jain, authorized person also attend and approve the Share Transfer Requests on fortnightly basis under the delegated authorisation of the Board of Directors.

Pursuant to Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, duly signed by the compliance officer of the Company and the authorized representative of the share transfer agent certifying that all activities in relation to both physical and electronic share transfer facility are maintained with Registrar to an issue and share transfer agent.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, has been issued by a practicing Company Secretary for due compliance of share transfer formalities by the Company.

**Reconciliation of Share Capital Audit:**

A qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the report is placed for the perusal of the Board at the end of every quarter.

The report confirms that the total issued and listed capital agrees with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further, the aforesaid reports were duly submitted with the Stock Exchanges within the stipulated time as per Listing Regulation 2015.

**Independent Directors Meeting**

Pursuant to the Code of Independent Directors and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of the Independent Directors was held on 10<sup>th</sup> February, 2021, without the attendance of Non-Independent Directors and members of management to inter-alia:

- 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.

#### Letter of Appointment:

At the time of appointment, the Independent Director is required to sign a duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment. The terms and conditions of the appointment of the Independent Directors are available on the Company's website i.e. [https://www.bttl.co.in/app\\_director.pdf](https://www.bttl.co.in/app_director.pdf)

#### Board Evaluation Mechanism

The Board is responsible for undertaking a formal annual evaluation of its own performance, Committees and individual Directors with a view to review their functioning and effectiveness and to determine whether to extend or continue the term of appointment of the Independent Directors. During the year, the Board carried out the performance evaluation of itself, Committees and each of the Executive Directors/Non-executive Directors/Independent Directors excluding the Director being evaluated. The evaluation of performance of Independent Director is based on the criteria laid down in the Nomination and Remuneration policy which includes knowledge and experience in the field of textile industry, legal and finance activities.

#### Performance evaluation of Independent Directors

Pursuant to the Code of Independent Directors and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of Independent Directors is to be done by the entire Board of Directors except the Director who is being evaluated. The criterion for the evaluation of performance is laid down in the Nomination and Remuneration policy. The evaluation of the performance is being done on an annual basis. The Company has Independent Directors, namely, Shri Priya Shankar Dasgupta and Smt. Sunita Mathur. The Directors expressed their satisfaction with the outcome of the evaluation process.

#### General Body Meetings

The details of location and time of the Annual General Meeting held during the preceding three years are as follow:

Date of AGM	Time	Location	Special Resolution(s) passed
19 <sup>th</sup> September, 2018 (2017-18)	11:00 a.m.	LNJ Nagar, Mordi, Banswara, Rajasthan -327001	NIL
29 <sup>th</sup> July, 2019 (2018-19)	11:00 a.m	LNJ Nagar, Mordi, Banswara, Rajasthan - 327001	<ol style="list-style-type: none"> <li>1. Re-appointment of Shri Priya Shankar Dasgupta (DIN: 00012552) as Independent Director of the Company for a second term of five consecutive years starting from 30<sup>th</sup> September, 2019.</li> <li>2. Re-appointment of Smt. Sunita Mathur (DIN: 00008923) as Independent Director of the Company for a second term of five consecutive years starting from 27<sup>th</sup> March, 2020.</li> <li>3. Consideration and approval of Investment(s), Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013.</li> </ol>
22 <sup>nd</sup> September, 2020 (2019-20)	02:00 p.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The deemed venue of the AGM was : LNJ Nagar, Mordi, Banswara, Rajasthan – 327001	NIL

#### Postal Ballot

During the year ended 31<sup>st</sup> March 2021, no Resolution was required to be passed through Postal Ballot. Further, no Resolution has been proposed to be conducted through postal ballot.

## Means of Communication

Effective communication of information is considered to be a very essential component of Corporate Governance. The Company interacts with its shareholders through various means of communication i.e., print media, company's website, annual report etc.

Quarterly, half yearly and annual audited financial results are forthwith sent to the stock exchange where the Company's shares are listed after they are approved by the Board of Directors. The results of the Company are published in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website [www.bttl.co.in](http://www.bttl.co.in).

## Disclosures

### a) Related Party Disclosure

- As required by the IND-AS-24, the details of Related Party Disclosures are given in Note 32 to the Financial Statement.
- Related party transactions are being done on an arm's length basis and in the ordinary course of business and do not have any possible conflict with the interests of the Company. The Transactions with related parties entered into by the Company in the ordinary course of business were placed before the Audit Committee.
- As required by Accounting Standards (Ind-AS-24), the details of related party transactions are given in note no 32

### b) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the same accounting treatment as prescribed in the relevant Indian Accounting Standards while preparing the Financial Statements.

### c) Risk Management

The Company has a well-defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board, risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework.

### d) Non-Compliance by the Company in Previous Years

No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or Board or any statutory authority relating to capital markets during the last three years.

### e) Initiatives on Prevention of Insider Trading Practices

The Company has a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities and Exchange Board of India (SEBI). The objective of this policy is to prevent purchase and sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Necessary procedures have been laid down for directors, officers and designated employees, for trading in the securities of the Company. To deal in securities, beyond specified limit, permission of compliance officer is required. The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading Window closure, are intimated to all the directors, designated employees and insiders, in advance, whenever required. During the year under review, the company implemented the mechanism for maintaining the structural digital data base in line with the requirement of SEBI (PTI) regulations.

### f) Compliance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company is fully compliant with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the extent applicable. A certificate from Statutory Auditors to this effect is forms part of this Annual Report.

### g) Discretionary Requirements

The Company has complied with all mandatory requirements prescribed by SEBI Listing Regulations 2015 and the company has also complied with below mentioned discretionary requirements as stated under Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015:-

1. The Company's Financial statements are unmodified and the Company continues to adopt best practices to ensure the requirement of unmodified opinion.

2. The reports of Internal Auditors of the company are placed directly before the Audit Committee on half yearly basic.

#### **h) Management Discussion and Analysis**

The Management Discussion and Analysis Report forms part of the Annual Report. During the financial year ended the 31st March, 2021, there were no material financial or commercial transactions by the Company with its Promoters, Directors, Management or relatives, etc. that may have potential conflict with the interests of the Company at large.

#### **i) Whistle Blower Policy**

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professional honesty, integrity and ethical behavior and to encourage and protect employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed and affirms that no person has been denied access to the Audit Committee. During the year, the Company did not receive any Whistle Blower reference.

#### **j) CEO and CFO Certification**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification of CEO and CFO on the financial statements for the year form part of this Annual Report.

#### **k) Code of Conduct**

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. The Code of Conduct is displayed on the website of the Company [www.bttil.co.in](http://www.bttil.co.in). Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the year under review.

### **Shareholders**

#### **Reappointment of Non-Independent Directors**

The Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose themselves for re-appointment. This year, Shri Shantanu Agarwal is retiring by rotation and being eligible, offers himself for re-appointment in the Annual General Meeting.

#### **Shri Shekhar Agarwal**

Shri Shekhar Agarwal is the Chairman & Managing Director and Chief Executive Officer of the Company. Shri Shekhar Agarwal is a B. Tech (Mech.) from Indian Institute of Technology, Kanpur and has done his Masters in Science from Illinois Institute of Technology, Chicago. He joined the Board of the Company on 14th December, 2007. He has an experience of over three decades in the textile industry. He is also the Chairman & Managing Director and CEO of Maral Overseas Ltd.

#### **Shri Shantanu Agarwal**

Shri Shantanu Agarwal is a Non-Executive Promoter Director of the Company. He holds a degree in B.S. in Electrical and Computer Engineering from Carnegie Mellon University, USA, and a MBA from Wharton School of Business (University of Pennsylvania), USA. He joined the Board of the Company on 27th May, 2016. He is an industrialist with diversified business experience.



**Details of Directorship Held in Other Public Limited Companies**

Directors name	Name of the company in which Directorship held*	Committee Chairpersonship	Committee Membership
<b>Shri Shekhar Agarwal</b>	1. RSWM Limited	-	Stakeholder Relationship Committee
	2. HEG Limited	-	Audit Committee
	3. Maral Overseas Limited	-	Stakeholder Relationship Committee
	4. BSL Limited	-	Audit Committee
<b>Shri Shantanu Agarwal</b>	1. Maral Overseas Limited	-	Audit Committee & Stakeholder Relationship Committee

\*Excludes Directorships in Private Limited Companies, Foreign Companies, Memberships of Management Committees of various Chambers, Bodies and Section 8 companies.

**l) SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralised web-based complaints redress system.

**m) Uploading on BSE**

The quarterly and annual results, quarterly and annual compliances and all other corporate communications to the Stock Exchanges are filed electronically on BSE (BSE Limited).

**n) Disclosure on Website**

The Company's website <https://bttl.co.in> has a separate section "Investor" where the information for the shareholders is available. Annual Report, financial result, shareholding pattern, Corporate Governance Report etc. are also available on the website of the company. The Company ensures that the relevant provisions of Regulation 46 of the Listing Regulation, 2015 are complied with. The Company has a dedicated email id: [bttl.investor@lnjbhilwara.com](mailto:bttl.investor@lnjbhilwara.com).

**o) Material Subsidiary**

The Company doesn't have any subsidiary. However, the policy of the same as approved by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.bttl.co.in/dme.pdf>

**p) 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 during the year under review.

**q) Certificate of non-disqualification of Directors**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate from Ms. Manisha Gupta, Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. A certificate of non-disqualification of Directors is forming a part of this Annual Report.

**r) Additional Shareholder Information****Annual General Meeting**

Date : 10<sup>th</sup> September 2021  
Day : Friday  
Time : 02:00 P.M.  
Mode : Video Conferencing (VC) or Other Audio Visual Means (OAVM)  
Venue : The venue of the meeting shall be deemed to be registered office of the Company situated at LNJ Nagar, Mordi, Banswara, Rajasthan-327 001.

**Financial Calendar**

Financial year : 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021

For the year ended 31<sup>st</sup> March, 2021, results were announced on:

- 14<sup>th</sup> August, 2020 : First quarter
- 10<sup>th</sup> November, 2020 : Second quarter and Half year
- 10<sup>th</sup> February, 2021 : Third quarter and Nine months
- 21<sup>st</sup> May, 2021 : Fourth quarter and Annual.

For the financial year ending 31<sup>st</sup> March, 2022, quarterly results will be announced within 45 days from the end of the each quarter except fourth quarter when the audited annual results will be published within 60 days.

### Book Closure

The dates of book closure are from day, the 4 September, 2021 to day, the 10 September, 2021 (day) (Both days inclusive).

### Dividend Payment Dates

No dividend has been recommended on the Equity Shares.

### Listing and Stock Codes

The scrip code of the Company at BSE is given below:

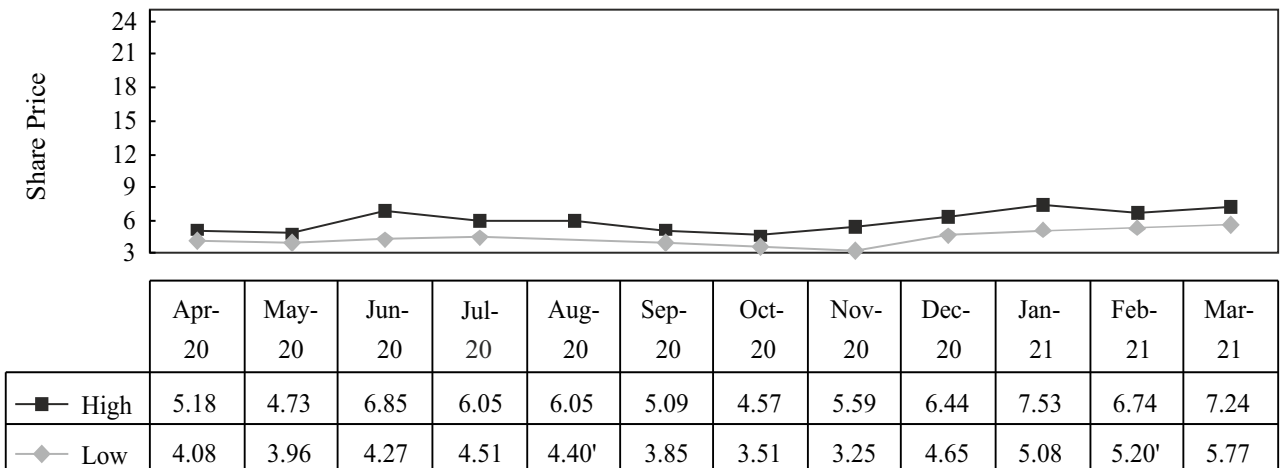
### Scrip Code of the Company

Stock Exchange	Scrip ID	Scrip code
BSE	BTTL	533108

Listing fees as prescribed has been paid to BSE Ltd. upto 31<sup>st</sup> March 2022.

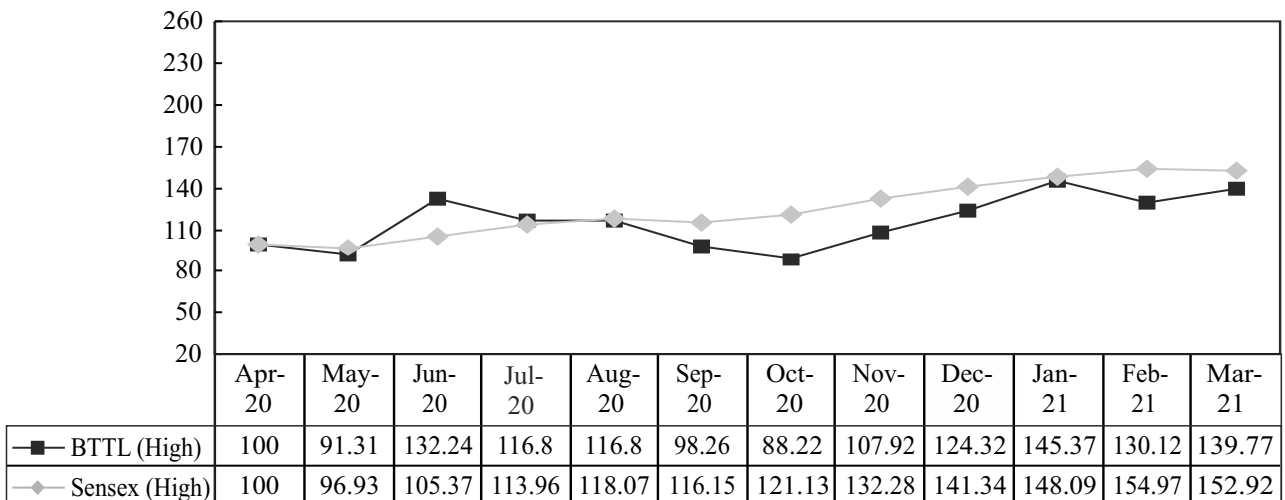
### Market Price Data:

#### A. Stock Market Data: Monthly High Low (in Rs.) at BSE:



Source: BSE Limited

#### B. Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2020)



Source: BSE Limited

## Shareholding Pattern

### Shareholding Pattern as on 31<sup>st</sup> March, 2021

Categories	No. of shares	Percentage
Promoters, Directors, Relatives and Associates	3,80,74,923	65.23
Foreign Institutional Investors	250	0.00
Mutual funds	52,638	0.09
Nationalised and other banks	30,810	0.05
Financial Institutions & Insurance Companies	9,73,302	1.67
NRIs/ Foreign Companies	84,390	0.15
Bodies Corporate	1,08,55,837	18.60
Public	82,89,576	14.20
Trust	250	0.00
Clearing Member	11,329	0.01
<b>Total</b>	<b>5,83,73,305</b>	<b>100.00</b>

### Distribution of Shareholding as on 31<sup>st</sup> March 2021

Categories	No. of Shareholders	% of Shareholders	No. of shares	% of Shareholding
up to 5000	8,959	97.27	42,06,579	7.21
5001-10000	118	1.28	8,78,746	1.51
10001-20000	61	0.66	8,58,646	1.47
20001-30000	24	0.26	5,91,852	1.01
30001-40000	9	0.09	3,31,523	0.57
40001-50000	6	0.07	2,79,331	0.48
50001-100000	13	0.14	8,47,649	1.45
100001 and above	21	0.23	5,03,78,979	86.30
<b>Total</b>	<b>9,211</b>	<b>100.00</b>	<b>5,83,73,305</b>	<b>100.00</b>

### Dematerialisation of Shares

As on 31<sup>st</sup> March, 2021, 5,64,44,992 Equity Shares representing 96.70% of the total equity capital were held in dematerialised form. Trading in shares of the Company is permitted in dematerialised form only. The ISIN number for the Company's equity shares on NSDL and CDSL is INE274K01012.

### Share Transfer System

Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. The total number of shares transferred during the financial year ended the 31<sup>st</sup> March, 2021 were 4,738 shares. As per the requirement of Regulation 40(9) of SEBI (LODR) Regulations, 2015, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance share transfer formalities. Further as per Regulation 40 of SEBI Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019 except in case of request received for transmission or transposition of securities.

### Commodity price risk or foreign exchange risk and hedging activities

- **Foreign Exchange Risk and Hedging Activities**

The Company does not have any exposure hedged through commodity derivatives except plain vanilla foreign exchange hedging.

- **Commodity Price Risk And Commodity Hedging Activities**

In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI LODR, 2015, the Company's exposure to commodity and commodity risks faced by the entity throughout the year:

- A: - Total exposure of the listed entity to commodities in INR - **NIL**  
 B: - Exposure of the listed entity to various commodities

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NIL							

**Credit Rating :** During the period under review, there was no credit rating taken by the company.

### Investor Correspondence

Investor correspondence should be addressed to:

**Registrar & Share Transfer Agent:**

BEETAL Financial & Computer Services (P) Limited  
Beetal House, 3<sup>rd</sup> Floor,  
99, Madangir, Behind Local Shopping Centre,  
New Delhi – 110 062.

Phone No. : 011-29961281

Fax No. : 011-29961284

E-mail : [beetalrta@gmail.com](mailto:beetalrta@gmail.com), [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

**Company Secretary:**

Bhilwara Technical Textiles Limited  
Bhilwara Towers  
A-12, Sector 1, Noida  
Uttar Pradesh-201401

Phone Nos. : 0120-4390300, 4390000

Fax Nos. : 0120-4277841, 4277842

E-mail : [btll.investor@lnjbhilwara.com](mailto:btll.investor@lnjbhilwara.com)

**Registered Office:**

Bhilwara Technical Textiles Limited  
LNJ Nagar, Mordi, Banswara, Rajasthan – 327 001, INDIA

### Other information to the Shareholders

#### Green Initiative

As a responsible Corporate citizen, the Company welcomes the Green Initiative by sending communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP).

#### Internal Complaints Committee (ICC)

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2014 which came into effect from the 9<sup>th</sup> of December, 2014, the Company has formulated a Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment- verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute, it is headed by a woman, the committee comprises of more than half representation of women, it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. During the year under review, no incident of sexual harassment was reported.

The Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabulated hereunder

No. of Complaints Filed during the year	No. of Complaints Disposed off during the year	No. of Complaints Pending as at the end of the year
Nil	Nil	Nil

**Information pursuant to Regulation 34 (3) read with Part F of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company transferred 1,72,295 equity shares in respect of 677 shareholders in the name of “Bhilwara Technical Textiles Limited – Unclaimed Suspense Account” on the 23<sup>rd</sup> October, 2012 and these shares were subsequently dematerialised. Presently, 1,69,252 equity shares are still lying in the Unclaimed Suspense Account.

**Unpaid / Unclaimed Dividends**

There was no unpaid/unclaimed dividend pending with the Company since the last seven years because the company has not declared any dividend since its inception. In view of the same, the Company had not transferred any dividend amount and shares which is unpaid /unclaimed to the Demat account of IEPF Authority as per the provisions of Sections 124 and 125 of Companies Act, 2013 and read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules notified by the Ministry of Corporate Affairs.

During the Financial Year 2020-21, the Company did not raise any funds through preferential allotment or qualified institutions placement.

The total fees for all services paid by the Company on a consolidated basis to the Statutory Auditor are detailed in the notes to the Financial Statements.

There were no recommendations of any Committee requiring mandatory approval of the Board, which were not accepted by the Board.

The Company has not obtained any public funding in the last three years.

**For and on behalf of the Board**

Sd/-

**Shekhar Agarwal**

Chairman &

Managing Director and CEO

DIN -00066113

**Place:** Noida (U.P.)

**Date:** 21<sup>st</sup> May, 2021



## **Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance**

**To**  
**The Members of**  
**Bhilwara Technical Textiles Limited**

1. We Doogar & Associates, Chartered Accountants, the Statutory Auditor of Bhilwara Technical Textiles Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2021, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015('the Listing Regulations').

### **Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in Listing Regulations.

### **Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance in compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2021.
8. 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.

### **Restriction on use**

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No.000561N

**Sd-**  
Mukesh Goyal  
Partner

Membership No. 081810  
UDIN: 21081810AAAA6461

**Place:** Noida (U.P.)

**Date:** 21st May, 2021

## Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, Shekhar Agarwal, Chairman & Managing Director and Chief Executive Officer and Arjun Sharma, Company Secretary & Chief Financial Officer, of Bhilwara Technical Textiles Limited, hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by Bhilwara Technical Textiles Limited during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Bhilwara Technical Textiles Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- (e) We affirm that we have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct).
- (f) We further declare that all Board members and designated senior management have affirmed compliance with the Code of Conduct for the current year.

**Place:** Noida (U.P.)  
**Date:** 21st May, 2021

**Sd/-**  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN: 00066113

**Sd/-**  
**Arjun Sharma**  
Company Secretary & Chief  
Chief Financial Officer  
Membership No. A47848

## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Bhilwara Technical Textiles Limited  
LNJ Nagar, Mordi  
Banswara,  
Rajasthan-327001  
CIN:-L18101RJ2007PLC025502

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bhilwara Technical Textiles Limited** having CIN:- **L18101RJ2007PLC025502** and having registered office at **LNJ Nagar, Mordi, Banswara, Rajasthan-327001** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sh. Shekhar Agarwal	00066113	14/12/2007
2	Sh. Riju Jhunjhunwala	00061060	14/12/2007
3	Sh. Shantanu Agarwal	02314304	27/05/2016
4	Sh. Priya Shankar Dasgupta	00012552	06/04/2009
5	Smt. Sunita Mathur	00008923	27/03/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Manisha Gupta & Associates**

(Company Secretaries)

Sd/-

**Manisha Gupta**

Practicing Company Secretary

Mem. No. F6378

CP No. 6808

UDIN: - F006378C000335291

**Date :-** 21st May, 2021

**Place :-** Delhi

## Independent Auditors' Report

### To the Members of Bhilwara Technical Textiles Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Bhilwara Technical Textiles Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the

Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this Auditor's report.

- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), 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, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, 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 it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year and hence not commented upon.

- h. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations as confirmed by the Management; therefore, there is no impact on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the Company.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**  
Partner

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

Membership No. 081810  
UDIN:21081810AAAACV6461

**ANNEXURE 'A' TO AUDITORS' REPORT**  
(Annexure referred to in our report of even date)

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

- i. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets. However, as on the Balance Sheet date there were no fixed assets.
- (b) The Company has a programme of physical verification to ensure that all the assets are verified which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Since there are no fixed assets therefore no physical verification of fixed assets was required.
- (c) According to the information and explanation given to us and the records examined by us, the company is not having any immovable property as on 31<sup>st</sup> March, 2021.
- ii. As explained to us, the inventories except good-in-transit were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of activities carried out by the Company.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of income tax, service tax, and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year end for a period of more than six months from the date they became payable as at 31st March, 2021.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no statutory 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 a dispute.
- viii. According to the information and explanations given to us and as per the books and records examined by us, the Company has no loans from any financial institution or bank or debenture holders.
- ix. According to the information and explanations given by the Management, the company has not raised any money of initial public offer/further public offer. There are no loans borrowed during the year, therefore utilisation of its proceeds is not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of financial statements and according to the information and explanations given by the Management, we report that no fraud by the company or no fraud on the company by the officers and employees of the company has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year; therefore, the provisions of section 197 read with Schedule V to the Act are not applicable.
- xii. In our Opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with related parties are in compliance with section 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone IND AS financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations

given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to company and, hence not commented upon.

- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**

Partner

**Place:** Noida (U.P)  
**Date:** May 21, 2021

Membership No. 081810  
UDIN:21081810AAAACV6461

**Annexure B to the Independent Auditor's Report to the Members of Bhilwara Technical Textiles Limited on financial statements.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section.**

We have audited the internal financial controls over financial reporting of **Bhilwara Technical Textiles Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the 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 Companies Act, 2013.

### Auditor's 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 specified under section 143(10) of the Companies Act, 2013, 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 internal financial controls system over financial reporting.

### 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

authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2021, 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.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-

**Mukesh Goyal**  
Partner

**Place:** Noida (U.P)

**Date:** May 21, 2021

Membership No. 081810

UDIN:21081810AAAACV6461

## Balance Sheet as at March 31, 2021

Particulars	Note	(₹ in Lakhs)	
		As at 31 March, 2021	As at 31 March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3		
(b) Financial Assets			
(i) Investments	4	1,210.03	1,155.61
(c) Other non current assets	5	12.54	4.12
<b>Total Non-Current Assets</b>		<b>1,222.57</b>	<b>1,159.73</b>
<b>Current assets</b>			
(a) Inventories	6	69.59	-
(b) Financial assets			
(i) Investments	7	532.28	573.54
(ii) Trade receivables	8	7.36	-
(iii) Cash and cash equivalents	9	5.19	17.60
(iv) Bank balances other than above (iii)	10	101.51	31.51
(v) Other financial assets	11	0.29	1.57
(c) Current Tax Asset (net)	12	-	8.67
(d) Other current assets	13	12.30	22.11
<b>Total Current Assets</b>		<b>728.52</b>	<b>655.00</b>
<b>Total Assets</b>		<b>1,951.09</b>	<b>1,814.73</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	583.73	583.73
(b) Other equity	15	1,328.06	1,218.27
<b>Total Equity</b>		<b>1,911.79</b>	<b>1,802.00</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
(a) Deferred Tax Liabilities	19	13.16	6.57
<b>Total non-current liabilities</b>		<b>13.16</b>	<b>6.57</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises			
- Total outstanding dues of Trade Payables other than micro enterprises and small enterprises	17	1.41	0.14
(ii) Other Financial Liabilities	18	20.54	5.74
(b) Current Tax Liabilities (net)	12	3.05	-
(c) Other current liabilities	16	1.14	0.28
<b>Total Current Liabilities</b>		<b>26.14</b>	<b>6.16</b>
<b>Total Liabilities</b>		<b>39.30</b>	<b>12.73</b>
<b>Total Equity and liabilities</b>		<b>1,951.09</b>	<b>1,814.73</b>
See Accompanying notes to the standalone financial statements	1-35		

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**

Partner

Membership No. 081810

UDIN:21081810AAAACV6461

**Place:** Noida (U.P.)

**Date:** May 21, 2021

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

Sd/-  
**Shekhar Agarwal**

Chairman & Managing Director and CEO

DIN-00066113

Sd/-  
**Arjun Sharma**

Company Secretary & Chief Financial Officer

Membership No. A47848

Sd/-  
**Shantanu Agarwal**

Director

DIN-02314304

## Statement of Profit and Loss for the Year Ended March 31, 2021

(₹ in Lakhs)

Particulars	Note	Year ended 31 March, 2021	Year ended 31 March, 2020
1. Revenue from Operation	20	651.81	196.10
2. Other Income	21	131.90	75.47
<b>3. Total Income (1+2)</b>		<b>783.71</b>	<b>271.57</b>
<b>4. Expenses</b>			
a. Cost of materials consumed	22	365.03	-
b. Purchases of stock-in-trade	22	73.32	103.73
c. Changes in inventories of finished goods, work in progress and stock in trade	23	(56.16)	84.61
d. Employee benefit expense	24	4.76	4.11
e. Finance Cost	25	0.01	0.00
f. Depreciation and amortisation	3	-	-
g. Other expenses	26	263.72	43.48
<b>Total Expenses</b>		<b>650.68</b>	<b>235.93</b>
<b>Profit/Loss before exceptional item and tax (3-4)</b>		<b>133.03</b>	<b>35.64</b>
Exceptional items		-	-
<b>5. Profit before tax from continuing operations</b>		<b>133.03</b>	<b>35.64</b>
<b>6. Tax expense</b>	27		
a. Current tax		16.30	0.36
b. Deferred tax		6.59	4.63
c. Adjustment for earlier years		0.36	-
<b>Total tax expense</b>		<b>23.25</b>	<b>4.99</b>
<b>7. Profit for the Period (5-6)</b>		<b>109.78</b>	<b>30.65</b>
<b>8. Other comprehensive income</b>			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>9. Total comprehensive income for the Period (7+8)</b>		<b>109.78</b>	<b>30.65</b>
<b>Earnings per equity share</b>			
(Face value ₹ 1 per share)			
- Basic and diluted (in ₹)	28	0.19	0.05
<b>See Accompanying notes to the standalone financial statements</b>	<b>1-35</b>		

In terms of our report attached  
As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV6461

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN-02314304

Sd/-  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848



## Cash Flow Statement For The Year Ended 31st March, 2021

Particulars	(₹ in Lakhs)	
	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>A. Cash flow from operating activities</b>		
Profit for the year before tax	133.03	35.64
<b>Adjustments for:</b>		
Depreciation	-	-
Interest income	(1.74)	(14.07)
Remeasurement of Investment	(67.10)	(31.15)
Profit on sale of vehicle	-	(0.00)
	<b>64.19</b>	<b>(9.58)</b>
<b>Movements in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(69.59)	84.61
Trade receivables	(7.36)	78.61
Other Current Assets	9.81	(9.10)
Trade payables	1.27	(127.18)
Other financial liabilities	14.80	0.21
Other current liabilities	0.86	(13.76)
<b>Cash generated from operations</b>	<b>13.98</b>	<b>3.81</b>
Income tax paid	(13.02)	1.90
<b>Net cash generated by operating activities (A)</b>	<b>0.96</b>	<b>5.71</b>
<b>B. Cash flow from investing activities</b>		
Investments in Mutual Funds/Equity/Bonds/Debt	53.93	(740.97)
Redemption/Maturity of Bank deposit	(70.00)	715.74
Interest received	2.70	33.67
<b>Net cash generated by/(used in) investing activities (B)</b>	<b>(13.37)</b>	<b>8.44</b>
<b>C. Cash flow from financing activities</b>		
Repayment of term and working capital loan	-	-
Interest paid	-	-
<b>Net cash generated by/(used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in Cash and cash equivalents (A+B+C)</b>	<b>(12.41)</b>	<b>14.15</b>
Cash and cash equivalents at the beginning of the year	17.60	3.45
<b>Cash and cash equivalents at the period ended</b>	<b>5.19</b>	<b>17.60</b>
See Accompanying notes to the standalone financial statements	1-35	

**In terms of our report attached**  
As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV6461

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN-02314304

Sd/-  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848

## Statement of Changes in Equity for the Year Ended 31st March, 2021

### A. Equity Share Capital

(₹ in Lakhs)

Particulars	No. of Shares	Amount
<b>Balance as at April 1, 2019</b>		
Balance at the beginning of the reporting year	58,373,305	583.73
Changes in equity share capital during the year	-	-
<b>Balance as at March 31, 2020</b>	<b>58,373,305</b>	<b>583.73</b>
<b>Balance as at April 1, 2020</b>		
Balance at the beginning of the reporting year	58,373,305	583.73
Changes in equity share capital during the year		
<b>Balance as at March 31, 2021</b>	<b>58,373,305</b>	<b>583.73</b>

### B. Other equity

Particulars	Reserves and surplus		Total other equity
	Securities Premium	Retained earnings	
<b>Balance as at April 1, 2019</b>	87.48	1,100.14	1,187.62
Profit for the year	-	30.65	30.65
Addition during the year	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>30.65</b>	<b>30.65</b>
<b>Balance as at March 31, 2020</b>	<b>87.48</b>	<b>1,130.79</b>	<b>1,218.27</b>
<b>Balance as at April 1, 2020</b>	87.48	1,130.79	1,218.27
Profit for the year	-	109.78	109.78
Addition during the year	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>109.78</b>	<b>109.78</b>
<b>Balance as at March 31, 2021</b>	<b>87.48</b>	<b>1,240.58</b>	<b>1,328.06</b>

#### Note: Nature and purpose of Reserves:

##### Securities Premium

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013

##### General Reserve

This represents appropriation of profit after tax by the company.

##### Retained Earnings

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

**See Accompanying notes to the standalone financial statements 1-35**

#### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

**Sd/-**  
**Mukesh Goyal**

Partner

Membership No. 081810

UDIN:21081810AAAACV6461

**Sd/-**  
**Shekhar Agarwal**

Chairman & Managing Director and CEO

DIN-00066113

**Sd/-**  
**Shantanu Agarwal**

Director

DIN-02314304

**Sd/-**  
**Arjun Sharma**

Company Secretary & Chief Financial Officer

Membership No. A47848

**Place:** Noida (U.P.)

**Date:** May 21, 2021

## Notes to the Financial Statement

### 1. General Information

Bhilwara Technical Textiles Limited (“the Company”) is a public limited company incorporated under the provision of the Companies Act, 1956, pursuant to the Scheme of De-merger of 'Strategic Investment Division' of the “M/s. RSWM Ltd.” The Company has its primary listing on the BSE Limited in India.

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

Bhilwara Technical Textiles Limited (BTTL) already holds substantial stake in equity share capital of BMD Private Limited which is an Associate Company of BTTL. BMD Private Limited is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturized yarn. BMD Pvt. Ltd. has also forayed in the Wind Power and Solar Power Generation which also gives the Company indirect exposure in the renewable energy sector. BMD Pvt. Ltd. has a continuous track record of good performance and maintains leadership for its products in OE Segment.

The standalone financial statement for the year ended 31st March, 2021 is approved for issue by the Company's Board of Directors on 21<sup>st</sup> May, 2021.

### 2. Significant Accounting Policies

#### 2.1. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI). These Ind AS has been adopted w.e.f. 1 April, 2017 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015.

#### 2.2. Basis of preparation and presentation

The financial statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

##### 2.2.1 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

##### 2.2.2. Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non - current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria are satisfied:

- i. the Company expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. the Company holds the asset primarily for the purpose of trading;
- iii. the Company expects to realise the asset within twelve months after the reporting period;

## Notes to the Financial Statement

- iv. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria are satisfied:

- i. the company expects to settle the liability in its normal operating cycle;
- ii. the company holds the liability primarily for the purpose of trading;
- iii. the liability is due to be settled within twelve months after the reporting period; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### 2.3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialised.

### 2.4. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sale of goods

Revenue from the sale of goods is recognised, when all the significant risks and rewards of ownership of the goods have passed to the buyer, the Company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of consideration that will be derived from the sales of goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

#### Other Operating Income

##### Interest income

Interest income from a financial asset is recognised using effective interest rate method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

##### Dividend Income

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

## Notes to the Financial Statement

### 2.5. Inventories

Inventories including goods-in-transit are valued at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### **Traded goods:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

### 2.6. Property, Plant and Equipment (PPE)

#### **Recognition and measurement**

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

#### **Subsequent expenditure**

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

#### **Impairment**

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **Depreciation**

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

### 2.7. Investments in Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in associates are carried at cost less impairments. The cost comprises price paid to acquire investment and directly attributable cost.

## Notes to the Financial Statement

### 2.8. Foreign currencies

The Company's financial statements are presented in INR. (₹)

#### Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income (OCI).

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.9. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

#### 2.9.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

#### 2.9.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition



## Notes to the Financial Statement

(other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### **2.10. Employee Benefits**

Employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **2.11. Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any

## Notes to the Financial Statement

reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent Assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 2.12. Operating Segment

An operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resource allocation and assess its performance. The Company has identified the chief operating decision maker as its Director in Charge.

### 2.13. Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.14. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.15. Non-Current assets (or disposal groups) held for sale and discontinued operations

Non-Current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group)

## Notes to the Financial Statement

is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

### 2.16. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## Notes to the Financial Statement

### 2.17. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

### 2.18. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss (FVTPL) are recognised immediately in the statement of profit and loss.

#### Financial assets

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortised cost
- Financial asset at fair value through other comprehensive income
- Financial asset at fair value through profit and loss

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

#### Financial assets at fair value through profit and loss ('FVTPL')

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs

## Notes to the Financial Statement

directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

### **Impairment of financial assets (other than at fair value)**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realised up to one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

### **Derecognition of financial assets**

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfer nor retain substantially all the risk and reward of ownership and continue to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retain substantially all the risks and reward of ownership of a transferred financial asset, the company continue to recognize the financial asset and also a collateralized borrowing for the proceeds received.

### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### **Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### **Trade and other Payables**

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

## Notes to the Financial Statement

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

### **Reclassification of financial assets and financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Impairment of Non-Financial Assets**

Intangible assets, property, plant and equipment measured at cost and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **2.19. Impairment of Non-Financial assets**

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the CGU (or the asset).



## Notes to the Financial Statement

The corporate assets (e.g central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization if no impairment loss had been recognised.

### 2.20. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

### 2.21. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

#### 2.21.1. Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

##### **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair

## Notes to the Financial Statement

values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **(Refer Note 2.16)**

### **Impairment of non-financial assets**

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

### **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

### **Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

## **2.22. Key Source of estimation uncertainty**

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

### **Useful lives and residual values of property, plant and equipment**

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years **(Refer note no 2.6)**.

### **Impairment of property plant and equipment**

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss. **(Refer note 2.6)**

### **Valuation of deferred tax assets**

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets **(Refer note 2.9.2)**

### **Provisions and contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## Notes to the Financial Statement

### Note 3. Property, Plant & Equipment

(₹ in Lakhs)

	As at 31 March, 2021	As at 31 March, 2020
<b>Carrying amounts of :</b>		
Property Plant and Equipment	-	-
<b>Particulars</b>		
<b>Gross Carrying Value</b>		
<b>As at March 31, 2019</b>	-	-
Additions		
Disposals	-	-
<b>As at March 31, 2020</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at March 31, 2021</b>	-	-
<b>Accumulated depreciation</b>		
<b>As at March 31, 2019</b>	-	-
Depreciation expense		
Eliminated on disposals of assets		
<b>As at March 31, 2020</b>		
Depreciation expense	-	-
Eliminated on disposals of assets	-	-
<b>As at March 31, 2021</b>	-	-
<b>Net Carrying Value</b>		
<b>As at March 31, 2019</b>	-	-
<b>As at March 31, 2020</b>	-	-
<b>As at March 31, 2021</b>	-	-

### Note 4. Investments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Non-Current</b>		
<b>Investments in equity instruments</b>		
<b>Investment in Associates (unquoted) (At Cost)</b>		
66,00,000 (previous Year 66,00,000) equity shares of ₹ 10 each of BMD Private Limited*	660.00	660.00
<b>Investments in mutual funds at FVTPL (unquoted)</b>		
<b>Debt</b>		
IIFL WEALTH FINANCE SR-A-JUNE 2022 LOA-Units 10 (previous years Units 10)	-	128.93
<b>Equity</b>		
IIFL INCOME OPPORTUNITIES FUND -SERIES2 CLASS-B3 (AIF CATEGORY-II)	550.03	366.68
<b>Total</b>	<b>1,210.03</b>	<b>1,155.61</b>
Aggregate book value of Quoted investments	-	-
Aggregate market value of Quoted investments	-	-
Aggregate carrying value of unquoted investments	1210.03	1,155.61
Aggregate amount of impairment in value of investment	-	-

\*49.87% (previous year 49.87%) is Proportion of ownership interest and voting right held by the company in BMD Private Limited, associates.

## Notes to the Financial Statement

### Note 5. Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Tax refundable	12.34	3.92
Security Deposits	0.20	0.20
<b>Total</b>	<b>12.54</b>	<b>4.12</b>

### Note 6. Inventories

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Inventories - valued at lower of cost and net realisable value</b>		
Cotton Stock with Job Worker	13.43	-
Yarn with Job Worker	56.16	-
<b>Total</b>	<b>69.59</b>	<b>-</b>

### Note 7. Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current</b>		
ADITYA BIRLA SUN LIFE LIQUID FUND	35.52	141.06
HDFC LIQUID DIRECT-GROWTH	-	155.85
ICICI PRU MONEY MARKET DIRECT GROWTH	10.00	-
IIFL WEALTH FINANCE LTD 90DEC 19	105.26	70.49
REDDY VEERANNA INVESTMENTS PVT LTD SR1NCD30SP22	240.00	-
INDIA INFOLINE FINANCE LTD MLD-2021 G2CD 22NOV21	141.50	206.13
<b>Total</b>	<b>532.28</b>	<b>573.54</b>

### Note 8. Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current</b>		
Unsecured, Considered Goods	7.36	-
Unsecured, Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Total</b>	<b>7.36</b>	<b>-</b>

### Note 9. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Balances with banks</b>		
- in current accounts	5.04	16.99
Cash on hand	0.15	0.61
<b>Total</b>	<b>5.19</b>	<b>17.60</b>

### Note 10. Bank balances

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Bank Deposits	101.51	31.51
<b>Total</b>	<b>101.51</b>	<b>31.51</b>

## Notes to the Financial Statement

### Note 11. Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Interest Receivable	0.29	1.57
<b>Total</b>	<b>0.29</b>	<b>1.57</b>

### Note 12. Current Tax Assets/Liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current tax assets</b>		
Advance Tax	10.00	6.30
TCS Receivable	0.20	-
TDS Receivable (on Interest)	3.05	2.73
<b>Current tax liabilities</b>	<b>13.25</b>	<b>9.03</b>
Provision for Taxation	16.30	0.36
	<b>16.30</b>	<b>0.36</b>
<b>Total</b>	<b>(3.05)</b>	<b>8.67</b>

### Note 13. Other current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Prepaid Expenses	0.81	0.20
Due from government	8.18	20.21
Distributive Income Receivable	2.52	-
IIFL wealth management (HDFC Bank)	0.80	1.70
<b>Total</b>	<b>12.30</b>	<b>22.11</b>

### Note 14. Share capital

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Authorised share capital</b>		
70,000,000 fully paid equity shares of ₹ 1 each (as at 31 March, 2021: 70,000,000)	700.00	700.00
	<b>700.00</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid-up</b>		
58,373,305 fully paid equity shares of ₹ 1 each (as at 31 March, 2021: 58,373,305)	583.73	583.73
	<b>583.73</b>	<b>583.73</b>

See notes (i) to (iv) below

#### (i) Fully paid equity shares

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the year	5,83,73,305	583.73	5,83,73,305	583.73
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>5,83,73,305</b>	<b>583.73</b>	<b>5,83,73,305</b>	<b>583.73</b>

## Notes to the Financial Statement

### (ii) Rights, preferences and restriction attached to equity shares

Company has only one class of equity shares having a par value of ₹1. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	% Holding	Number of shares	% Holding
<b>Equity shares of ₹ 1 each fully paid</b>				
Shashi Agarwal	1,01,59,855	17.40%	1,01,59,855	17.40%
Shantanu Agarwal	53,08,115	9.09%	53,08,115	9.09%
Shekhar Agarwal (HUF)	40,27,344	6.90%	40,27,344	6.90%
Sita Nirman Pvt. Ltd.	36,01,678	6.17%	36,01,678	6.17%
Anderson Deal Trade Pvt. Ltd.	54,11,689	9.27%	54,11,689	9.27%
Agarwal Finestate Pvt. Ltd.	73,15,358	12.53%	73,15,358	12.53%
	<b>3,58,24,039</b>	<b>61.37%</b>	<b>3,58,24,039</b>	<b>61.37%</b>

(a) As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

(iv) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

### Note 15. Other equity

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Retained earnings	1,240.58	1,130.79
Securities Premium	87.48	87.48
<b>Total</b>	<b>1,328.06</b>	<b>1,218.27</b>

### Note 15.1. Retained earnings

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Balance at the beginning of year	1,130.79	1,100.14
Profit for the year	109.78	30.65
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-
<b>Total</b>	<b>1,240.58</b>	<b>1,130.79</b>

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

### Note 15.2 Securities premium

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Balance at the beginning of year	87.48	87.48
Addition during the year	-	-
<b>Total</b>	<b>87.48</b>	<b>87.48</b>

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013



## Notes to the Financial Statement

### Note 16. Other liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Non Current</b>	-	-
<b>Current</b>		
Statutory dues payable	1.12	0.28
Other liabilities	0.02	0.01
<b>Total</b>	<b>1.14</b>	<b>0.28</b>

### Note 17. Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises	1.41	0.14
<b>Total</b>	<b>1.41</b>	<b>0.14</b>

Note : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
The principal amount remaining unpaid to any supplier as at the end of the year.		-
The interest due on principal amount remaining unpaid to any supplier as at the end of the year.		-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year.		-
The amount of interest due and payable for the period of delay in making paymet (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.		-
The amount of interest accrued and remaining unpaid at the end of the year.		-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.		-

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.

### Note 18. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current</b>		
Audit Fees Payable	0.92	0.90
Internal Audit Fees Payable	0.23	-
Job Work payable	15.49	-
Salary payable	-	0.32
Other financial liabilities	3.90	4.52
<b>Total</b>	<b>20.54</b>	<b>5.74</b>

## Notes to the Financial Statement

### Note 19. Deferred Tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Deferred tax liabilities	13.16	6.57
Deferred tax assets	-	-
<b>Total</b>	<b>13.16</b>	<b>6.57</b>

#### Movement in Deferred Tax Liabilities

(₹ in Lakhs)

2019-20	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of invetsment at fair value	(1.94)	(4.63)	-	(6.57)
- Depreciation expenses	-	-	-	-
<b>Total</b>	<b>(1.94)</b>	<b>(4.63)</b>		<b>(6.57)</b>

#### Movement in Deferred tax Liabilities

(₹ in Lakhs)

2020-21	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of invetsment at fair value	(6.57)	(6.59)	-	(13.16)
- Depreciation expenses	-	-	-	-
<b>Total</b>	<b>(6.57)</b>	<b>(6.59)</b>	-	<b>(13.16)</b>

### Note 20. Revenue from operation

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
<b>a) Revenue from operations</b>		
Sale of products - Manufactured by others Job Basis	535.86	-
Sale of products - Traded goods	113.83	193.37
<b>b) Other operating revenues</b>		
Export incentives (DDB)	2.12	2.73
<b>Total</b>	<b>651.81</b>	<b>196.10</b>

### Note 21. Other income

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Interest on deposits	1.74	14.07
Remeasurement of investment	67.10	31.15
Foreign fluctuation Gain	3.23	2.98
Income from Mutual fund/distribution income	39.32	10.93
Realised gain on investment	17.82	2.29
Unrealised gain on investment	1.19	6.06
Miscellaneous Income	1.50	8.00
<b>Total</b>	<b>131.90</b>	<b>75.47</b>

### Note 22. Purchases for stock-in-trade

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Consumption of Cotton	364.23	-
Commission on cotton purchase	0.80	-
Cost of Material Consumed	<b>365.03</b>	-
Purchases yarn for trading	73.32	103.73
<b>Total</b>	<b>438.35</b>	<b>103.73</b>

## Notes to the Financial Statement

### Note 23. Changes in inventories of finished goods, work in progress and stock in trade (₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
<b>Inventories (At Close)</b>		
Traded Goods (in Transit)	56.16	-
	<b>56.16</b>	<b>-</b>
<b>Inventories (At opening)</b>		
Traded Goods	-	84.61
	-	84.61
<b>(Increase)/ Decrease of Inventory</b> <b>Total</b>	<b>(56.16)</b>	<b>84.61</b>

### Note 24. Employee benefit expense (₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Salaries, wages & Bonus	4.70	4.07
Staff welfare expenses & other benefits	0.06	0.03
<b>Total</b>	<b>4.76</b>	<b>4.11</b>

### Note 25. Finance Cost (₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Other Interest	0.01	0.00
<b>Total</b>	<b>0.01</b>	<b>0.00</b>

### Note 26. Other expenses (₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Fees & Subscription	28.76	10.14
Legal & Professional	3.70	3.03
Auditor's Remuneration (refer note (i) below)	1.27	1.36
Publication charges	2.42	3.23
Director's sitting fees	0.72	0.94
Freight	7.56	13.42
Job work charges	210.47	3.85
Commission on export	3.42	-
Director's Travelling	-	0.13
Printing & Postage expenses	3.69	4.79
Bank Charges	0.22	0.05
Foreign Bank Charges	-	0.43
Insurance Expenses	0.91	0.47
Miscellaneous expense	0.58	1.63
<b>Total</b>	<b>263.72</b>	<b>43.48</b>

## Notes to the Financial Statement

### Note-(i)

(₹ in Lakhs)

Payment to auditor comprise	As at 31 March, 2021	Year ended March 31, 2020
(i) Statutory audit Fee	0.85	0.85
(ii) Limited review	0.40	0.45
(iii) Other	0.02	0.06
<b>Total</b>	<b>1.27</b>	<b>1.36</b>

### Notes 27: Tax Expense

#### Note 27.1. Income taxes recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Current tax</b>		
In respect of the current year	16.30	0.36
In respect of the prior years	0.36	-
	<b>16.65</b>	<b>0.36</b>
<b>Deferred tax</b>		
In respect of the current year	6.59	4.63
	<b>6.59</b>	<b>4.63</b>
<b>Total income tax expense recognised in the current year</b>	<b>23.25</b>	<b>4.99</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Profit before tax</b>	<b>133.03</b>	<b>35.64</b>
Statutory Income tax rate *	25.17%	22.88%
Tax at Indian statutory income tax rate	33.48	8.15
Effect of expenses that are not deductible in determining taxable profit	(10.59)	(3.16)
Adjustment recognised in the current year in relation to the current tax of prior years	0.36	-
<b>Income tax expense recognised in profit or loss</b>	<b>23.25</b>	<b>4.99</b>

The tax rate used for the years ended 31 March, 2021 and 31 March, 2020 reconciliations above is the corporate tax rate of 25.168% and 22.88% respectively payable by corporate entities in India on taxable profit under the Income tax law.

\* Pursuant to Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have the option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions w.e.f. financial year commencing from April 1, 2019 and thereafter. In the quarter ended March 31, 2020, the Company has made an assessment of the impact of the Ordinance and decided to shift from the existing tax structure and calculated tax liability considering the new rate.

#### Note 27.2. Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Current tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Deferred Tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Total income tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statement

### Note 28. Earnings per share

Basic earnings per equity share and Diluted earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit after tax as per statement of profit & loss A/c	109.78	30.65
Net earning for computing basic earning per shares	109.78	30.65
Number of equity shares	58,373,305	58,373,305
Weighted average number of equity shares used in computing the basic earnings per share	58,373,305	58,373,305
Weighted average number of equity shares used in computing the diluted earnings per share	58,373,305	58,373,305
<b>Basic earnings per share of ₹ 1 each</b>	<b>0.19</b>	<b>0.05</b>
<b>Diluted earnings per share of ₹ 1 each</b>	<b>0.19</b>	<b>0.05</b>
Face value per share (in ₹)	1	1

### Note 29. Segment Reporting

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

### Note 30. Impact of Covid-19 pandemic

On account of mitigation of COVID-19 pandemic and on the basis of current assessment and performance of the company, the Company expects to recover the carrying amount of assets comprising Inventories and trade receivables and no material adjustment is required in the financial results. The results for the current & previous quarter support this assessment and we expect this momentum to continue.

### Note 31. Financial instruments

#### Note 31.1. Capital management

The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The Company is not subject to any externally imposed capital requirements.

#### Note 31.1.1. Gearing Ratio

The Company is a debt free entity.

## Notes to the Financial Statement

### Note 31.2. Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in Lakhs)					
Particulars	Amortised /Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	7.36	-	-	7.36	7.36
(b) Cash and cash equivalents	5.19	-	-	5.19	5.19
(c) Bank balances other than above	101.51	-	-	101.51	101.51
(d) Other financial assets	0.29	-	-	0.29	0.29
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments-Mutual Funds	-	550.03	-	550.03	550.03
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	1.41	-	-	1.41	1.41
(h) Other financial liabilities	20.54	-	-	20.54	20.54

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

(₹ in Lakhs)					
Particulars	Amortised /Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	-	-	-	-	-
(b) Cash and cash equivalents	17.60	-	-	17.60	17.60
(c) Bank balances other than above	31.51	-	-	31.51	31.51
(d) Other financial assets	1.57	-	-	1.57	1.57
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments -Mutual Funds	-	495.61	-	495.61	495.61
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	0.14	-	-	0.14	0.14
(h) Other financial liabilities	5.74	-	-	5.74	5.74

### Note 31.3. Fair value Hierarchy

- Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2- Input other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices). (Net Asset value as published by the fund).
- Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



## Notes to the Financial Statement

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021

(₹ in Lakhs)

Particular	As at March 31, 2021	Fair Value measurement at end of the reporting period/year using
		Level 2
Investment in Mutual Funds	550.03	550.03

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020:

(₹ in Lakhs)

Particular	As at March 31, 2021	Fair Value measurement at end of the reporting period/year using
		Level 2
Investment in Mutual Funds	495.61	495.61

### 31.4 Valuation technique used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

Investments in the unquoted mutual funds have been valued considering the market coupon rate of similar financial instruments.

### 31.5 Financial risk management objectives and policies

The Company's principal financial liabilities, comprises of trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to a variety of financial risks: currency risk, interest rate risk, credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance. The Company's senior management is supported by a financial risk policy which covers the risks associated with the financial assets and liabilities. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Audit committee reviews and agrees policies for managing each of these risks, which are summarised below.

#### 31.5.1. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Expected Credit Loss for trade receivables

There is no debtor outstanding for more than 12 months. Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

For the year ending 31st March 2021

(₹ in Lakhs)

Financial assets to which loss allowance is measure using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	0.29	-	-	0.29

## Notes to the Financial Statement

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	7.36	-	7.36
Expected Loss Rate	-	-	100%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-
		7.36		7.36

For the year ending 31st March 2020

(₹ in Lakhs)

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assests	1.57	-	-	1.57

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	-	-	-
Expected Loss Rate	-	-	100%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-

### Provisioning Norms of Debtors

Ageing of debtor on the basis of invoice date	Provision in %
Upto 12 Months	Nil
More than 12 months	100%

### Investments

The Company limits its exposure to credit risk by generally investing with counterparties that have a good credit rating.

### Cash & cash equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counterparty as non-material.

### 31.5.2. Foreign Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships given below:

(in lakhs)

Particular	As at	As at
	31 March, 2021	31 March, 2021
	USD	USD
Trade Receivables	-	-
Less: Hedged Portion	-	-
Unhedged Exposure	-	-

## Notes to the Financial Statement

### Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate ( USD ) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below: (₹ in Lakhs)

Particular	As at 31 March, 2021		As at 31 March, 2020	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
USDINR-Increase/(Decrease) by 1%	-	-	-	-

### 31.6. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The contractual maturity is based on the earliest date on which the company may be required to pay.

(₹ in Lakhs)

Particulars	Weighted average effective interest rate	0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
<b>31 March, 2021</b>							
<b>Non-interest bearing</b>							
Trade payables		1.41	-	-	-	1.41	1.41
Other financial liabilities		20.54	-	-	-	20.54	20.54
<b>31 March, 2020</b>							
<b>Non-interest bearing</b>							
Trade payables		0.14	-	-	-	0.14	0.14
Other financial liabilities		5.74	-	-	-	5.74	5.74

### Note 32 Related Party Transactions

#### Note 32.1 List of related parties as per IND-AS 24 & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S.No	Name of Related Party	Nature of Relationship	
A	(i) A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity	Shri Shekhar Agarwal	Promoters having voting control
		Shri Shantanu Agarwal	Promoters having voting control
		(ii) A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity	Shri Shekhar Agarwal
		Smt. Shashi Agarwal	
		Shri Shantanu Agarwal	
		Smt. Shuchi Poddar	
	(iii) A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.	Shri Shekhar Agarwal	Director
		Shri Shantanu Agarwal	
		Shri Riju Jhunjhunwala	
		Shri Priya Shankar Dasgupta	
Smt. Sunita Mathur			
Shri Arjun Sharma		Company Secretary & Chief Financial Officer	
B	(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)	N.A.	
		(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)	

## Notes to the Financial Statement

S.No	Name of Related Party	Nature of Relationship
	BMD Pvt. Ltd.	Associate
	BMD Power Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	BMD Renewable Energy Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	Agarwal Trademart Pvt. Ltd.	Wholly Owned Subsidiary of Associate
<b>(iii)</b>	<b>Associated and other entities are joint ventures of the same third party.</b>	
	N.A.	
<b>(iv)</b>	<b>One Entity is a joint venture of a third party and the other entity is an associate of the third entity</b>	
	N.A.	
<b>(v)</b>	<b>The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity</b>	
	N.A.	
<b>(vi)</b>	<b>The entity is controlled or jointly controlled by a person identified in (a).</b>	
	Aadi Marketing Company Private Limited	<b>Holding more than 50% of Shareholding along with relatives in the Company.</b>
	Maral Overseas Limited	
	Agarwal Finestate Private Limited	
	AKJ Apparels Private Limited	
	Apeksha Vyapar Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	BSL Limited	
	Captain Trade & Agencies Private Limited	
	Diplomat Leasing and Finance Private Limited	
	HEG Limited	
	MG Marketing and Trading Private Limited	
	Pawanputra Trading Private Limited	
	RANDR Trustee Private Limited	
	RLJ Family Trusteeship Private Limited	
	RRJ Family Trustee Private Limited	
	RSWM Limited	
	Sita Nirman Private Limited	
	SKLNJ Family Trusteeship Private Limited	
	SSSA Family Private Limited	
	Ultramarine Impex Private Limited	
	Kalati Holdings Private Limited	
	Investors India Limited	
	Zoongoo Commercial Co. Private Limited	
	Glorious Commodeal Private Limited	
	Giltedged Industrial Securities Limited	
	New Delhi Law Office/Asia Law Office	
	India TexFab Marketing Limited	
	Nivedan Vanijya Niyojan Limited	
	Nikita Electrotrades Private Limited	
	Raghav Commercial Limited	
	Resrose Vanijya Private Limited	
	Veronia Tie up Private Limited	

## Notes to the Financial Statement

S.No	Name of Related Party	Nature of Relationship
(vii)	<b>A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</b>	
1	<b>Shri Shekhar Agarwal</b>	<b>Holding 20% or more Shareholding along with relatives in the Company.</b>
	Aadi Marketing Company Private Limited	
	Agarwal Finestate Private Limited	
	Apeksha Vyapar Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	Diplomat Leasing and Finance Private Limited	
	MG Marketing and Trading Private Limited	
	Pawanputra Trading Private Limited	
	Sita Nirman Private Limited	
	SSSA Family Private Limited	
	Ultramarine Impex Private Limited	
2	<b>Shri Shantanu Agarwal</b>	<b>Holding 20% or more Shareholding along with relatives in the company.</b>
	Aadi Marketing Company Private Limited	
	Agarwal Finestate Private Limited	
	Apeksha Vyapar Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	Diplomat Leasing and Finance Private Limited	
	MG Marketing and Trading Private Limited	
	Pawanputra Trading Private Limited	
	Sita Nirman Private Limited	
	SSSA Family Private Limited	
	Ultramarine Impex Private Limited	
(viii)	<b>The Entity, or any member of a group of which it is part provide key management personal service to the reporting entity of to the parent of reporting entity.</b>	
	N.A.	

### Note 32.2 Related Party Transactions Disclosure for the year ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Transactions	Key Managerial Personnel & Relatives		Associates and Wholly on Subsidiary of Associates of Reporting entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ii) is able to exercise significant influence over the reporting enterprises.		Total	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Sitting Fees	0.72	0.94	-	-	-	-	0.72	0.94
2	<b>Remuneration</b>								
a	Short term employees benefit	3.65	3.85	-	-	-	-	3.65	3.85
b	Post employment benefit	-	-	-	-	-	-	-	-
c	Termination benefits	-	-	-	-	-	-	-	-
d	Share-based payment.	-	-	-	-	-	-	-	-
e	Other long-term benefits	-	-	-	-	-	-	-	-
3	Reimbursement of Expenses paid for medical expenses	-	-	-	-	0.24	-	0.24	-
4	Job Charges Payable	-	-	-	-	210.47	4.04	210.47	4.04
	<b>TOTAL</b>	<b>4.37</b>	<b>4.79</b>	<b>-</b>	<b>-</b>	<b>210.71</b>	<b>4.04</b>	<b>215.08</b>	<b>8.83</b>

## Notes to the Financial Statement

### Note 33. Recent Accounting Pronouncements

On March 24, 2021, the MCA through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are as under and these amendments are applicable from April 1, 2021.

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

**Note 34.** Previous year figures have been regrouped/restated wherever considered necessary.

### Note 35. Approval of financial statements

The Financial statements for the year ended 31st March 2021 were approved by the Board of Directors and authorized for issue on 21st May 2021.

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**For and on behalf of the Board of Directors of  
Bhilwara Technical Textiles Limited**

**Sd/-  
Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV6461

**Sd/-  
Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

**Sd/-  
Shantanu Agarwal**  
Director  
DIN-02314304

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

**Sd/-  
Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848



## Independent Auditors' Report

To The Members of  
Bhilwara Technical Textiles Limited

Report on the Audit of the Consolidated Ind AS  
financial statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Bhilwara Technical Textiles Limited** (hereinafter referred to as "the Investor Company") and its associate company (Investor Company and associate company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Emphasis of Matter

In relation to an associate of the company, we draw attention to Note 20 of the attached financial statements, relating to recognition of revenue from sale of solar power in absence of a Power Purchase Agreement with Discom.

Our opinion is not modified in respect of this matter.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Investor Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

### Management's Responsibility for the Consolidated Ind AS financial statements

The Investor Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Investor companies and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Investor Company and its associates 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Investor Company, as aforesaid.

In preparing the consolidated financial statements, Investor Company's Board of Directors is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The Board of Directors of the companies of the group is also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Investor Company and other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matters

The consolidated financial statements include the Associate Company's share of net profit of Rs. 689.10 lakhs and share in other comprehensive income of an Associate is Rs.51.87 lakhs for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- c) The consolidated balance sheet, the consolidated statement of profit and loss including the statement of other comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Investor Company as on 31st March, 2021 taken on record by the Board of Directors of the Investor Company and the reports of the other statutory auditor and joint auditor of its subsidiary and associate companies respectively, none of the directors of the Investor companies and its associate company

is disqualified as on 31st March, 2021 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 Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of Group.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,  
In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year and hence not commented upon.
- h) 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:
  - I. There were no pending litigations which would impact the consolidated financial position of the Investor Company and its associate;
  - ii. The Investor Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the Investor Company and its associate company incorporated in India.

**For Doogar & Associates**  
Chartered Accountant  
Firm Regn. No. 000561N

Sd/-

**Mukesh Goyal**  
Partner

M.No. 081810

UDIN:21081810AAAACV1925

**Place:** Noida,(U.P.)

**Date:** May 21, 2021

## Annexure A to the Independent Auditor's Report to the members of Bhilwara Technical Textiles Limited (Investor Company) of even date on its Consolidated Financial Statements

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section of our report referred above**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of Bhilwara Technical Textiles Limited (hereinafter referred to as “the Investor Company”) and its associate company (collectively referred as 'Group'), which is a company incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Investor Company and its associate company, which is company incorporated in India, are 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 (ICAI). 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 the respective 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 Companies Act, 2013.

### **Auditor's 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”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgment, 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 Group's internal financial controls system over financial reporting.

### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Investor Company and its associate company which is a company incorporated in India, have, 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 31st March, 2021, based on the internal control over financial reporting criteria established by the respective companies 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.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the one associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of the associate company incorporated in India.

**For Doogar & Associates**  
Chartered Accountant  
Firm Regn. No. 000561N  
Sd/-

**Mukesh Goyal**  
Partner

**Place:** Noida, (U.P.)  
**Date:** May 21, 2021

M.No. 081810  
UDIN:21081810AAAACV1925



## Consolidated Balance Sheet as at March 31, 2021

(₹ in Lakhs)

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3	-	-
(b) Financial Assets			
(i) Investments	4	13,161.01	12,365.62
(c) Other non current assets	5	12.54	4.12
<b>Total Non-Current Assets</b>		<b>13,173.55</b>	<b>12,369.74</b>
<b>Current assets</b>			
(a) Inventories	6	69.59	-
(b) Financial assets			
(i) Investments	7	532.28	573.54
(ii) Trade receivables	8	7.36	-
(iii) Cash and cash equivalents	9	5.19	17.60
(iv) Bank balances other than above (ii)	10	101.51	31.51
(v) Other financial assets	11	0.29	1.57
(c) Current Tax Asset (net)	12	-	8.67
(d) Other current assets	13	12.30	22.11
<b>Total Current Assets</b>		<b>728.52</b>	<b>655.00</b>
<b>Total Assets</b>		<b>13,902.07</b>	<b>13,024.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	583.73	583.73
(b) Other equity	15	13,279.04	12,428.28
<b>Total Equity</b>		<b>13,862.77</b>	<b>13,012.01</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
(a) Deferred Tax Liabilities	19	13.16	6.57
(b) Other Non current Liabilities	16		
<b>Total non- current liabilities</b>		<b>13.16</b>	<b>6.57</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	17		
-Total outstanding dues of micro enterprises and small enterprises		-	-
-Total outstanding dues of Trade Payables other than micro enterprises and small enterprises		1.41	0.14
(ii) Other Financial Liabilities	18	20.54	5.74
(b) Current Tax Liabilities (net)	12	3.05	-
(c) Other current liabilities	16	1.14	0.28
<b>Total Current Liabilities</b>		<b>26.14</b>	<b>6.16</b>
<b>Total Liabilities</b>		<b>39.30</b>	<b>12.73</b>
<b>Total Equity and liabilities</b>		<b>13,902.07</b>	<b>13,024.74</b>

See Accompanying notes to the consolidated financial statements 1-36

**In terms of our report attached**

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Sd/-**  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV1925

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

**For and on behalf of the Board of Directors of**  
**Bhilwara Technical Textiles Limited**

**Sd/-**  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

**Sd/-**  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848

**Sd/-**  
**Shantanu Agarwal**  
Director  
DIN-02314304

## Consolidated Statement of Profit and Loss for the Year Ended March 31, 2021

(₹ in Lakhs)			
Particulars	Note	Year ended 31 March, 2021	Year ended 31 March, 2020
1. Revenue from Operation	20	651.81	196.10
2. Other Income	21	131.90	75.47
<b>3. Total Income (1+2)</b>		<b>783.71</b>	<b>271.57</b>
<b>4. Expenses</b>			
a. Cost of materials consumed	22	365.03	-
b. Purchases of stock-in-trade	22	73.32	103.73
c. Changes in inventories of finished goods, work in progress and stock in trade	23	(56.16)	84.61
d. Employee benefit expense	24	4.76	4.11
e. Finance Cost	25	0.01	0.00
f. Depreciation and amortisation	3	-	-
g. Other expenses	26	263.72	43.48
<b>Total Expenses</b>		<b>650.68</b>	<b>235.93</b>
<b>Profit/Loss before exceptional item and tax (3-4)</b>		<b>133.03</b>	<b>35.64</b>
Exceptional items		-	-
<b>5. Profit before tax from continuing operations</b>		<b>133.03</b>	<b>35.64</b>
Share of Profit/(Loss) of Associate		689.10	(404.82)
<b>Profit/(Loss) before tax</b>		<b>822.13</b>	<b>(369.18)</b>
<b>6. Tax expense</b>	27		
a. Current tax		16.30	0.36
b. Deferred tax		6.59	4.63
c. Adjustment for earlier years		0.36	-
<b>Total tax expense</b>		<b>23.25</b>	<b>4.99</b>
<b>7. Profit for the Period (5-6)</b>		<b>798.88</b>	<b>(374.17)</b>
8. Other comprehensive income			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(iii) Share in OCI of Associates		51.87	(37.02)
Total other comprehensive income		51.87	(37.02)
<b>9. Total comprehensive income for the year (7+8)</b>		<b>850.75</b>	<b>(411.19)</b>
<b>Earnings per equity share (Face value ₹1 per share)</b>			
- Basic and diluted (in ₹)	28	1.37	(0.64)
<b>See Accompanying notes to the consolidated financial statements</b>	<b>1-36</b>		

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Sd/-**  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV1925

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

**Sd/-**  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

**Sd/-**  
**Shantanu Agarwal**  
Director  
DIN-02314304

**Sd/-**  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848



## Consolidated Statement of Cash Flow for the Year Ended 31st March, 2021

	(₹ in Lakhs)	
Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A. Cash flow from operating activities</b>	<b>Audited</b>	<b>Audited</b>
Profit for the year before tax	822.13	(369.18)
<b>Adjustments for:</b>		
Share in Profit of Associates	(689.10)	404.82
Depreciation	-	-
Interest income	(1.74)	(14.07)
Remeasurement of Investment	(67.10)	(31.15)
Profit on sale of vehicle	-	(0.00)
<b>Movements in working capital:</b>	<b>64.19</b>	<b>(9.58)</b>
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	(69.59)	84.61
Trade receivables	(7.36)	78.61
Other Current Assets	9.81	(9.10)
Trade payables	1.27	(127.18)
Other financial liabilities	14.80	0.21
Other current liabilities	0.86	(13.76)
<b>Cash generated from operations</b>	<b>13.98</b>	<b>3.81</b>
Income tax paid	(13.02)	1.90
<b>Net cash generated by operating activities (A)</b>	<b>0.96</b>	<b>5.71</b>
<b>B. Cash flow from investing activities</b>		
Investments in Mutual Funds/Equity/Bonds/Debt	53.93	(740.97)
Redemption/Maturity of Bank deposit	(70.00)	715.74
Interest received	2.70	33.67
<b>Net cash generated by/(used in) investing activities (B)</b>	<b>(13.37)</b>	<b>8.44</b>
<b>C. Cash flow from financing activities</b>		
Repayment of term and working capital loan	-	-
Interest paid	-	-
<b>Net cash generated by/(used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in Cash and cash equivalents (A+B+C)</b>	<b>(12.41)</b>	<b>14.15</b>
Cash and cash equivalents at the beginning of the year	17.60	3.45
<b>Cash and cash equivalents at the period ended</b>	<b>5.19</b>	<b>17.60</b>
See Accompanying notes to the consolidated financial statements	1-36	

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

Sd/-  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV1925

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN-02314304

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

Sd/-  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848

## Consolidated Statement of Changes in Equity for the Year Ended 31st March, 2021

a) <b>Equity Share Capital</b> <span style="float: right;">(₹ in Lakhs)</span>				
Particulars	No. of Shares	Amount		
<b>Balance as at April 1, 2019</b>				
Balance at the beginning of the reporting year	58,373,305	583.73		
Changes in equity share capital during the year	-	-		
<b>Balance as at March 31, 2020</b>	<b>58,373,305</b>	<b>583.73</b>		
<b>Balance as at April 1, 2020</b>				
Balance at the beginning of the reporting year	58,373,305	583.73		
Changes in equity share capital during the year				
<b>Balance as at March 31, 2021</b>	<b>58,373,305</b>	<b>583.73</b>		
b) <b>Other equity</b> <span style="float: right;">(₹ in Lakhs)</span>				
Particulars	Share in Associates	Reserves and surplus		Total other equity
		Securities Premium	Retained earnings	
<b>Balance as at March 31, 2019</b>	11651.85	87.48	1,100.14	12,839.47
Profit for the year	-	-	30.65	30.65
Share in Associates Profit and Loss	(404.82)	-	-	(404.82)
Other comprehensive income for the year, net of income tax	(37.02)	-	-	(37.02)
<b>Total comprehensive income for the year</b>	<b>(441.84)</b>	<b>-</b>	<b>30.65</b>	<b>(411.19)</b>
<b>Balance as at March 31, 2020</b>	<b>11,210.01</b>	<b>87.48</b>	<b>1,130.79</b>	<b>12,428.28</b>
<b>Balance as at April 1, 2020</b>	11,210.01	87.48	1,130.79	12,428.28
Profit for the year	-	-	109.78	109.78
Share in Associates Profit and Loss	689.10	-	-	689.10
Other comprehensive income for the year, net of income tax	51.87	-	-	51.87
<b>Total comprehensive income for the year</b>	<b>740.98</b>	<b>-</b>	<b>109.78</b>	<b>850.76</b>
<b>Balance as at March 31, 2021</b>	<b>11950.99</b>	<b>87.48</b>	<b>1,240.58</b>	<b>13,279.04</b>

**Note: Nature and purpose of Reserves:**

**Securities Premium**

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013

**General Reserve**

This represents appropriation of profit after tax by the company.

**Retained Earnings**

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

See Accompanying notes to the consolidated financial statements 1-36

**In terms of our report attached**

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

Sd/-  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV1925

For and on behalf of the Board of Directors of  
**Bhilwara Technical Textiles Limited**

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN-02314304

Sd/-  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

## Notes to the Consolidated Financial Statements

### 1. General Information

Bhilwara Technical Textiles Limited (“the Company”) is a public limited company incorporated under the provision of the Companies Act, 1956, pursuant to the Scheme of De-merger of 'Strategic Investment Division' of the “M/s. RSWMLtd.” The Company has its primary listing on the BSE Limited in India.

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

Bhilwara Technical Textiles Limited (BTTL) already holds substantial stake in equity share capital of BMD Private Limited which is an Associate Company of BTTL. BMD Private Limited is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturized yarn. BMD Pvt. Ltd. has also forayed in the Wind Power and Solar Power Generation which also gives the Company indirect exposure in the renewable energy sector. BMD has a continuous track record of good performance and maintains leadership for its products in OE Segment.

The Consolidation financial statement for the year ended 31<sup>st</sup> March, 2021 is approved for issue by the Company's Board of Directors on 21<sup>st</sup> May, 2021.

### 2. Significant Accounting Policies

#### 2.1. Basis of Consolidation

The consolidated financial statement comprises the financial statement of the Company and its associate companies. Associates are entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

Details of the associate at the end of the reporting period considered in the preparation of the Consolidated Financial Statements are as follows:

Associate Company	Country of Incorporation	Interest as on 31.03.2021	Interest as on 31.03.2020	Audited
BMD Private Limited	India	49.87%	49.87%	Audited

#### Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

## Notes to the Consolidated Financial Statements

### 2.2. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).

### 2.3. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.3.1. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### 2.3.2 Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria are satisfied:

- i. the Company expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. the Company holds the asset primarily for the purpose of trading;
- iii. the Company expects to realise the asset within twelve months after the reporting period;
- iv. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria are satisfied:

- i. the company expects to settle the liability in its normal operating cycle;
- ii. the company holds the liability primarily for the purpose of trading;
- iii. the liability is due to be settled within twelve months after the reporting period; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### 2.4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

### 2.5. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below must also be met before revenue is recognised.

## Notes to the Consolidated Financial Statements

### Sale of goods

Revenue from the sale of goods is recognised, when all the significant risks and rewards of ownership of the goods have passed to the buyer, the Company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of consideration that will be derived from the sales of goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

### Other Operating Income

#### Interest income

Interest income from a financial asset is recognised using effective interest rate method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

#### Dividend Income

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

### 2.6. Inventories

Inventories including goods-in-transit are valued at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

### 2.7. Property, Plant and Equipment (PPE)

#### Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

#### Subsequent expenditure

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

## Notes to the Consolidated Financial Statements

### Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### Depreciation

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear. Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

### 2.8. Investments in Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in associates are carried at cost less impairments. The cost comprises price paid to acquire investment and directly attributable cost.

### 2.9. Foreign currencies

The Company's financial statements are presented in INR. (₹)

#### Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income (OCI).

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.10. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

#### 2.10.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



## Notes to the Consolidated Financial Statements

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intends to settle the asset and liability on a net basis.

### 2.10.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.11. Employee Benefits

Employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 2.12. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its

## Notes to the Consolidated Financial Statements

carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### 2.13. Operating Segment

An operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resource allocation and assess its performance. The Company has identified the chief operating decision maker as its Director in Charge.

### 2.14. Earnings per share

Basic earning per share is computed by dividing the net profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.15. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.16. Non-Current assets (or disposal groups) held for sale and discontinued operations

Non-Current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## Notes to the Consolidated Financial Statements

### 2.17. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### 2.18. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

### 2.19. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss (FVTPL) are recognised immediately in the statement of profit and loss.

## Notes to the Consolidated Financial Statements

### Financial assets

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortised cost
- Financial asset at fair value through other comprehensive income
- Financial asset at fair value through profit and loss

### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the "Reserve for equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

### Financial assets at fair value through profit and loss ('FVTPL')

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

### Impairment of financial assets (other than at fair value)

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realised up to one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

### Derecognition of financial assets

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfer nor retain substantially all the risk and reward of ownership and continue to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retain substantially all the risks and reward of ownership of a transferred financial asset, the company continue to recognize the financial asset and also a collateralized borrowing for the proceeds received.

## Notes to the Consolidated Financial Statements

### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the Statement of profit and loss.

### Trade and other Payables

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

### Reclassification of financial assets and financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Impairment of Non-Financial Assets

Intangible assets, property, plant and equipment measured at cost and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis



## Notes to the Consolidated Financial Statements

unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 2.20. Impairment of Non-Financial assets

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the CGU (or the asset).

The corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 2.21. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

### 2.22. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.



## Notes to the Consolidated Financial Statements

### 2.22.1. Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **Impairment of non-financial assets**

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

#### **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

#### **Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

### 2.23. Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

#### **Useful lives and residual values of property, plant and equipment**

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note No 2.7).

#### **Impairment of property plant and equipment**

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss. (Refer note 2.7).

#### **Valuation of deferred tax assets**

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.10.2).

#### **Provisions and contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## Notes to the Consolidated Financial Statements

### Note 3. Property, Plant & Equipment

(₹ in Lakhs)

	As at 31 March, 2021	As at 31 March, 2020
<b>Carrying amounts of :</b>		
Property Plant and Equipment	-	-
	-	-
<b>Particulars</b>		
<b>Gross Carrying Value</b>		
<b>As at March 31, 2019</b>	-	-
Additions		
Disposals	-	-
<b>As at March 31, 2020</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at March 31, 2021</b>	-	-
<b>Accumulated depreciation</b>		
<b>As at March 31, 2019</b>	-	-
Depreciation expense		
Eliminated on disposals of assets		
<b>As at March 31, 2020</b>		
Depreciation expense	-	-
Eliminated on disposals of assets	-	-
<b>As at March 31, 2021</b>	-	-
<b>Net Carrying Value</b>		
<b>As at March 31, 2019</b>	-	-
<b>As at March 31, 2020</b>	-	-
<b>As at March 31, 2021</b>	-	-

### Note 4. Investments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Non-Current</b>		
<b>Investments in equity instruments</b>		
<b>Investment in Associates (unquoted) (At Cost)</b>		
66,00,000 (previous year 66,00,000) equity shares of 10 each of BMD Private Limited*	660.00	660.00
<b>Add: Increase in Value of Investment in Associate</b>		
Opening Balance	11,210.01	11651.85
Additions during the year (Profit/(Loss))	740.98	(441.84)
<b>Closing Balance</b>	11,950.99	11,210.01
<b>Investments in mutual funds at FVTPL (unquoted)</b>	12,610.98	11,870.01
<b>-Debt</b>		
IIFL WEALTH FINANCE SR-A-JUNE2022 LOA -Units 10 (previous year Units 10)	-	128.93
<b>Equity</b>		
IIFL INCOME OPPORTUNITIES FUND -SERIES2 CLASS-B3 (AIF CATEGORY-II)	550.03	366.68
<b>Total</b>	13,161.01	12,365.62
Aggregate book value of Quoted investments	-	-
Aggregate market value of Quoted investments	-	-
Aggregate carrying value of Unquoted investments	13,161.01	12,365.62
Aggregate amount of impairment in value of investment		

\* 49.87% (previous year 49.87%) is proportion of ownership invest and voting held by the company in BMD Private Limited, associate.

## Notes to the Consolidated Financial Statements

### Note 5. Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Tax refundable	12.34	3.92
Security Deposits	0.20	0.20
<b>Total</b>	<b>12.54</b>	<b>4.12</b>

### Note 6. Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Inventories - valued at lower of cost and net realisable value</b>		
Cotton Stock with Job Worker	13.43	-
Yarn with Job Worker	56.16	-
<b>Total</b>	<b>69.59</b>	<b>-</b>

### Note 7. Investments

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
ADITYA BIRLA SUN LIFE LIQUID FUND	35.52	141.06
HDFC LIQUID DIRECT-GROWTH	-	155.85
ICICI PRU MONEY MARKET DIRECT GROWTH	10.00	-
IIFL WEALTH FINANCE LTD 90 DEC 19	105.26	70.49
REDDY VEERANNA INVESTMENTS PVT LTD SR1NCD30SP22	240.00	-
INDIA INFOLINE FINANCE LTD MLD-2021 G2CD 22NOV21	141.50	206.13
<b>Total</b>	<b>532.28</b>	<b>573.54</b>

### Note 8. Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>	<b>7.36</b>	<b>-</b>
Unsecured, Considered Goods		
Unsecured, Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Total</b>	<b>7.36</b>	<b>-</b>

### Note 9. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- in current accounts	5.04	16.99
Cash on hand	0.15	0.61
<b>Total</b>	<b>5.19</b>	<b>17.60</b>

### Note 10. Bank balances

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Bank Deposits	101.51	31.51
<b>Total</b>	<b>101.51</b>	<b>31.51</b>

## Notes to the Consolidated Financial Statements

### Note 11 Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Interest Receivable	0.29	1.57
<b>Total</b>	<b>0.29</b>	<b>1.57</b>

### Note 12 Current Tax Assets/liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current tax assets</b>		
Advance Tax	10.00	6.30
TCS Receivable	0.20	-
TDS Receivable (on Interest)	3.05	2.73
	<b>13.25</b>	<b>9.03</b>
<b>Current tax liabilities</b>		
Provision for Taxation	16.30	0.36
	<b>16.30</b>	<b>0.36</b>
<b>Total</b>	<b>(3.05)</b>	<b>8.67</b>

### Note 13. Other current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Prepaid Expenses	0.81	0.20
Due from government	8.18	20.21
Distributive Income Receivable	2.52	-
IIFL wealth management (HDFC Bank)	0.80	1.70
<b>Total</b>	<b>12.30</b>	<b>22.11</b>

### Note 14. Share capital

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Authorised share capital</b>		
70,000,000 fully paid equity shares of ₹ 1 each (as at 31 March, 2021: 70,000,000)	700.00	700.00
	700.00	700.00
<b>Issued, subscribed and fully paid-up</b>		
58,373,305 fully paid equity shares of ₹ 1 each (as at 31 March, 2021: 58,373,305)	583.73	583.73
	583.73	583.73

See notes (i) to (iv) below

(i) Fully paid equity shares

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the year	58,373,305	583.73	58,373,305	583.73
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>58,373,305</b>	<b>583.73</b>	<b>58,373,305</b>	<b>583.73</b>

(ii) Rights, preferences and restriction attached to equity shares

Company has only one class of equity shares having a par value of ₹1. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to the Consolidated Financial Statements

### (iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	% Holding	Number of shares	% Holding
<b>Equity shares of ₹ 1 each fully paid</b>				
Shashi Agarwal	10,159,855	17.40%	10,159,855	17.40%
Shantanu Agarwal	5,308,115	9.09%	5,308,115	9.09%
Shekhar Agarwal (HUF)	4,027,344	6.90%	4,027,344	6.90%
Sita Nirman Pvt. Ltd.	3,601,678	6.17%	3,601,678	6.17%
Anderson Deal Trade Pvt. Ltd.	5,411,689	9.27%	5,411,689	9.27%
Agarwal Finestate Pvt. Ltd.	7,315,358	12.53%	7,315,358	12.53%
	<b>35,824,039</b>	<b>61.37%</b>	<b>35,824,039</b>	<b>61.37%</b>

- (a) As per records of the company, including its register of shareholders/ members and other declarations received from share holders regarding beneficial interest, the above shareholding represents legal ownerships of shares.
- (iv) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

### Note 15. Other equity

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Retained earnings	1,240.58	1,130.79
Securities Premium	87.48	87.48
<b>Share in Associates</b>		
Opening Balance	11,210.01	11,651.85
Share in Associates in Profit/Loss	689.10	(404.82)
Share in Associates in Other Comprehensive Income (OCI)	51.87	(37.02)
	<b>11,950.98</b>	<b>11,210.01</b>
<b>Total</b>	<b>13,279.04</b>	<b>12,428.28</b>

### Note 15.1. Retained earnings

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balance at the beginning of year	1,130.79	1,100.14
Profit for the year	109.78	30.65
Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	-	-
<b>Balance at the end of the year</b>	<b>1,240.58</b>	<b>1,130.79</b>

### Note 15.2. Securities premium

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balance at the beginning of year	87.48	87.48
Addition during the year	-	-
<b>Balance at the end of year</b>	<b>87.48</b>	<b>87.48</b>

### Note 16. Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Non Current</b>	-	-
<b>Current</b>		
Statutory dues payable	1.12	0.28
Other liabilities	0.02	0.01
<b>Total</b>	<b>1.14</b>	<b>0.28</b>

## Notes to the Consolidated Financial Statements

### Note 17. Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises	1.41	0.14
<b>Total</b>	<b>1.41</b>	<b>0.14</b>

\*Note : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2021	As at March 31, 2020
The principal amount remaining unpaid to any supplier as at the end of the year.	-	-
The interest due on principal amount remaining unpaid to any supplier as at the end of the year.	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

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.

### Note 18. Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
<b>Current</b>		
Audit Fees Payable	0.92	0.90
Internal Audit Fees Payable	0.23	-
Job Work payable	15.49	-
Salary payable	-	0.32
Other financial liabilities	3.90	4.52
<b>Total</b>	<b>20.54</b>	<b>5.74</b>

### Note 19. Deferred Tax Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2021	As at March 31, 2020
Deferred tax liabilities	13.16	6.57
Deferred tax assets	-	-
<b>Total</b>	<b>13.16</b>	<b>6.57</b>



## Notes to the Consolidated Financial Statements

### Movement in Deferred Tax Liabilities

(₹ in Lakhs)

2019-20	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of invetsment at fair value	(1.94)	(4.63)	-	(6.57)
- Depreciation expenses	-	-	-	-
<b>Total</b>	<b>(1.94)</b>	<b>(4.63)</b>		<b>(6.57)</b>

### Movement in Deferred tax Liabilities

(₹ in Lakhs)

2020-21	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of invetsment at fair value	(6.57)	(6.59)	-	(13.16)
- Depreciation expenses	-	-	-	-
<b>Total</b>	<b>(6.57)</b>	<b>(6.59)</b>		<b>(13.16)</b>

### Note 20. Revenue from operation

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
<b>a) Revenue from operations</b>		
Sale of products - Manufactured by others Job Basis	535.86	-
Sale of products - Traded goods	113.83	193.37
<b>b) Other operating revenues</b>		
Export incentives (DDB)	2.12	2.73
<b>Total</b>	<b>651.81</b>	<b>196.10</b>

Note:

The Power Purchase Agreement (PPA) with Discom, in respect of solar power, expired on March 31, 2019. The Discom has not yet renewed the PPA. The Company is pursuing for Power Purchase Agreement (PPA) with DISCOM, in terms of RERC order dated 5th March 2019 @ Rs. 3.14 per Kwh, applicable to developers covered under the REC scheme for balance project life. Useful life is 25 years irrespective of the year of commissioning.

As per said order, Discoms may execute PPAs for balance useful life of the project with project developers willing to sell power under REC mechanism to them. Since Company has exported power to DISCOM during the period, accordingly, Company has continued to recognise Revenue from Sale of Power, as the Management of the company believes that PPA will be signed. Matter is sub judice before the Honourable Rajasthan High Court

Matter being sub judice, Management has on basis of their assessment of the judicial proceedings & as a matter of prudence, decided to recognise revenue from sale of power @ Rs 2.00 per Kwh instead of the indicative rate of Rs.3.14 per Kwh. Accordingly, revenue from sale of power has been recognised of Rs.186.18 Lakhs (Previous year : Rs.294.59 Lakhs). Since previous year revenue had been recognised @ Rs.3.14 per Kwh, the differential revenue of Rs.1.14 per Kwh amounting to Rs.109.74 lakhs has been netted from current years revenue. Total unbilled revenue on account of solar power as at end of year is Rs.371.03 lakhs (Previous year : Rs.294.52 lakhs)

## Notes to the Consolidated Financial Statements

### Note 21. Other income

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Interest on deposits	1.74	14.07
Remeasurement of investment	67.10	31.15
Foreign fluctuation Gain	3.23	2.98
Income from Mutual fund/distribution income	39.32	10.93
Realised gain on investment	17.82	2.29
Unrealised gain on investment	1.19	6.06
Miscellaneous Income	1.50	8.00
<b>Total</b>	<b>131.90</b>	<b>75.47</b>

### Note 22. Purchases for stock-in-trade

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Consumption of Cotton	364.23	-
Commission on cotton purchase	0.80	-
Cost of Material Consumed	<b>365.03</b>	-
Purchases yarn for trading	73.32	103.73
<b>Total</b>	<b>438.35</b>	<b>103.73</b>

### Note 23. Changes in inventories of finished goods, work in progress and stock in trade

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
<b>Inventories (At Close)</b>		
Traded Goods (in Transit)	56.16	-
	56.16	-
<b>Inventories (At opening)</b>		
Traded Goods	-	84.61
	-	84.61
<b>(Increase)/Decrease of Inventory</b>	<b>(56.16)</b>	<b>84.61</b>
<b>Total</b>		

### Note 24. Employee benefit expense

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Salaries, wages & Bonus	4.70	4.07
Staff welfare expenses & other benefits	0.06	0.03
<b>Total</b>	<b>4.76</b>	<b>4.11</b>

### Note 25. Finance Cost

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Other Interest	0.01	0.00
<b>Total</b>	<b>0.01</b>	<b>0.00</b>

## Notes to the Consolidated Financial Statements

### Note 26. Other expenses

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Year ended March 31, 2020
Fees & Subscription	28.76	10.14
Legal & Professional	3.70	3.03
Auditor's Remuneration (refer note (i) below)	1.27	1.36
Publication charges	2.42	3.23
Director's sitting fees	0.72	0.94
Freight	7.56	13.42
Job work charges	210.47	3.85
Commission on export	3.42	-
Director's Travelling	-	0.13
Printing & Postage expenses	3.69	4.79
Bank Charges	0.22	0.05
Foreign Bank Charges	-	0.43
Insurance Expenses	0.91	0.47
Miscellaneous expense	0.58	1.63
<b>Total</b>	<b>263.72</b>	<b>43.48</b>

### Note-(i)

(₹ in Lakhs)

Payment to auditor comprise	As at 31 March, 2021	Year ended March 31, 2020
(i) Statutory audit Fee	0.85	0.85
(ii) Limited review	0.40	0.45
(iii) Other	0.02	0.06
<b>Total</b>	<b>1.27</b>	<b>1.36</b>

### Note 27. Tax Expense

#### Note 27.1 Income taxes recognised in profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Current tax</b>		
In respect of the current year	16.30	0.36
In respect of the prior years	0.36	-
	<b>16.65</b>	<b>0.36</b>
<b>Deferred tax</b>		
In respect of the current year	6.59	4.63
	<b>6.59</b>	<b>4.63</b>
<b>Total income tax expense recognised in the current year</b>	<b>23.25</b>	<b>4.99</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Profit before tax</b>	<b>133.03</b>	35.64
Statutory Income tax rate	<b>25.17%</b>	<b>22.88%</b>
Tax at Indian statutory income tax rate	33.48	8.15
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	(10.59)	(3.16)
Adjustment recognised in the current year in relation to the current tax of prior years	0.36	-
<b>Income tax expense recognised in profit or loss</b>	<b>23.25</b>	4.99

## Notes to the Consolidated Financial Statements

The tax rate used for the years ended 31 March, 2021 and 31 March, 2020 reconciliations above is the corporate tax rate of 25.168% and 22.88% respectively payable by corporate entities in India on taxable profit under the Income tax law.

\* Pursuant to Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have the option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions w.e.f. financial year commencing from April 1, 2019 and thereafter. In the quarter ended March 31, 2020, the Company has made an assessment of the impact of the Ordinance and decided to shift from the existing tax structure and calculated tax liability considering the new rate.

### Note 27.2 Income tax recognised in other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Current tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Deferred Tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Total income tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>

### Note 28. Earnings per share

Basic earnings per equity share and Diluted earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

(₹ in Lakhs)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit after tax as per statement of profit & loss A/c	798.88	(374.17)
Net earning for computing basic earning per shares	798.88	(374.17)
Number of equity shares	58,373,305	58,373,305
Weighted average number of equity shares used in computing the basic earnings per share	58,373,305	58,373,305
Weighted average number of equity shares used in computing the diluted earnings per share	58,373,305	58,373,305
<b>Basic earnings per share of ₹ 1 each</b>	<b>1.37</b>	<b>(0.64)</b>
<b>Diluted earnings per share of ₹ 1 each</b>	<b>1.37</b>	<b>(0.64)</b>
Face value per share (in ₹)	1	1

### Note 29. Segment Reporting

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

### Note 30. Impact of Covid-19 pandemic

On account of mitigation of COVID-19 pandemic and on the basis of current assessment and performance of the company, the Company expects to recover the carrying amount of assets comprising Inventories and trade receivables and no material adjustment is required in the financial results. The results for the current & previous quarter support this assessment and we expect this momentum to continue.

### Note 31. Financial instruments

#### Note 31.1. Capital management

The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The Company is not subject to any externally imposed capital requirements.

## Notes to the Consolidated Financial Statements

### Note 31.1.1. Gearing Ratio

The Company is a debt free entity.

### Note 31.2. Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in Lakhs)					
Particulars	Amortised /Cost	Financial assets/liabilities at fair value through profit & loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	7.36	-	-	7.36	7.36
(b) Cash and cash equivalents	5.19	-	-	5.19	5.19
(c) Bank balances other than above	101.51	-	-	101.51	101.51
(d) Other financial assets	0.29	-	-	0.29	0.29
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments-Mutual Funds	-	550.03	-	550.03	550.03
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	1.41	-	-	1.41	1.41
(h) Other financial liabilities	20.54	-	-	20.54	20.54

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

(₹ in Lakhs)					
Particulars	Amortised /Cost	Financial assets/liabilities at fair value through profit & loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	-	-	-	-	-
(b) Cash and cash equivalents	17.60	-	-	17.60	17.60
(c) Bank balances other than above	31.51	-	-	31.51	31.51
(d) Other financial assets	1.57	-	-	1.57	1.57
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments -Mutual Funds	-	495.61	-	495.61	495.61
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	0.14	-	-	0.14	0.14
(h) Other financial liabilities	5.74	-	-	5.74	5.74

### Note 31.3. Fair value Hierarchy

Level 1- Quoted prices ( unadjusted) in active markets for identical assets or liabilities.

Level 2- Input other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly (i. e as prices) or indirectly (i.e. derived from prices). (Net Asset value as published by the fund).

Level 3- Inputs for the assets or liabilities that are not based on observable market data( unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021

Particular	As at March 31, 2021	Fair Value measurement at end of the reporting period/year using	
		Level 2	
Investment in Mutual Funds	550.03	550.03	

## Notes to the Consolidated Financial Statements

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020: (₹ in Lakhs)

Particular	As at March 31, 2020	Fair Value measurement at end of the reporting period/year using Level 2
Investment in Mutual Funds	495.61	495.61

### Note 31.4. Valuation technique used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values

Investments in the unquoted mutual funds have been valued considering the market coupon rate of similar financial instruments.

### Note 31.5. Financial risk management objectives and policies

The Company's principal financial liabilities, comprises of trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to a variety of financial risks: currency risk, interest rate risk, credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance. The Company's senior management is supported by a financial risk policy which covers the risks associated with the financial assets and liabilities. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Audit committee reviews and agrees policies for managing each of these risks, which are summarised below.

#### Note 31.5.1. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposit with banks and financial institutions and other financial instruments.

#### Expected Credit Loss for trade receivables

There is no debtor outstanding for more than 12 months. Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

#### For the year ending 31st March 2021

(₹ in Lakhs)

Financial assets to which loss allowance is measured using 12 months Expected credit loss (ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	0.29	-	-	0.29

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	7.36	-	7.36
Expected Loss Rate	-	-	100%	-
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-



## Notes to the Consolidated Financial Statements

For the year ending 31st March 2020

(₹ in Lakhs)

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	1.57	-	-	1.57

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	-	-	-
Expected Loss Rate	-	-	100%	-
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-

### Provisioning Norms of Debtors

Ageing of debtor on the basis of invoice date	Provision in %
Upto 12 Months	Nil
More than 12 months	100%

### Investments

The Company limits its exposure to credit risk by generally investing with counterparties that have a good credit rating.

### Cash & cash equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counterparty as non-material.

### Note 31.5.2. Foreign Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships given below:

(₹ in lakhs)

Particular	As at	As at
	31 March, 2021	31 March, 2020
	USD	USD
Trade Receivables	-	-
Less: Hedged Portion	-	-
Unhedged Exposure	-	-

### Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate ( USD ) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below:

(₹ in Lakhs)

Particular	As at		As at	
	31 March, 2021		31 March, 2020	
	Increase	Decrease	Increase	Decrease
USD Sensitivity				
USDINR-Increase/(Decrease) by 1%	-	-	-	-

## Notes to the Consolidated Financial Statements

### 31.6 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The contractual maturity is based on the earliest date on which the company may be required to pay.

(₹ in Lakhs)

Particulars	Weighted average effective interest rate	0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
<b>31 March, 2021</b>							
<b>Non-interest bearing</b>							
Trade payables		1.41	-	-	-	1.41	1.41
Other financial liabilities		20.54	-	-	-	20.54	20.54
<b>31 March, 2020</b>							
<b>Non-interest bearing</b>							
Trade payables		0.14	-	-	-	0.14	0.14
Other financial liabilities		5.74	-	-	-	5.74	5.74

#### List of Related Parties as per Ind-AS 24 & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Note 32.1

S.No	Name of Related Party	Nature of Relationship
A	(i) A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity	
	Shri Shekhar Agarwal	Promoters having voting control
	Shri Shantanu Agarwal	Promoters having voting control
	(ii) A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity	
	Shri Shekhar Agarwal	
	Smt. Shashi Agarwal	
	Shri Shantanu Agarwal	
	Smt. Shuchi Poddar	
	(iii) A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.	
	Shri Shekhar Agarwal	Director
	Shri Shantanu Agarwal	
	Shri Riju Jhunjhunwala	
Shri Priya Shankar Dasgupta		
Smt. Sunita Mathur		
Shri Arjun Sharma	Company Secretary & Chief Financial Officer	
B	(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)	
		N.A.
	(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)	
	BMD Pvt. Ltd.	Associate
	BMD Power Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	BMD Renewable Energy Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	Agarwal Trademart Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	(iii) Associated and other entities are joint ventures of the same third party.	
		N.A.
	(iv) One Entity is a joint venture of a third party and the other entity is an associate of the third entity	
	N.A.	

## Notes to the Consolidated Financial Statements

(v)	The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity	
	N.A.	
(vi)	The entity is controlled or jointly controlled by a person identified in (a).	
	Aadi Marketing Company Private Limited	<b>Holding more than 50% of Shareholding along with relatives in the Company.</b>
	Maral Overseas Limited	
	Agarwal Finestate Private Limited	
	AKJ Apparels Private Limited	
	Apeksha Vyapar Private Limited	
	Bhilwara Technical Textiles Limited	
	BMD Power Private Limited	
	BMD Private Limited	
	BMD Renewable Energy Private Limited	
	BSL Limited	
	Captain Trade & Agencies Private Limited	
	Diplomat Leasing and Finance Private Limited	
	HEG Limited	
	MG Marketing and Trading Private Limited	
	Pawanputra Trading Private Limited	
	RANDR Trustee Private Limited	
	RLJ Family Trusteeship Private Limited	
	RRJ Family Trustee Private Limited	
	RSWM Limited	
	Sita Nirman Private Limited	
	SKLNJ Family Trusteeship Private Limited	
	SSSA Family Private Limited	
	Ultramarine Impex Private Limited	
	Kalati Holdings Private Limited	
	Investors India Limited	
	Zoongoo Commercial Co. Private Limited	
	Glorious Commodeal Private Limited	
	Giltedged Industrial Securities Limited	
	New Delhi Law Office/Asia Law Office	
	India TexFab Marketing Limited	
	Nivedan Vanijya Niyojan Limited	
	Nikita Electrotrades Private Limited	
	Raghav Commercial Limited	
	Resrose Vanijya Private Limited	
	Veronia Tie up Private Limited	

## Notes to the Consolidated Financial Statements

<b>(vii)</b>	<b>A person identified in (a)(I) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</b>							
<b>1</b>	<b>Shri Shekhar Agarwal</b>		<b>Holding 20% or more Shareholding along with relatives in the Company.</b>					
	Aadi Marketing Company Private Limited							
	Agarwal Finestate Private Limited							
	Apeksha Vyapar Private Limited							
	Bhilwara Technical Textiles Limited							
	BMD Power Private Limited							
	BMD Private Limited							
	BMD Renewable Energy Private Limited							
	Diplomat Leasing and Finance Private Limited							
	MG Marketing and Trading Private Limited							
	Pawanputra Trading Private Limited							
	Sita Nirman Private Limited							
	SSSA Family Private Limited							
	Ultramarine Impex Private Limited							
<b>2</b>	<b>Shri Shantanu Agarwal</b>		<b>Holding 20% or more Shareholding along with relatives in the company.</b>					
	Aadi Marketing Company Private Limited							
	Agarwal Finestate Private Limited							
	Apeksha Vyapar Private Limited							
	Bhilwara Technical Textiles Limited							
	BMD Power Private Limited							
	BMD Private Limited							
	BMD Renewable Energy Private Limited							
	Diplomat Leasing and Finance Private Limited							
	MG Marketing and Trading Private Limited							
	Pawanputra Trading Private Limited							
	Sita Nirman Private Limited							
	SSSA Family Private Limited							
	Ultramarine Impex Private Limited							
<b>(viii)</b>	<b>The Entity, or any member of a group of which it is part provide key management personal service to the reporting entity of to the parent of reporting entity.</b>							
N.A.								

### 32.2 Related Party Transactions Disclosure for the year ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Transactions	Key Managerial Personnel & Relatives		Associates and Wholly on Subsidiary of Associates of Reporting entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ii) is able to exercise significant influence over the reporting enterprises.		Total	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Sitting Fees	0.72	0.94	-	-	-	-	0.72	0.94
2	<b>Remuneration</b>								
a	Short term employees benefit	3.65	3.85	-	-	-	-	3.65	3.85
b	Post employment benefit	-	-	-	-	-	-	-	-
c	Termination benefits	-	-	-	-	-	-	-	-
d	Share-based payment.	-	-	-	-	-	-	-	-
e	Other long-term benefits	-	-	-	-	-	-	-	-
3	Reimbursement of Expenses paid for medical expenses	-	-	-	-	0.24	-	0.24	-
4	Job Charges Payable	-	-	-	-	210.47	4.04	210.47	4.04
	<b>TOTAL</b>	<b>4.37</b>	<b>4.79</b>	<b>-</b>	<b>-</b>	<b>210.71</b>	<b>4.04</b>	<b>215.08</b>	<b>8.83</b>

## Notes to the Consolidated Financial Statements

### Note 33. A Investment in Associates

#### Details of Associate Companies at the end of the reporting period:

(₹ in Lakhs)

Name of the Company	Relationship	Principal Activity	Accounting Method	Principal place of Business	Place of Incorporation	Proportion of Ownership Interest and Voting Rights held by the Investor Company	
						As at March 31, 2021	As at March 31, 2020
BMD Private Limited	Associate	Manufacture of Automotive Furnishing Fabric	Equity Method	Banswara, Rajasthan	Rajasthan	49.87%	49.87%

#### Significant judgements: existence of significant influence

- Please refer Note 2.8 to the Consolidated Financial Statement
- Summarised financial information in respect of the Associate is set out below. The summarised financial information below represents amounts shown in the Associates' financial statements prepared in accordance with Ind AS.

#### a) Summarised Balance Sheet

(₹ in Lakhs)

Particulars	BMD Private Limited	
	As at March 31, 2021	As at March 31, 2020
Current assets	14,474.87	12,069.13
Non-current assets	37,406.33	37,699.38
Current liabilities	15,183.86	13,764.21
Non-current liabilities	11,216.26	12,008.93
<b>Net Assets (including non controlling interest)</b>	<b>25,481.09</b>	<b>23,995.36</b>
Less: Non controlling Interest	-	-
Net Assets (Net off non controlling Interest)	25,481.08	23,995.37
<b>Share of Bhilwara Technical Textiles Limited</b>	<b>12,708.26</b>	<b>11,967.29</b>

#### b) Summarized statement of Profit & Loss

(₹ in Lakhs)

Particulars	BMD Private Limited	
	As at March 31, 2021	As at March 31, 2020
Revenue	18,719.05	21,299.60
Profit/(Loss) after Tax	1,381.71	(811.75)
Other comprehensive income for the year	104.01	(74.24)
Total comprehensive income for the year (Excluding Non Controlling Interest)	<b>1,485.72</b>	<b>(885.99)</b>

#### c) Reconciliation of Net Assets:

(₹ in Lakhs)

Particulars	BMD Private Limited	
	As at March 31, 2021	As at March 31, 2020
Opening Net Assets	23,995.37	24,881.36
Less: Non Controlling Interest	-	-
Net Assets after Non Controlling Interest	23,995.37	24,881.36
Add: Equity component of compound financial instruments transferred to retained earning	-	-
Profit for the year (Excluding Non Controlling Interest)	1,381.71	(811.75)
Other Comprehensive Income (Excluding Non Controlling Interest)	104.01	(74.24)
Closing Net Assets (Excluding Non Controlling Interest)	25,481.08	23,995.37
<b>Share of Bhilwara Technical Textiles Limited</b>	<b>12,708.26</b>	<b>11,967.29</b>

## Notes to the Consolidated Financial Statements

### Note 33 B. Additional Information as required under Schedule III of the Companies Act, 2013

(₹ in Lakhs)

2020-21								
Name of the Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit/Loss	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount
<b>Parent:</b>								
Bhilwara Technical Textiles Limited	13.79%	1,911.79	13.74%	109.78	0%	-	12.90%	109.78
<b>Associates (Investment as per Equity method):</b>								
<b>Indian</b>								
BMD Private Limited	86.21%	11,950.99	86.26%	689.10	100%	51.87	87.10%	740.98
<b>Total</b>	<b>100.00%</b>	<b>13,862.78</b>	<b>100.00%</b>	<b>798.88</b>	<b>100.00%</b>	<b>51.87</b>	<b>100.00%</b>	<b>850.76</b>

(₹ in Lakhs)

2019-20								
Name of the Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit/Loss	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount
<b>Parent:</b>								
Bhilwara Technical Textiles Limited	13.09%	1,802.00	-8.19%	30.65	0%	-	-8.65%	35.19
<b>Associates (Investment as per Equity method):</b>								
<b>Indian</b>								
BMD Private Limited	86.91%	11,967.29	108.19%	(404.82)	100%	(37.02)	108.65%	-441.84
<b>Total</b>	<b>100.00%</b>	<b>13,769.29</b>	<b>100.00%</b>	<b>(374.17)</b>	<b>100.00%</b>	<b>(37.02)</b>	<b>100.00%</b>	<b>(406.65)</b>

### Note 34. Recent Accounting Pronouncements

On March 24, 2021, the MCA through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are as under and these amendments are applicable from April 1, 2021.

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.



## Notes to the Consolidated Financial Statements

- Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

### Note 35.

Previous year figures have been regrouped/restated wherever considered necessary.

### Note 36. Approval of financial statements

The Financial statements for the year ended 31st March 2021 were approved by the Board of Directors and authorized for issue on 21st May 2021.

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**For and on behalf of the Board of Directors of  
Bhilwara Technical Textiles Limited**

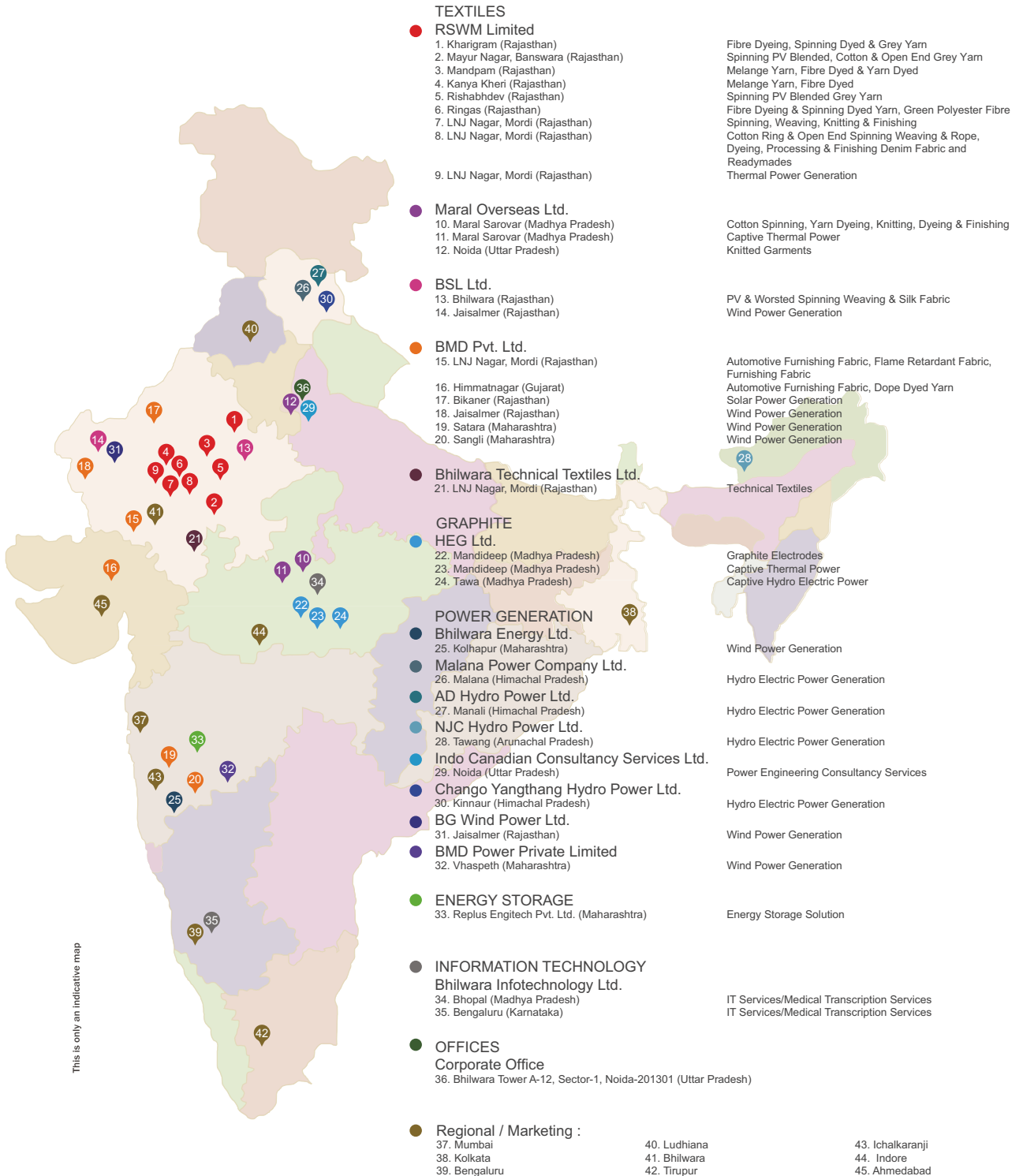
Sd/-  
**Mukesh Goyal**  
Partner  
Membership No. 081810  
UDIN:21081810AAAACV1925

Sd/-  
**Shekhar Agarwal**  
Chairman & Managing Director and CEO  
DIN-00066113

Sd/-  
**Shantanu Agarwal**  
Director  
DIN-02314304

**Place:** Noida (U.P.)  
**Date:** May 21, 2021

Sd/-  
**Arjun Sharma**  
Company Secretary & Chief Financial Officer  
Membership No. A47848





If undelivered, please return to:

**Bhilwara Technical Textiles Limited**

**CIN: L18101RJ2007PLC025502**

**Registered Office:** LNJ Nagar, Mordi, Banswara - 327001, Rajasthan  
Phone: 02961-231251-52, 02962-302400; Website: [www.bttl.co.in](http://www.bttl.co.in)