

# BETEX INDIA LIMITED

31<sup>ST</sup> ANNUAL REPORT 2017-18



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Maheshkumar Sitaram Somani  
Mr. Rajkumar Sitaram Somani  
Mr. Manish Kumar Somani  
Mr. Ritesh Rajkumar Somani  
Mr. Mangilal Sukhlal Lahoti  
Mrs. Deepa Dinesh Agarwal

Non- Executive Director & Chairman  
Managing Director  
Executive Director & CFO  
Executive Director  
Non- Executive Independent Director  
Non- Executive Independent Director

### **STATUTORY AUDITOR**

B. Chordia & Co.

### **SECRETARIAL AUDITOR**

Shri Dhiren R Dave

### **BANKER TO THE COMPANY**

BANK OF BARODA

### **REGISTERED OFFICE**

436, GIDC PANDESARA  
SURAT 394221  
GUJARAT

Tel: +91-261-2894415/16

Fax: +91-261-2894419

Email: [corporate@betexindia.com](mailto:corporate@betexindia.com)

Website: [www.betexindia.com](http://www.betexindia.com)

### **CORPORATE OFFICE**

504, Trividh Chamber, Opp. Fire  
Station, Ring Road Surat 395002  
(Gujarat)

Ph. (0261) 2328902

Fax: (0261)2334189

### **REGISTRAR & SHARE TRANSFER AGENT**

**M/s Big Share Services Pvt. Ltd**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri(E), Mumbai – 400 059

Tel.: +91-22-62638200/62638295

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## **THIRTY FIRST ANNUAL GENERAL MEETING**

**Date:** 29th September 2018

**Time:** 12.00 PM

**Venue:** 436, GIDC PANDESARA,  
SURAT-394221  
GUJARAT

**NOTICE**

**NOTICE** is hereby given that the 31<sup>ST</sup> Annual General Meeting of BETEX INDIA LIMITED will be held at 436, GIDC PANDESARA, SURAT GUJARAT 394221 on Saturday, 29<sup>TH</sup> Day of September, 2018 at 12:00 P.M. to transact the following businesses:

**ORDINARY BUSINESS:****1. To receive, consider and adopt;**

- i) The Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and Profit & Loss Account for the year ended March 2018 together with the reports of Board of Directors and the Auditors thereon.

**2. To appoint a Director in place of Shri Ritesh Kumar Somani who retires by rotation in terms of section 152(6) of Companies Act, 2013 and being eligible, offer himself for re-appointment.****3. APPOINTMENT OF AUDITORS**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under, as amended from time to time, the Company do hereby approve the appointment of **M/s. B Chordia & Co., Chartered Accountants (Firm Registration no.121083W), Surat** as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the 32<sup>ND</sup> AGM of the Company to be held in the year 2019 to examine and audit the accounts of the Company for the Financial Year 2018-19 at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed to between the Board of Directors and the Auditors."

**SPECIAL BUSINESS:****4. REVISION IN THE REMUNERATION OF MR. RAJKUMAR SOMANI, EXECUTIVE DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded to revise the remuneration of **Mr. Rajkumar**

**Sitaram Somani [DIN: 00254038]**, Whole Time Director of the Company, on the terms and conditions including remuneration as mentioned below:

**Salary & Perquisites:**

1	Basic Salary: 75000/- per month w.e.f. April 01, 2017.
2	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
4	Reimbursement of membership fees for a maximum of two clubs.
5	Personal accidents and Mediclaim Insurance Policy, premium not to exceed ` 1,00,000/- per annum.
6	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
7	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

**Other Terms and Conditions:**

The terms and conditions of appointment of Whole Time Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.

No sitting fees will be paid to the Director for attending meeting of the Board of Directors or any committee thereof.

The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.

**5. REVISION IN THE REMUNERATION OF MR. RITESH SOMANI, EXECUTIVE DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded to revise the remuneration of **Mr. Ritesh Rajkumar Somani [DIN: 01402114]**, Director of the Company, on the terms and conditions including remuneration as mentioned below:

**Salary & Perquisites:**

1	Basic Salary: 75000/- per month w.e.f. April 01, 2017.
2	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
4	Reimbursement of membership fees for a maximum of two clubs.
5	Personal accidents and Mediclaim Insurance Policy, premium not to exceed ` 1,00,000/- per annum.
6	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
7	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

**Other Terms and Conditions:**

The terms and conditions of appointment of Whole Time Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.

No sitting fees will be paid to the Director for attending meeting of the Board of Directors or any committee thereof.

The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.

**6. REVISION IN THE REMUNERATION OF MR. MANISH SOMANI, EXECUTIVE DIRECTOR & CFO OF THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded to revise the remuneration of **Mr. Manish Kumar Somani [DIN: 00356113]**, Whole Time Director & CFO of the Company, on the terms and conditions including remuneration as mentioned below:

**Salary & Perquisites:**

1	Basic Salary: 50,000/- per month w.e.f. April 01, 2017.
2	Free furnished accommodation with gas, electricity, water, furnishing, servants, security, drivers etc.
3	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
4	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
5	Reimbursement of membership fees for a maximum of two clubs.
6	Personal accidents and Mediclaim Insurance Policy, premium not to exceed ` 1,00,000/- per annum.
7	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
8	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

**Other Terms and Conditions:**

The terms and conditions of appointment of Whole Time Director & CFO may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.

No sitting fees will be paid to the Whole Time Director & CFO for attending meeting of the Board of Directors or any committee thereof.

The appointment may be terminated by either party by giving three months' notice of such termination or salary in lieu thereof or by mutual consent.

**Registered Office:**

436, GIDC PANDESARA  
Surat 394221 Gujarat  
**Place:** Surat  
**Date:** 13/08/2018

**By order of the Board of Directors****sd/-**

**Mahesh Kumar Somani**  
**Chairman**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered as invalid. It is advisable that the Proxy Holder's signature may also be furnished in the Proxy Form, for identification purposes. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
4. Members are requested to bring their copies of the Annual Report to the meeting. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
5. Members intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 2 days in advance of the Annual General Meeting.
6. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company or its Registrar and Transfer Agent (RTA) viz M/s. Bigshare Services Pvt. Ltd Those holding shares in dematerialized form may intimate any change in their addresses or bank details/mandates to their Depository Participants (DP) immediately.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 22<sup>ND</sup> September, 2018 to Saturday, the 29<sup>TH</sup> September, 2018 (both days inclusive).
8. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company.
9. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2018 is uploaded on the Company's website [www.betexindia.com](http://www.betexindia.com) and may be accessed by the members.
10. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

11. Company's environment friendly agenda and to participate in MCA's Green Initiative, members are requested to register/update their e-mail address with their Depository Participants. Members who are holding shares in physical form are requested to send their e-mail address at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) for updating.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar.
13. Voting through electronic means: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their right to vote at the 31<sup>ST</sup> Annual General Meeting (AGM) by electronic means, as an alternative to vote physically at the AGM, and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL). It may be noted that this e-voting facility is optional.

**The instructions for shareholders voting electronically are as under:-**

Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the Annual General Meeting to be held on Saturday, the 29<sup>TH</sup> September, 2018, at 12:00 P.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility.

**"Electronic voting system"** means a secured voting system based process of display of electronic ballots, recording of votes of the Members and the number of votes polled in favour or against, in such a manner that the entire voting exercised by way of electronic means gets registered and counted in an electronic registry in a centralized server with adequate cyber security.

**"Remote e-voting"** means the facility of casting votes by a Member using an electronic voting system from a place other than venue of a general meeting.

**"Cut-off date"** for determining the eligibility for voting either through electronic voting system or ballot is fixed as September 22<sup>ND</sup>, 2018. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on Saturday, 29<sup>TH</sup> September, 2018.

The voting period begins on 26/09/2018 (9:00 A.M. IST) and ends on 28/09/2018 (05:00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/09/2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Bipin Kumar with serial number 1 then enter BI00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the BETEX INDIA LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from Sl. No. (i) to Sl. No. (xvii) Above to cast vote.
- (B) The voting period begins on 26/09/2018 (9:00 A.M. IST) and ends on 28/09/2018 (05:00 P.M. IST) (both days inclusive). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/09/2018, may

cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- (xix) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>ND</sup> September, 2018 and the members who not casting their vote electronically, may only cast their vote at the Annual General Meeting.

Mr. Dhiren R. Dave, Practicing Company Secretary (Membership No. F 4889), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of the Company, who shall countersign the same and declare the result of the voting forthwith.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizers' Report shall be placed on the Company's website [www.betexindia.com](http://www.betexindia.com) and on the website of CDSL within three days of the passing of the resolutions at the Annual General Meeting of the Company on 29<sup>TH</sup> September, 2018, and communicated to the BSE Ltd. within the prescribed period.

Any person, who acquires the shares of the Company and becomes a member of the Company after dispatch of Notice of AGM and holds shares as of the cut-off date i.e. 22/09/2018 may obtain the Login ID and Password by sending the request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if the Shareholder is already registered with CDSL for remote e-voting then such member can use the existing User ID and password for casting his/her vote.

### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Businesses set out from Item No. 4 to Item No. 6 of the accompanying Notice dated August 13, 2018.

**Item Nos. 4, 5 & 6**

The Board of directors at their meeting held on 15.11.2017, subject to approval of members of the Company, has accorded its approval for revision in the remuneration of Mr. Rajkumar Somani, Whole Time Director, Mr. Ritesh Somani, Whole Time Director and Mr. Manish Somani, Whole Time Director & CFO (herein after referred to 'the Executive Directors') of the Company, as above, for the remaining tenure of respective executive directors. The same was approved by the Nomination and Remuneration Committee at its meeting and was recommended to the Board for its approval. While approving the revised remuneration of the Executive Directors, the Nomination and Remuneration Committee considered various parameters which, inter alia, include the scale of operations of the Company and increased involvement of executive directors for the overall growth of the Company. The revision in remuneration of executive directors was made with the view to make the same commensurate with their efforts given to and involvement in the Company by way of increasing monthly payment so as to maintain a regular distribution of cash flow.

Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a general meeting by way of ordinary resolution. Accordingly, the resolutions set out at item nos. 4, 5 and 6 of the notice are recommended to be passed as ordinary resolution(s).

The detailed information as per Section-II of Schedule V of the Companies Act, 2013 is as follows:

<b>General Information:</b>	
(a) Nature Of Industry	Textile Industry (Fabrics Processing Unit)
(b) Date or expected date of commencement of commercial production	The Company was incorporated in the year 1987 and is already in commercial production for long.
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(d) Financial performance based on given indicators	Financial Year 2017-18 Gross Revenue: Rs. 51,25,01,206 Profit After Tax: Rs. 90,70,701 Earning per share: 6.05
(e) Foreign investments or collaborations, if any.	The Company has not made any foreign investments and neither entered into any foreign collaborations

The details of Executive Director(s), whose remuneration is proposed to be revised, are provided below:

**A. Mr. Rajkumar Somani**

(a) Background details	Mr. Rajkumar Somani, Managing Director of the Company belongs to business family who is looking into family business from more than 17 years.
(b) Past remuneration	The remuneration drawn by Mr. Rajkumar Somani was Rs. 25,000/- per month.
(c) Recognition or awards	-
(d) Job profile and his suitability	Mr. Rajkumar Somani is the Managing Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company
1. Remuneration proposed	It is proposed to pay Rs. 75000/- per month to Mr. Rajkumar Somani.
2. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin	Considering the responsibility shouldered by Mr. Rajkumar Somani of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.
3. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director and Whole Time Director.

**B. Mr. Ritesh Somani**

(a) Background details	Mr. Ritesh Somani, Whole Time Director of the Company belongs to business family who is looking into family business from more than 5 years.
(b) Past remuneration	The remuneration drawn by Mr. Ritesh Somani was Rs. 25,000/- per month.
(c) Recognition or awards	-
(d) Job profile and his suitability	Mr. Ritesh Somani is the Whole Time Director of the Company and devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
1. Remuneration proposed	It is proposed to pay Rs. 75000/- per month to Mr. Ritesh Somani.
2. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin	Considering the responsibility shouldered by Mr. Ritesh Somani of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.
3. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Does not have any pecuniary relationship with the Company except remuneration drawn as Whole Time Director.

**C. Mr. Manish Somani**

(a) Background details	Mr. Manish Somani, Whole Time Director & CFO of the Company belongs to business family who is looking into family business from more than 3 years.
(b) Past remuneration	-
(c) Recognition or awards	-
(d) Job profile and his suitability	Mr. Manish Somani is the Whole Time Director & CFO of the Company and devotes whole time attention to the Financial matters of the Company and exercises powers under the supervision and superintendence of the Board of the Company.
1. Remuneration proposed	It is proposed to pay Rs. 50000/- per month to Mr. Manish Somani.
2. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by Mr. Manish Somani of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.
3. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Does not have any pecuniary relationship with the Company except remuneration drawn as Whole Time Director & CFO.

**Other information:**

(a) Reasons of loss or inadequate profits	The company is looking for vertical growth in the next few years with India becoming the centre of economic activities with change in government at the centre and
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	for that company need to match the salary standards prevailing across the globe. Management is confident that in next three years company will have adequate profits as per limits prescribed in the Schedule V.
(b) Steps taken or proposed to be taken for improvement	<p>The Company undertook several steps aimed at lowering the overheads and aligning resources with current levels of operations. The Company will remain committed to generating superior returns for its stakeholders. The company continued to right size its employee base to current level of operations. The Company continues to focus on product innovation, upholding of its high quality standards, increase in its cost competitiveness and on widening of its distribution network.</p> <p>These steps are expected to positively impact the company's operations in the near to medium term.</p>
(c) Expected increase in productivity and profits in measurable terms.	The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of keeping a higher growth ratio in the period to come.

None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item Nos. 4, 5 and 6 of the accompanying Notice except Mr. Rajkumar Sitaram Somani, Mr. Ritesh Somani and Mr. Manish Somani, since the remuneration of each of these directors is proposed to be revised.

The Board recommends the resolutions set forth in item nos. 4, 5 and 6 for the approval of members.

**Registered Office:**  
436, GIDC PANDESARA  
Surat 394221 Gujarat  
**Place:** Surat  
**Date:** 13/08/2018

**By order of the Board of Directors**  
**sd/-**

**Mahesh Kumar Somani**  
**Chairman**

**ANNEXURE TO NOTICE:**

**Mr Ritesh Kumar Somani, is to be re-appointed as Director, who is liable to retire by rotation [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD 2,**

<b>Name of Director</b>	<b>Mr. Ritesh Rajkumar Somani</b>
<b>Date of Birth</b>	02/06/1986
<b>Date of Appointment</b>	01/04/2013
<b>Expertise in specific functional areas</b>	Finance
<b>Qualifications</b>	Post Graduate Diploma in business management
<b>Shareholding in the Company as on 13.08.2018</b>	10500
<b>List of other public limited companies in which Directorship held as on 13.08.2018</b>	NONE
<b>List of other entities in which the person also holds membership of committee of the Board.</b>	NONE
<b>Relationships between Directors inter-se</b>	Son of Mr. Rajkumar Somani (Whole-time director of the Company)

**Registered Office:**

436, GIDC PANDESARA  
Surat 394221 Gujarat

**Place:** Surat

**Date:** 13/08/2018

**By order of the Board of Directors**

**sd/-**

**Mahesh Kumar Somani**  
**Chairman**

**DIRECTORS' REPORT****To The Members of****BETEX INDIA LIMITED**

Your Directors have pleasure in presenting the 31<sup>ST</sup> Annual Report and Audited Statement of Accounts for the year ended 31st March, 2018.

Your Company has delivered a mixed performance despite considerable headwinds. The Company has registered consolidated revenue of Rs. 51.25 Crores with Net Profit of Rs. 0.91 Crores. We remained resolute and relentless in our quest for strengthening our cost-competitiveness, better management of working capital and operational excellence across all businesses.

**FINANCIAL RESULTS**

(Rs. In Lacs )

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Sales & Income from operation	5125.01	5790.66
Other Income	24.72	8.23
Profit before Financial cost ,		
Depreciation	304.75	369.01
and Exceptional items & Tax (EBIDTA)		
Finance Cost	96.34	110.12
Depreciation	118.99	144.13
Profit before Tax	89.42	114.76
Provision for Taxation		
Current tax	17.19	21.87
Mat Credit	-7.16	-9.58
Deferred Tax	-11.31	-8.93
Profit after Tax	90.71	111.40
Taxation for previous year	-	-
profit available for appropriation	90.71	111.40
Dividend on Equity & Pref. Shares	-	-
Transfer to General Reserve	33.44	33.44

**OPERATIONS**

Income from operation of the company has decreased from Rs. **5790.66** Lacs to Rs. **5125.01** Lacs. EBIDTA has been decreased from Rs. **369.01** Lacs to Rs. **304.75** Lacs and Net profit after Tax has been decreased from Rs. **111.40** Lacs to Rs. **90.71** Lacs in comparison to Previous year. Our earning per shares stand at Rs. 6.05

**DIVIDEND**

The Board of directors do not recommended declaring dividend during the year due to ploughing back the profit to be utilized in the setting up new modification cum expansion programs and general corporate purposes.

**DEPOSITORY SYSTEM**

As members are aware, the company's shares are compulsorily tradable in the electronic form. As on March 31, 2018 almost 78.11% of the Company's total paid-up capital representing 15,00,000 shares were in dematerialized form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

**FIXED DEPOSITS**

The Company has not invited deposits from public in accordance with the Section 73 and 74 of the Companies Act, 2013 (corresponding Section 58 A of the Companies Act, 1956).

**DIRECTORS**

Mr. Ritesh Kumar Somani (DIN: 01402114) is being retired by rotation and being eligible, offers himself for re-appointment.

The company has also received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under both the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015 of the Listing Agreement with the Stock Exchanges.

**DETAILS OF COMMITTEE DIRECTORS**

The Committee shall comprise of at least two non-executive directors. The Board may appoint the Chairperson of the Committee whether executive or non-executive as member of this committee. The Audit Committee and Nomination & Remuneration Committee were re-constituted on 01.10.2015.

Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship/Grievance Committee, as prescribed under both the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are disclosed in this Annual Report.

**CORPORATE GOVERNANCE**

Your Company shall not be mandatorily required to submit Corporate Governance Report as the equity share capital and net worth of the Company is less than required limits as on the last date of the previous financial year. Provided that where the provision of the Act becomes applicable to the Company at a later date, the Company shall comply with the requirement within six month from the date on which the provisions become applicable to the Company.

**AUDITORS****a) Statutory Auditors**

In compliance with the Companies (Audit and Auditors) Rules, 2014, the Members, at the 29<sup>th</sup> Annual General Meeting of the Company held on September 30, 2016, appointed **M/s. B. Chordia & Co., Chartered Accountants**, (ICAI Registration No.: 0121083W) as Statutory Auditors of the Company to hold the office until the conclusion of the next Annual General Meeting of the Company. Members are requested to re-appoint them at the Annual General Meeting.

**b) Secretarial Auditors**

M/s. Dhiren R. Dave, Practising Company Secretaries (CP No. 2496, Membership No. 4889) were appointed as Secretarial Auditor, to conduct secretarial audit of the company for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31 March, 2018 is annexed herewith and forms part of the Annual Report as **Annexure-1**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has re-appointed Dhiren R. Dave, Practising Company Secretaries, as Secretarial Auditors of the Company for the financial year 2018-19.

**MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with the Stock Exchanges, the Management Discussion and Analysis Report for the FY 2017-18 duly reviewed by Audit Committee and approved by Board forms part of this Annual Report.

**PERSONNEL AND RELATED DISCLOSURES**

The Board of Directors wishes to express their appreciation to all the employees for their outstanding contribution to the operations of the company. Pursuant to the provisions of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, no employee is drawing remuneration in excess of the prescribed limits. Your company also appreciates that revenue and profit growth cannot take place without the right equality of people. To that effect, your company has undertaken a series of measures that ensures that the most appropriate people are recruited in to the organization.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure-2**, forming part of the Annual Report.

**INTERNAL CONTROL SYSTEM**

Your Company has a well established Internal Control system to ensure an effective internal control environment that provides assurance on the efficiency of conducting business, including adherence to the 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 disclosures. The Internal Auditor certifies on the assurance of adequacy of Internal Control System on quarterly basis which are regularly reviewed by the Audit Committee. Independence of the audit is ensured by the direct reporting of internal audit function to the Audit Committee of the Board.

**CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility is an integral part of the Company's ethos and policy and it has been pursuing on a sustained basis.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the company and the initiatives undertaken by the company on CSR activities during the year are set out in Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014 **Annexure-3**. The Policy is available on the website of the Company.

**INDUSTRIAL RELATIONS**

The Company continued to maintain harmonious and cordial relations with its workers in all its businesses during the year under report. Your company firmly believes that a dedicated work force constitute the primary source of sustainable competitive advantage.

**RISK MANAGEMENT**

Risk Management is the systematic process of understanding, measuring, controlling and communicating organization's risk exposures while achieving its objectives. The company's risk management policy stems from a philosophy of pursuing sustainable growth and creating economic value while calibrating and mitigating risks. The Board of Directors regularly review risks and threats and takes suitable steps to safeguard its interest and that there is no element of risk identified that may threaten the existence of the Company. The focus shifts from one area to another area depending upon the prevailing situation. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company by independent firms of Chartered Accountants and approved by the Board. A detailed report on significant risks and mitigation is forming part of Management's Discussion and Analysis.

**INSURANCE**

All the properties of the Company including buildings, plant and machineries and stocks have been adequately insured.

**EMPLOYEE STOCK OPTION**

The company has not issued any Employee Stock Option.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the **Annexure-4** forming part of this report.

**CONTRACTS AND ARRANGEMENT WITH RELATED PARTY**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained on a quarterly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited by the Risk Assurance Department and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company.

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 in prescribed Form MGT-9 (**Annexure-5**) is forming part of this Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (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; and
- (e) The directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **CODE OF CONDUCT**

As prescribed under the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV thereto and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for its Board of Directors and senior management and employees, the Company has formulated a comprehensive Code of Conduct (the Code). The Code is applicable to Directors and senior management and employees to such extent as may be applicable to them depending upon their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Integrity, one team and Excellence.

A copy of the Code has been uploaded on the Company's website [www.betexindia.com](http://www.betexindia.com). The Code has been circulated to all the Directors and Management Personnel and its compliance is affirmed by them annually.

A declaration signed by the Company's Managing Director for the compliance of this requirement is published in this Report.

## **DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS**

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

## **WHISTLE BLOWER MECHANISM**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a Vigil mechanism/Whistle Blower Policy. This policy is also uploaded on the website of the company i.e. [www.betexindia.com](http://www.betexindia.com)

## **DISCLOSURE RELATED TO BOARD, COMMITTEES AND POLICIES**

### **A) BOARD MEETINGS:**

The Board of Directors met 12 times during the financial year ended 31<sup>st</sup> March, 2018 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

**B) COMMITTEE MEETINGS:****AUDIT COMMITTEE**

The Audit Committee of the Board comprises of Mr. Mangilal Lahoti (Chairman), Mrs. Deepa Dinesh Agarwal, Member and Mr. Mahesh Kumar Somani, Member.

All recommendations made by the Audit Committee were accepted by the Board during the year 2017-18.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Board comprises of Mr. Mangilal Lahoti (Chairman), Mr. Mahesh Kumar Somani, Member and Mrs. Deepa Dinesh Agarwal, Member.

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as may be amended from time to time). Emphasis is given to persons from diverse fields or professionals.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Committee review and ensures redressal of investor grievances. The Stakeholders Relationship Committee of the Board comprises of Mr. Mahesh Kumar Somani (Chairman), Mr. Ritesh Somani, Member, Mr. Mangilal Lahoti, Member and Mrs. Deepa Dinesh Agarwal, Member.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board has laid down the Company's policy on Corporate Social Responsibility (CSR) and the CSR activities of the company are carried out as per the instructions of the Committee.

The CSR committee of the Board comprises of Mr. Mahesh Kumar Somani, Chairman, Mr. Ritesh Kumar Somani, Member and Mr. Mangilal Lahoti, Member.

**PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act; 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy

Your Directors state that during the year under review, there were no cases filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION****Nomination & Remuneration Policy**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 SEBI (Listing Obligations and Disclosure Requirement (as may be amended from time to time). Emphasis is given to persons from diverse fields or professionals.

- a) Ability to contribute and monitor our corporate governance practices.
- b) Ability to contribute by introducing international practices to address top-management issues.
- c) Active participation in long-term strategic planning.
- d) Commitment to the fulfilment of a director's obligations and fiduciary responsibilities.

The Nomination and Remuneration Committee has framed the "NOMINATION & REMUNERATION AND EVALUATION POLICY "**Annexure – 6(i)** and "POLICY ON BOARD DIVERSITY (**Annexure - 6(ii)**" forming part of this Annual Report.

**KEY MANAGERIAL PERSON**

Mr. Manish Kumar Somani, the Executive Director and Chief Financial Officer, Raj Kumar Somani, Managing Director and Miss Khushboo Vaishnav\*, the Company Secretary and Compliance officer of the Company are the Key Managerial Personnel of the company.

\* Miss Khushboo Vaishnav, Company Secretary and Compliance officer of the Company had resigned from her post w.e.f. 19/12/2017.

**ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for devoted services of the Executives, Staff and workers of the Company for its success.

**On behalf of the Board of Directors**

**Sd/-**

**Place: Surat**

**Mahesh Kumar Somani**

**Dated: 13.08.2018**

**Chairman**

**ANNEXURE TO DIRECTORS' REPORT  
ANNEXURE - 1**

To,  
The Members  
Betex India Limited  
436, GIDC Pandesara,  
Surat – 394221

**Secretarial Audit Report**

**For the financial year ended March 31, 2018**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the  
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation 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 31.03.2018, generally complied with the statutory provisions listed hereunder and also that the Company has generally followed board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. 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 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 -- There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 effective from May 15, 2015 -- There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
  - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - There are no events occurred during the year which attracts provisions of these regulations hence not applicable.
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

- (vi) Factories Act, 1948
- (vii) Industrial Disputes Act, 1947
- (viii) The Payment of Wages Act, 1936
- (ix) The Minimum Wages Act, 1948 Employees State Insurance Act, 1948
- (x) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (xi) The Payment of Bonus Act, 1965
- (xii) The Payment of Gratuity Act, 1972
- (xiii) The Contract Labour (Regulation and Abolition) Act, 1970
- (xiv) The Maternity Benefit Act, 1961
- (xv) The Child Labour (Prohibition and Regulation) Act, 1986
- (xvi) The Industrial Employment (Standing Orders) Act, 1946
- (xvii) The Employees Compensation Act, 1923

- (xviii) The Apprentices Act, 1961
- (xix) Equal Remuneration Act, 1976
- (xx) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- (xxi) The Environment (Protection) Act, 1986 (read with The Environment (Protection) Rules, 1986)
- (xxii) The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.
- (xxiii) The Water (Prevention and Control of Pollution) Act, 1974 (read with Water (Prevention and Control of Pollution) Rules, 1975)
- (xxiv) The Air (Prevention and Control of Pollution) Act, 1981 (read with Air (Prevention and Control of Pollution) Rules, 1982)
- (xxv) and all other laws applicable to the company not mentioned hereinabove.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observations:

1. *Company has not spent required amount for the CSR activities to the extent of Rs. 0.10 Lacs.*

2. 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and 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 and recorded as part of the minutes.

3. I further report 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.
4. I further report that during the audit period the company has not taken any major steps and enter into any events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
5. However, following event is having major bearing on the company's affairs after the audit period but before the date of this report :
  - a. *Company's director has received show cause notice from SEBI for making undue gains from buy/sell of stock in past years. Investigation/Litigation is still on the subject matter of SEBI order dated May 21, 2014.*

**Place : SURAT**  
**Date : 13.08.2018**

**DHIREN R DAVE**  
**COMPANY SECRETARY**  
**FCS: 4889**  
**CP : 2496**

To,  
The Members  
Betex India Limited  
436, GIDC Pandesara,  
Surat – 394221

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My 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 our 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.
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.

Place : SURAT  
Date : 13.08.2018

**DHIREN R DAVE**  
**COMPANY SECRETARY**  
**FCS: 4889**  
**CP : 2496**

**ANNEXURE TO DIRECTORS' REPORT****ANNEXURE-2****FORM AOC – 1**

The information 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 for the year ended 31<sup>st</sup> March, 2018 are given below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March, 2018: -

<b>Name of the Director / KMP &amp; Designation</b>	<b>Remuneration (Rs in Lacs)</b>	<b>% increase in Remuneration in F.Y. 2017-2018</b>	<b>Ratio to median remuneration</b>	<b>Comparison of the Remuneration of the KMP against the performance of the company</b>
Shri Raj Kumar Somani (Director)	9.00	-	4.10	Profit before Financial Cost, Depreciation and Exceptional items & Tax (EBIDTA) marginally decreased by 17.41% and Profit after tax (PAT) decreased by 18.57% as compared to last year.
Shri Ritesh Kumar Somani (Executive Director)	9.00	-	4.10	
Shri Manish Somani (Director & CFO)	6.00	-	2.75	

The Non-Executive Independent Directors of the Company are entitled for sitting fees and reimbursement of expenses as per the statutory provisions and are within the prescribed limits.

2. **Percentage increase in the median remuneration of employees in the financial year:** 8.5 % To 10 %

3. **Number of permanent employees on the rolls of Company as on 31<sup>st</sup> March. 2018 :** 960

- 4) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof**

**and point out if there are any exceptional circumstance for increase in managerial remuneration :**

Average Percentile increase in Remuneration of employees other than Managerial Personnel was 9.25 % and average increase in remuneration of Managerial Personnel was Nil.

Average increase in remuneration of both, managerial and non-managerial personnel were determined based on the overall performance of the Company.

**5) Key parameters for any variable component of remuneration availed by the Directors:**

Key result areas of the managerial personnel are broadly to achieve Company's growth and performance target, achieving the same against various adverse externalities globally, devising sustenance strategy to combat global forces like competition, exchange rate etc, which, in turn, enhance shareholders' value. Remuneration of the managerial personnel is based on the Remuneration Policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

**6) Affirmation that the remuneration is as per Remuneration policy:**

The Company affirms that the remuneration paid is as per the Remuneration policy of the Company

**7)** Pursuant to the provisions of the Companies (Appointment & Remuneration of Managerial Personnel) rules 2014, no employee is drawing remuneration in excess of the prescribed limits.

**ANNEXURE TO DIRECTORS' REPORT****ANNEXURE-3****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY****ACTIVITIES****(Pursuant to Section 134 (3) (O) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) rules, 2014)**

The CSR Policy sets out the Company's commitment and approach towards Corporate Social Responsibility for improving the quality of life of the communities it serves. The Company's corporate social Responsibility (CSR) policy is multifaceted to cover projects and programmes in the field of education, healthcare, rural improvement initiatives. The Company's CSR projects and programs are carried out within CSR policy.

The focus areas for CSR activities are:

**I ) Education :**

Betex India Limited undertakes initiative for imparting training to develop language skills to enhance individual employability of youth in marginalized and deprived sections of the society.

Supporting projects and programs for education and development of children from weaker sections of the society directly or through Charitable Trusts, as considered necessary.

**2) Health:**

Providing financial assistance to institutions, hospitals, charitable trusts and NGOs pursuing projects and programs benefiting paediatrics and cancer patients, people suffering from AIDS, Blind, Deaf and Dumb.

Organising blood donation camps, various health check – up camps.

**3) Promoting Social welfare:**

Contributions towards disaster relief and rehabilitation through appropriate agencies as Assistance in Samuhik Vivah of Backward class of people as and when required.

**4) Animal Care**

Under this program, the company is to take on following projects for animal care: -

- 1) Gau Seva
- 2) Assisting Gau Chikitsalaya

In addition to the identified areas of focus mentioned above, the Company may also undertake other activities defined in Schedule VII of the Companies Act, 2013.

The CSR policy has been uploaded on the website of the Company at [www.betexindia.com](http://www.betexindia.com)

**Average net profit of the company for last three financial years:-**

Year	Net profit as per Section 198 of the Companies Act , 2013 ( Rs. in Crores )
2014-15	1.18
2015-16	1.22
2016-17	1.15
Average net profits of last three years	1.18

Prescribed CSR expenditure: Rs. 2.36 Lakhs (2% of the Average net profit of last three financial years)

**Details of CSR spent during the financial year:-**

- Total amount to be spent for the financial year : 2.36 Lakhs
- Amount unspent, if any: 0.10 Lakhs
- Manner in which amount spent during the financial year is detailed below :  
(Rs. in lakhs)

SI No	CSR Project of activities identified	Sector in which the project is covered	Projects or Programs undertaken ( Place )	Amount outlay Budget Project/ program wise	Amount spent on projects/ program	Cumulative expenditure up to the reporting period	Amount Spent : Director or through implementing agency
1.	Health care	Medical Aid for Dialysis	Surat	0.42	0.42	0.42	Surat Manav Seva Sangh
2.	Animal Care	Gau Chikitsalaya	Nagaur (Rajasthan)	0.30	0.25	0.25	Shri Krishna Gopal Gauseva Samiti
3.	Animal Care	Gau Seva	Jalore (Rajasthan)	0.50	0.42	0.42	Shri Gopal Govardhan Gaushala
4.	Promotion of Education	Education to weaker sections of Society	Surat	0.11	0.11	0.11	Bhagwan Gauttam Buddha Rashtriya Shanskrutik and Saikshanik Trust
5.	Promoting Social	Social Development	Calcutta	0.51	0.51	0.51	Friends of Tribal

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	Welfare	of Tribals People					Society
6.	Promoting Social Welfare	Social Welfare Projects	Surat	0.51	0.51	0.51	Shri Shyam Seva Trust
7.	Education & Research Activities	Education	Surat	0.04	0.04	0.04	Safety Education and Research Foundation
	Total :			2.39	2.26	2.26	

The short fall of Rs. 0.10 Lacs in the amount spent on CSR activities during the year ended on 31st March,2018 is intended to be utilised in future upon identification of suitable projects within your company's CSR policy.

**This is to confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.**

**ANNEXURE TO DIRECTORS' REPORT****ANNEXURE-4****PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. Conservation of Energy :**

Energy conservation is a high priority area for the Company. Our continued effort to reduce and optimize the use of energy consumption has shown positive results. The company continuously pursues the process of energy conservation through improved operational and maintenance practices.

**a) Energy Conservation measures taken by the company**

- 1) Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 2) Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- 3) Automated load management system to improve power factor with reduced contract demand.

**b) Additional Investments and proposals , if any, being implemented for reduction of consumption of energy**

- 1) Modification and improvement in process system of Dying and printing on fabrics.
- 2) Optimization in Load Factor.

**c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods**

- 1) Reduction in wastage and energy / power consumption per unit of Yarn
- 2) Reduction in Cost of dying and printing on fabrics.

**d) Total energy consumption and energy consumption per unit of production as per prescribed Form - A given hereunder****FORM A****A. Power and Fuel Consumption:**

<b>Electricity</b>	<b>2017-18</b>	<b>2016-17</b>
a) Purchased		
-Units	5037976	14048748
-Total Amount	37141791	95669242
-Rate/Unit (Rs.)	7.37	6.81

**FORM B****(Forms for disclosure of particulars with respect to Technology Absorption)****I. Research and Development (R&D)****1. Specific areas in which R & D carried out by the company**

- a) Modification in dyeing and printing machineries
- b) Printing machines of new product concept will be installed.
- c) Addition of New Chamber in Centre Machine proposed

**2. Benefit derived as a result of the above R & D**

- a) Reduction in wastage and energy / power consumption per unit of yarn.
- b) Reduction in operating & maintenance cost thereby increase in margins.

**3. Expenditure on R & D / product development**

Capital and recurring expenditure is incurred by the company regularly.

**ANNEXURE-5**  
**Form No.MGT-9**

**EXTRACT OF ANNUAL RETURN**

**(As on the financial year ended on 31st March, 2018)**

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

<b>I.</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
i)	CIN	L17119GJ1992PLC018073
ii)	Registration Date	7th January, 1987
iii)	Name of the Company	Betex India Limited
iv)	Category/Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	436, GIDC PANDESARA SURAT 394221 GUJARAT Phone:0261-2328902 Fax:0261-2334189
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>BIGSHARE SERVICES PVT. LTD.</b> 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis Apartments (Next to Keys Hotel) Marol Maroshi Road, Andheri (E) Mumbai-400072, India Phone:022-62638200 Fax:022-28475207
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b> All the business activities contributing 10% or more of the total turnover of the company shall be stated	As per Annexure-A
<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Annexure-B
<b>IV.</b>	<b>SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>	
	i) Category-wise Share Holding	As per Annexure-C
	(ii) Shareholding of Promoters	As per Annexure-D
	(iii) Change in Promoters' Shareholding	As per Annexure-E
	(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Annexure-F
	(v) Shareholding of Directors and Key Managerial Personnel	As per Annexure-G
<b>V.</b>	<b>INDEBTEDNESS</b> Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Annexure-H
<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
	A. Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Annexure-I
	B. Remuneration to other directors	As per Annexure-J
	C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per Annexure-K
<b>VII</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>	As per Annexure-L

**ANNEXURE – A****II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Dying & Printing on Polyester Fabrics	2480	100%

**ANNEXURE – B****III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name Address of The Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
<b>NIL</b>					

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

Category of Shareholders	No. of Shares held at the beginning of the year ( As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	269981	0	269981	18.00	269981	0	269981	18.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	537300	0	537300	35.82	537300	0	537300	35.82	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1)</b>	<b>807281</b>	<b>0</b>	<b>807281</b>	<b>53.82</b>	<b>807281</b>	<b>0</b>	<b>807281</b>	<b>53.82</b>	<b>0.00</b>
(2) <b>Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
e1) Group Companies	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) =</b>	<b>807281</b>	<b>0</b>	<b>807281</b>	<b>53.82</b>	<b>807281</b>	<b>0</b>	<b>807281</b>	<b>53.82</b>	<b>0.00</b>

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(A)(1)+(A)(2)									
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	205794	11400	217194	14.48	208372	11400	219772	14.65	0.17
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakhs	157353	316900	474253	31.62	155794	316900	472694	31.51	(0.10)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakhs	0	0	0	0.00	0	0	0	0.00	0.00
c) Others									
c1)Clearing Member	1272	0	1272	0.08	253	0	253	0.02	(0.07)
c2)Directors/ Relatives	0	0	0	0.00	0	0	0	0.00	0.00
c3)Non Resident	0	0	0	0.00	0	0	0	0.00	0.00

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Indians (NRI)									
<b>Sub-total (B)(2)</b>	<b>364419</b>	<b>328300</b>	<b>692719</b>	<b>46.18</b>	<b>364419</b>	<b>328300</b>	<b>692719</b>	<b>46.18</b>	<b>(0.00)</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>364419</b>	<b>328300</b>	<b>692719</b>	<b>46.18</b>	<b>364419</b>	<b>328300</b>	<b>692719</b>	<b>46.18</b>	<b>(0.00)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>1171700</b>	<b>328300</b>	<b>1500000</b>	<b>100.00</b>	<b>1171700</b>	<b>328300</b>	<b>1500000</b>	<b>100.00</b>	<b>(0.00)</b>

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

<b>Sr No</b>	<b>Name</b>	<b>Shareholding at the beginning of the year 01/04/2017</b>			<b>Shareholding at the end of the year 31/03/2018</b>			<b>% Change in shareholding during the year</b>
		<b>Number of Shares</b>	<b>% Shares of the Company</b>	<b>% of Shares Pledged/encumbered to total shares</b>	<b>Number of Shares</b>	<b>% Shares of the Company</b>	<b>% Shares Pledged/encumbered to total shares</b>	
1	Maheshkumar Sitaram Somani	45000	3.00	0.00	45000	3.00	0.00	0.00
2	Rajkumar Sitaram Somani	45000	3.00	0.00	45000	3.00	0.00	0.00
3	Bajranglal Sitaram Somani	34000	2.27	0.00	34000	2.27	0.00	0.00
4	Shankarlal Sitaram Somani	44000	2.93	0.00	44000	2.93	0.00	0.00
5	Sumandevi Somani	25000	1.67	0.00	25000	1.67	0.00	0.00
6	Gangadevi Shankarlal Somani	17500	1.17	0.00	17500	1.17	0.00	0.00
7	Rakesh Rajkumar Somani	10500	0.70	0.00	10500	0.70	0.00	0.00
8	Ritesh Rajkumar Somani	10500	0.70	0.00	10500	0.70	0.00	0.00
9	Sharda Devi Somani	9000	0.60	0.00	9000	0.60	0.00	0.00
10	Manish Maheshkumar Somani	8000	0.53	0.00	8000	0.53	0.00	0.00
11	Rashmi Somani	7500	0.50	0.00	7500	0.50	0.00	0.00

12	Sushil Shankarlal Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
13	Sumeet Shankarlal Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
14	Neelam Sushil Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
15	Manisha Sumeet Somani	1981	0.13	0.00	1981	0.13	0.00	0.00
16	Urmiladevi Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
17	Ankit Bajrang Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
18	Amit Bajranglal Somani	2000	0.13	0.00	2000	0.13	0.00	0.00
19	Sumeet Menthol Private Limited	319300	21.29	0.00	319300	21.29	0.00	0.00
20	Sumeet Silk Processors Pvt. Ltd.	74000	4.93	0.00	74000	4.93	0.00	0.00
21	Sitaram Prints Private Limited	74000	4.93	0.00	74000	4.93	0.00	0.00
22	Somani Overseas Private Limited	70000	4.67	0.00	70000	4.67	0.00	0.00
	<b>TOTAL</b>	<b>807281</b>	<b>53.82</b>	<b>0.00</b>	<b>807281</b>	<b>53.82</b>	<b>0.00</b>	<b>0.00</b>

**ANNEXURE – E****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Particular	Shareholding at the beginning of the year (As on 1st April, 2017)				Cumulative Shareholding during the year (As on 31st March 2018)	
		Date	No. of shares	% of total shares of the company	Reason	No. of shares	% of total shares of the company
1	Total Promoters' Holding	01/04/2017	807281	53.82	-	807281	53.82
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-	-	-
3	At the end of the year	31/03/2018	807281	53.82	-	807281	53.82

**ANNEXURE – F****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No	NAME	No. of Shares at the beginning/ Ending of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	% of total shares of the company
1	RAGHUVIR TEXTURIZERS PRIVATE LIMITED	1,76,099	01-Apr-17	0	Transfer	1,76,099	11.74
			16-Feb-18	-176099	Transfer	0	0.00
			23-Feb-18	176099	Transfer	1,76,099	11.74
		1,76,099	31-Mar-18	0	Transfer	1,76,099	11.74
2	GINNI TRADELINKS PVT LTD	24,200	01-Apr-17	0	Transfer	24,200	1.61
		24,200	31-Mar-18	0	Transfer	24,200	1.61
3	NEELAM BHAGCHAND CHORDIA	5,000	01-Apr-17	0	Transfer	5,000	0.33
			28-Apr-17	5,000	Transfer	10,000	0.67
		10,000	31-Mar-18	0	Transfer	10,000	0.67
3	KRISHNA DEVI LAHOTI	7,501	01-Apr-17	0	Transfer	7,501	0.50
			16-Feb-18	-7501	Transfer	0	0.00
			23-Feb-18	7501	Transfer	7,501	0.50
		7,501	31-Mar-18	0	Transfer	7,501	0.50
4	NARENDRA SABOO	5,400	01-Apr-17	0	Transfer	5,400	0.36
			16-Feb-18	-5400	Transfer	0	0.00
			23-Feb-18	5400	Transfer	5400	0.36
		5,400	31-Mar-18	0	Transfer	5,400	0.36
5	DEVI PRASAD SABOO	5,300	01-Apr-17	0	Transfer	5,300	0.35
			16-Feb-18	-5300	Transfer	0	0.00
			23-Feb-18	5300	Transfer	5,300	0.35
		5,300	31-Mar-18	0	Transfer	5,300	0.35
6	SADHNA SABOO	5,200	01-Apr-17	0	Transfer	5,200	0.35
			16-Feb-18	-5200	Transfer	0	0.00
			23-Feb-18	5200	Transfer	5,200	0.35
		5,200	31-Mar-18	0	Transfer	5,200	0.35
7	VAIBHAV NARENDRA SABOO	5,200	01-Apr-17	0	Transfer	5,200	0.35
			16-Feb-18	-5200	Transfer	0	0.00
			23-Feb-18	5200	Transfer	5,200	0.35
		5,200	31-Mar-18	0	Transfer	5,200	0.35
8	KRITI SABOO	5,000	01-Apr-17	0	Transfer	5,000	0.33
			16-Feb-18	-5000	Transfer	0	0.00
			23-Feb-18	5000	Transfer	5,000	0.33
		5,000	31-Mar-18	0	Transfer	5,000	0.33
9	YASHVARDHAN SABOO	5,000	01-Apr-17	0	Transfer	5,000	0.33

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			16-Feb-18	-5000	Transfer	0	0.00
			23-Feb-18	5000	Transfer	5,000	0.33
		5,000	31-Mar-18	0	Transfer	5,000	0.33
10	ANIL KUMAR JAIN (HUF)	5,000	01-Apr-17	0	-	5,000	0.33
		5,000	31-Mar-18	0	-	5,000	0.33

**ANNEXURE – G****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Shareholding at the beginning of the year (As on 1st April, 2017)		Cumulative Shareholding during the year (As on 31st March, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A.</b>	<b>Executive Director</b>				
	1. Mr. Raj Kumar Somani	45000	3.00	45000	3.00
	2. Mr. Ritesh Kumar Somani	10500	0.70	10500	0.70
	3. Mr. Manish Kumar Somani	8000	0.53	8000	0.53
<b>B.</b>	<b>Non-Executive Director</b>				
	1. Mr. Mahesh Kumar Somani	45000	3.00	45000	3.00
	2. Mr. Mangilal Sukhlal Lahoti	0	0.00	0	0.00
	3. Smt. Deepa Dinesh Agarwal	0	0.00	0	0.00
<b>C.</b>	<b>Key Managerial Person</b>				
	Mr. Manish Kumar Somani	8000	0.53	8000	0.53
	(Chief Financial officer )				
	Mr. Raj Kumar Somani	45000	3.00	45000	3.00
	(Managing Director)				
	Miss. Khushboo Vaishnav*	0	0.00	0	0.00
	(Company Secretary)				

\* Miss Khushboo Vaishnav, Company Secretary and Compliance officer of the Company had resigned from her post w.e.f. 19/12/2017.

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

(Rs. in lakhs)

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	529.85	1057.72	0.00	1587.57
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	529.85	1057.72	0.00	1587.57
<b>Change in Indebtedness during the financial year</b>				
· Addition	0.00	124.96	0.00	124.96
· Reduction	-72.99	0.00	0.00	-72.99
<b>Net Change</b>	-72.99	124.96	0.00	51.97
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	456.86	1182.68	0.00	1639.54
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	456.86	1182.68	0.00	1639.54

**ANNEXURE-I****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:  
(Rs. in Lakhs)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Raj Kumar Somani	Manish Kumar Somani	Ritesh Kumar Somani	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.00	6.00	9.00	24.00
	(b) Value of perquisites u/s	-	-	-	-
	17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5	Others	-	-	-	-
	Total (A)	9.00	6.00	9.00	24.00
	Ceiling as per the Act @10% of profit calculated u/s. 198 of the Companies Act, 2013	-	-	-	-

**ANNEXURE – J****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****B. Remuneration to other directors:**

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>			<b>Total Amount</b>
		<b>Mahesh Kumar Somani</b>	<b>Mangilal Sukhlal Lahoti</b>	<b>Deepa Dinesh Agarwal</b>	
1	Non-Executive Directors Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others*	-	-	-	-
2	Total (1)	-	-	-	-
3	Total Managerial Remuneration	-	-	-	-
4	Ceiling as per the Act @ 1% of profit calculated u/s 198 of the Companies Act, 2013	-	-	-	-

**ANNEXURE K****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs. In Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Manish Kumar Somani C.F.O	Khushboo Vaishnav* Company Secretary	
<b>1</b>	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	6.00  -  -	0.55  -  -	6.55  -  -
<b>2</b>	<b>Stock Option</b>	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-
<b>4</b>	<b>Commission</b>			
	- as % of profit	-	-	-
	- others	-	-	-
<b>5</b>	<b>Others</b>	-	-	-
	<b>Total</b>	6.00	0.55	6.55

\* Miss Khushboo Vaishnav, Company Secretary and Compliance officer of the Company had resigned from her post w.e.f. 19/12/2017.

**ANNEXURE – L****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:****A. Company**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment /Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give details)
<b>Penalty</b>	-	-	-	-	-
<b>Punishment</b>	-	-	-	-	-
<b>Compounding</b>	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	The SEBI has issued show cause notice under Section 11(4)(d) read with Section 11 B of the SEBI Act , 1992 dated 05.04.2018 for disgorgement of unlawful gain by its Director	Rajkumar Somani- Rs. 80.13 Lacs	SEBI	Matter is under sub-judice
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE TO DIRECTORS' REPORT****ANNEXURE-6(i)****NOMINATION & REMUNERATION AND EVALUATION POLICY**

**(Framed under Section 178(3) of Companies Act, 2013 & Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of Betex India Limited (the "Company").

**"Key Managerial Personnel (KMP) means:**

- (i) Chairman & Managing Director;
- (ii) Company Secretary,
- (iii) Whole-time Director;
- (iv) Chief Financial Officer; and
- (v) Such other Officer as may be prescribed.

The term "Senior Management Personnel" means to include all members other than the Directors and KMPs of the Company, who are the functional heads of the departments/divisions/branches of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**1. PREAMBLE**

- 1.1 Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 1.2 Section 178 of the Companies Act, 2013 has been made effective from April 1, 2014 by the Central Government by notification no. S.O. 902(E) issued on March 26, 2014. Therefore this Nomination and Remuneration Policy ("the Policy") has been framed in compliance with the provisions of the Act and Rules made under the Act.
- 1.3 The Policy provides a framework for remuneration to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "**Executives**").

The expression "senior management" means employees of Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads.

- 1.4 The existing Remuneration Committee of the Board of Directors has been re-named as Nomination and Remuneration Committee ("the Committee or NRC") so as to comply with the provisions of Section 178(1) of the Act. The Members of the Committee shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.
- 1.5 This Policy will be called "BIL Nomination & Remuneration Policy" and referred to as "the Policy".

- 1.6 The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

## **2. OBJECTIVES**

- 2.1 The objectives of the Policy are as follows:
- 2.2 To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.
- 2.3 To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.
- 2.4 To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- 2.5 To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for performance" principle.
- 2.6 To ensure that remuneration to directors, KMP and senior management employees of the Company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

## **3. ACCOUNTABILITIES**

- 3.1 The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 3.2 The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

## **4. PRINCIPLES OF REMUNERATION**

- 4.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, and supports and reinforces the achievement of the Company's vision and strategy.
- 4.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 4.3 Internal equity: The Company shall remunerate the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 4.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- 4.5 Flexibility: Remuneration and reward shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other laws.

- 4.6 Performance-Driven Remuneration: The Company shall establish a culture of performance-driven remuneration through the implementation of the Performance Incentive System.
- 4.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

## **5. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is responsible for:

- 5.1 reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- 5.2 identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- 5.3 recommending to the Board on the selection of individuals nominated for directorship;
- 5.4 making recommendations to the Board on the remuneration payable to the Directors/KMPs/Senior Officials so appointed/reappointed;
- 5.5 assessing the independence of independent directors;
- 5.6 such other key issues/matters as may be referred by the Board or as may be necessary in view SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of the Companies Act 2013 and Rules there under.
- 5.7 To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 5.8 ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 5.9 To devise a policy on Board diversity;
- 5.10 To develop a succession plan for the Board and to regularly review the plan;

### **The Nomination and Remuneration Committee comprises of the following:**

- a) The Committee shall consist of minimum three members out of that there will be minimum two non-executive directors and majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

### **CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**COMMITTEE MEMBERS' INTERESTS**

- a) 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.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**VOTING**

- a) 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 a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**The Committee shall:**

- i) review the ongoing appropriateness and relevance of the Policy;
- ii) Ensure that all provisions regarding disclosure of remuneration, including pensions, leave encashment, gratuity, etc. are fulfilled;
- iii) Obtain reliable, up-to-date information about remuneration in other companies;
- v) Ensure that no director or executive is involved in any decisions as to their own remuneration.

**6. PROCEDURE FOR SELECTION AND APPOINTMENT OF THE BOARD MEMBERS****• Board membership criteria**

- 6.1 The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of a Board Member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.
- 6.2 In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.
- 6.3 Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

**7. PROCEDURE FOR SELECTION AND NOMINATION OF KMP AND SMPS**

The Chairman of the Company and the Chairperson of the NRC shall along with Company Secretary, identify and appoint suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of concerning KMP or SMP.

Further, in case of KMP (excluding Executive Director) appointment, approval of the Board of Directors/concerned Committee shall be taken in accordance with provisions of relevant Act, statutes, regulations etc. existing as on that date. The appointment and/or removal of KMPs shall be placed before the NRC and / or Board of Directors at regular intervals.

## **8. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials.

The Directors, Key Management Personnel and other senior official's salary shall be based "& determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

### **(i) REMUNERATION:**

#### **a) Base Compensation (fixed salaries)**

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

#### **b) Variable salary:**

The NRC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

### **(ii) STATUTORY REQUIREMENTS:**

- Section 197(5) provides for remuneration by way of fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- Section 197(1) of the Companies Act, 2013 provides for 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 and Central Government 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 up to 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 up to 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 net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.
- 8.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- 8.2 The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.
- 8.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

## **9. EVALUATION/ASSESSMENT OF DIRECTORS/KMPS/SENIOR OFFICIALS OF THE COMPANY**

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of Listing Obligations and Disclosure Requirements, Regulations, 2015. The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- Leadership & stewardship abilities
- Contributing to clearly define corporate objectives & plans
- Communication of expectations & concerns clearly with subordinates
- Obtain adequate, relevant & timely information from external sources.
- review & approval achievement of strategic and operational plans, objectives, budgets
- regular monitoring of corporate results against projections
- identify, monitor & mitigate significant corporate risks
- assess policies, structures & procedures
- direct, monitor & evaluate KMPs, senior officials
- review management's succession plan
- effective meetings
- assuring appropriate board size, composition, independence, structure
- clearly defining roles & monitoring activities of committees
- review of corporation's ethical conduct

Evaluation on 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 on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

**10. APPROVAL AND PUBLICATION**

- 10.1 This Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 10.2 The Policy shall form part of Director's Report as required under Section 178(4) of the Companies Act, 2013.

**11. SUPPLEMENTARY PROVISIONS**

- 11.1 This Policy shall formally be implemented from the date on which it is adopted by the Board of Directors.
- 11.2 Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations, the Company's Articles of Association.
- 11.3 The right to interpret this Policy vests in the Board of Directors of the Company

**ANNEXURE-6(ii)****BOARD DIVERSITY POLICY**

**(Pursuant to Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which have come into effect from 1st December, 2015)**

This policy was originally framed pursuant to Clause 49 of the Listing agreement and is amended pursuant to Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which have come into effect from 1st December, 2015.

**PURPOSE**

The Board Diversity Policy ('the Policy') sets out the approach to have diversity on the Board of Directors ('Board') of Betex India Limited (the "company").

**SCOPE OF APPLICATION**

The Policy applies to the Board.

**POLICY STATEMENT**

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspective appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between directors. The differences will be considered in determining the optimum composition of Board and when possible should be balanced appropriately.

The Company maintains that Board appointments should be based on merits that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience, and qualifications, gender, age, cultural and educational background, and any other factors that the board might consider relevant and applicable from time to time for it to function effectively.

These diversities will be considered in determining the optimum composition of the Board and when and wherever possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

In the process of attaining a diverse Board based on the aforementioned criteria, the following criteria needs to be assessed:

**OPTIMUM COMPOSITION**

- (a) The Board shall have an optimum combination of executives and non- executive directors and not less than fifty per cent of the Board of directors comprising non- executive directors.
- (b) At least half of the Board should comprise of independent directors (where the chairman of the Board is executive or promoter) or at least one-third of the Board consisting of independent directors (where the chairman of the Board is non-executive).

In any case, the Company should strive to ensure that the number of independent directors do not fall below 3(three) so as to enable the board to function smoothly and effectively.

- (c) The Company shall have at least one women director on the Board to ensure that there is no gender inequality on the Board.

**ROLE OF NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee ('Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors also considering the provisions of Companies Act, 2013 and rules framed there under. The Committee also oversees the conduct of the annual review of Board effectiveness.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

**VIEW OF THE POLICY**

The Committee will review the policy from time to time keeping in view the statutory requirement and need of the organization and recommend the same to the Board for their approval.

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

This is to certify that as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2018.

**For Betex India Limited****Place: Surat**

Raj Kumar Somani

**Date: 30<sup>TH</sup> May 2018**

(Managing Director)

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)  
CERTIFICATION**

**[Issued in accordance with the provisions of Regulation 17(8) of SEBI (LODR) Regulations, 2015]**

**To the Board of Directors,  
BETEX INDIA LIMITED**

We, Raj Kumar Somani, Managing Director and Manish Kumar Somani, Chief Financial Officer of the Betex India Ltd., to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements, and the cash flow statement of Betex India Limited for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may 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) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
  - (i) There are no significant changes in internal control over financial reporting during the year;
  - (ii) There are no significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - (iii) There are no instances of significant frauds 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 over financial reporting.

**For BETEX INDIA LIMITED**

**Place: Surat  
Date: 30.05.2018**

**RAJ KUMAR SOMANI  
Managing Director  
(DIN: 00254038)**

**MANISH KUMAR SOMANI  
Chief Financial officer  
(DIN: 00356113)**

**MANAGEMENT DISCUSSION AND ANALYSIS (MDA)**

Globally, Economic recovery gathered momentum with FY 2017-18 across developed and emerging markets with favourable financial conditions and firming commodity prices. Many developed economies witnessed recovery in investments and domestic demand. According to the International Monetary Fund (IMF), annual global GDP growth is expected to have expanded by 3.8% in 2017 and global merchandise trade volume expanded to 4.9%, during the same time period. The improvements were driven by revival of global demand, especially capital spending. On the inflation front, both advanced and emerging economies witnessed a controlled increase primarily due to the rise in crude oil prices. Tax policy reforms in the US is likely to have a positive impact on its economy as experts project a higher rate of growth in FY 2018-19. During the same period Asian economies are expected to grow at 6.5%. The Latin American economies are predicted to advance at 2.9% in FY 2018-19 on the back of strengthening commodity prices. While the economies of the Middle East and North Africa (MENA) are expected to accelerate owing to stronger oil prices. Amongst the larger economies, China witnessed a gradual slowdown in the economic activity but continued to grow in line with expectations. World GDP growth as estimated by the IMF touched 3.8% in 2017, the highest since 2011

Crude oil prices increased in 2017, despite a further rebound in American rig counts and growing efficiency gains in shale oil production. In 2017, oil prices recovered in June and hovered ~US\$60 per barrel. Metal prices rose sharply, on the back of China's strong demand-supply restrictions. Agricultural commodity prices, which stabilised in 2017, are anticipated to make only marginal gains in 2018 as global stocks remain at multi-year highs.

**Global Economic growth in the past five years**

<b>Year</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 ( E )</b>	<b>2018 (F)</b>	<b>2019 (F)</b>
<b>Real GDP Growth (%)</b>	<b>3.5</b>	<b>3.2</b>	<b>3.1</b>	<b>3.7</b>	<b>3.9</b>	<b>3.0</b>

Source: World Economic Outlook, January 2018 ( E : Estimated , F : Forecasted )

**INDIAN ECONOMY**

In terms of economic performance in the year under consideration, India stood tall amongst its global peers and continues to have a significant growth promise in the future. During the year under review, there were several structural reforms implemented in the country including the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code amongst others. These structural initiatives are important for enhancing the country's future competitiveness.

With an improving business ecosystem, stable macroeconomic indicators and a liberal FDI regime, foreign capital inflow has provided impetus to the domestic economy. According to World Bank's Global Economic Prospects report, India's GDP is expected to rise to 7.4% in FY 2018-19 and 7.8% in FY 2019-20.

**KEY GOVERNMENT INITIATIVES :**

Bank recapitalisation scheme: The Central Government announced a capital infusion of Rs. 2.1 lac Crores in public sector banks. The measure entailed a budgetary allocation of Rs. 76,000 Crores by the Central Government, while the remaining amount is to be raised by the sale of recapitalisation bonds. (Source: KPMG)

- Expanding road network: To boost India's road infrastructure and jobs, the Indian Government announced a Rs. 6.9 lac Crores investment outlay to construct 83,677 kilometres of road network over five years. The ambitious programme is expected to generate 14.2 Crore person-day jobs for the country. (Source: KPMG)

- Improving business ecosystem : The country was ranked at the 100th position in the World Bank's Ease of Doing Business Index in 2018, registering an improvement of 30 places. The jump was a result of the Central Government's pro-reform agenda, comprising the passing of the Insolvency and Bankruptcy Code, simplification of the tax computation and merging of applications for PAN and TAN. In addition, Aadhaar-based identification could help overcome regulatory challenges. (Source: KPMG)

- Goods and Services Tax : The Government of India overhauled the indirect tax regime and launched the GST in July 2017 to create a unified market. Under this regime, various goods and services are to be taxed as per five slabs (28%, 18%, 12%, 5% and zero tax). To reduce the short term inflation resulting from the introduction of the GST, the GST Council cut tax rates on more than 250 goods and services by moving them to lower tax slabs. Post-GST implementation, India's tax net expanded, reflected in a 50% increase in unique indirect taxpayers. (Source: KPMG)

**GLOBAL TRADE SCENARIO**

World merchandise trade volume grew to 4.7% in 2017, from 1.8% in 2016, led by rising import demand across geographies, particularly Asia. Given strong global economic performance and supportive government policies, growth in the volume of world merchandise trade is forecast to remain strong in 2018 and 2019, after exhibiting the largest increase in six years in 2017. Global merchandise trade volume is forecast to grow 4.4% in 2018, driven by increased investment and fiscal expansion.

	<b>2016</b>	<b>2017</b>	<b>2018 ( P )</b>	<b>2019 ( P )</b>
<b>Growth in Volume of world merchandise trade</b>	<b>1.8</b>	<b>4.7</b>	<b>4.4</b>	<b>4.0</b>

P: Projections (Source: World trade organisation (WTO))

**DOMESTIC INDUSTRY SCENARIO**

India's textile industry is currently estimated at around USD 150 billion and is likely to reach USD 250 billion by 2022. Its overall textile exports during FY 2017-18 stood at USD 37.74 billion (Source: IBEF). It is further expected to grow at a CAGR of 13.58% (E) between 2009 and 2019. The sector has witnessed a spurt of investment during the last few years and attracted Foreign Direct Investment (FDI) worth USD 2.82 billion between April 2000 and December 2017. Besides, government initiatives like allowing 100% FDI under the automatic route is likely to bolster the segment further (Source: IBEF).

**INDIAN TEXTILE INDUSTRY**

Textile plays a major role in the Indian economy. It contributes 14% to industrial production and 4% to GDP. With over 45 million people, the industry is one of the largest sources of employment generation in the country.

The size of India's textile market, as of July 2017, was around US\$ 150 billion. It is expected to touch US\$ 250 billion by the year 2019, growing at a CAGR of 13.58% between 2009- 2019E.

Exports have been a core feature of India's textile sector. The Indian textiles export market, estimated at \$18 billion, is expected to grow at a CAGR of 4% compared to the global CAGR of 3% over 2016-26.

The fundamental strength of the textile industry is its strong production base of wide range of fibre and yarns from natural fibres like cotton, jute, silk and wool to synthetic and manmade fibres such as polyester, viscose, nylon and acrylic. The challenge here is the fluctuation in prices of the raw materials like wool and increase in oil prices which increase the input costs

**INDIAN DYING & PRINTING INDUSTRY**

Textile processing is one of the important industries related with textile manufacturing operations. Textile processing is a general term that covers right from singeing (protruding fibre removal) to finishing and printing of fabric. The various steps a fabric goes into are singeing, desizing, bleaching, dyeing, and finishing. Bleaching is a process to make the fabric or yarn look brighter and whiter. Dyeing is a process of applying colouring matter directly on fibres without any additives. Finishing is the final process to impart the required end use finishes to the fabric and lastly the printing process on fabric which is a science as well as an art. Textile auxiliaries such as chemicals are used for all stages of the textile manufacturing process that is from pre-treatment to dyeing and printing and finishing.

The textile industry is classified into (i) textile mills comprising composite and spinning mills in the organized segment, (ii) small power loom and handloom units in the decentralized segment, (iii) khadi-based units, (iv) manmade and synthetic fibre and spinning units, (v) knitting units, and (vi) made-ups (garments). Besides, the industry has a large number of small units scattered all over the country which are engaged in processing, dyeing and printing of yarn, fabrics and for conversion. The processing units include sizing, desizing, kiering, bleaching, mercerizing, dyeing, printing and finishing.

**BUSINESS OVERVIEW:**

The company is mainly engaged in job processing work on grey fabrics through its dyeing and printing units. It has two Dyeing & Printing processing units namely Sumeet Silk Mills Unit 1 and Sumeet Silk Mills Unit 2, with a total output capacity to process 55000 thousand meters fabrics per day which comes to 200 million meters fabric per annum. The company has shown robust performance in the year

under review due to business re-engineering work undertaken in the previous year, diversification in product portfolio in value added products. Financial and operational performance in FY 2017-18 was outstanding, reflecting substantial increase in net profit.

It has restrained its position in the industry due to proactive planning, efficient use of resources, capitalizing on emerging opportunity and striving on cutting edge technology. The Company is recognised as a Dyeing and Printing mills providing job work on different types of Polyester Fabrics.

## **RESULTS REVIEW**

**Turnover:** Betex India Limited has achieved a turnover of Rs. 5125.01 Lacs in the year 2017-18 as against Rs. 5790.66 Lacs during the previous year. Decrease in sales was noted due to decrease in volume of processing of fabrics.

**Other Income:** Other income consisting receipt of Interest on Fixed Deposits and Profit on sales of Shares & Mutual Funds. Other income for the year 2017-18 is amounting to Rs.24.72 Lacs against Rs. 8.23 Lacs in the previous year.

**Consumption of Raw material:** Consumption of raw material decreased from Rs. 3039.25 Lacs to Rs. 2268.37 Lacs due to decrease in cost of Raw Materials & Production.

**Employee Cost:** Employees costs were increased from Rs. 1197.29 Lacs to Rs. 1489.40 Lacs. This increase is mainly due to higher increments given to employees and further recruitment of employees.

**Interest Cost:** Interest costs were decreased from Rs. 110.12 Lacs to Rs. 96.34 Lacs due to decrease in Loan Capital.

The Company delivered good performance despite of headwinds and made consistent progress in strengthening the established business segments through high value products and also reported positive contributions in the F.Y. 2017-18

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:-**

The company's well defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies & applicable laws and regulations and optimal use of company's resources, safeguard of all assets , proper authorization and recording of transactions and compliances with applicable laws.

## **ENERGY CONSERVATION**

The Conservation of energy in all the possible areas is undertaken as an important means of achieving cost reduction. Saving in electricity, fuel and power consumption receive due attention of the management on a continuous basis. Various measures have been taken

to reduce fuel consumption, reducing leakages, improving power factor optimizing process controls etc. resulting in energy savings.

## **THREAT, RISKS AND CONCERNS**

The objective of risk management frame work is to identify events that may affect the company, and manage risk in order to provide reasonable assurance regarding achieving the company's objective. The company is operating in an environment that is becoming more and more competitive. The company seeks to ensure that the risks if undertakes are commensurate with returns. Successful risk management implies not avoidance of risk, but anticipation of the same, and formulation and implementation of relevant mitigation strategies.

### **a) RISK AGAINST FIRE, FLOOD AND ACCIDENTS**

Risk against fire, flood, accident, health related problems and accidents of workforce are common risks attached to the working of any plant/company. Management has taken reasonable steps to counter the risk.

The company has taken Comprehensive All Risk Insurance Policy, which covers company's assets against all risks. Accidents due to human failure are being tackled through the continuous training to our technical and other staffs and through regular monitoring and supervision. All the employees of the company are also insured under Group Insurance Policy of Life Insurance Corp. of India.

### **b) ECONOMIC RISK**

Domestic sales contribute to a major part of the revenue of the company so, the factors that may adversely affect the Indian economy and in turn company's business includes rising in interest rate, depreciation of rupees, inflation, change in tax structure, fiscal and monetary policies, scarcity of credits, global trade slowdown etc.

### **c) COMPETITION RISK**

We face competition from existing players and potential entrants in the Indian textile industry. The Indian textile industry is highly competitive both in the Dying & Printing Process. Domestic production is dominated by few organized players who have integrated facilities and large economies of scale and the unorganized sector is virtually absent.

### **d) MARKET RISK**

The company has a well-defined TQM system of control points, comprehensive budgetary controls and review system to monitor its operations to remain cost competitive than its peer group. The company also widened the value added product portfolio to address a broader client base.

### **e) STRATEGIC RISK**

Strategic plans for the company's business take in to account likely risks in the industrial environment from competition, changing customer needs, obsolescence and technological changes. Obsolescence of technology may affect the production process. The annual plans that are drawn up consider the risks that are likely to impact the Company's objectives in that year and the counter-measures put in place.

Market risks relate to the possibility that the fair value or future cash flows of a financial instrument could fluctuate due to variations in market prices. Market risks include currency risk and interest-rate risk.

### **OPPORTUNITIES & THREATS**

Your Company see's enormous opportunity in Product and Design innovations to address the changing tastes of young vibrant India

The sector continues to be influenced by fluctuations in commodity prices and constant inflow of cheaper alternatives from unorganised sector

India has an enormous market potential, with per capita consumption of all fibres at approximately 50% of global per capita consumption.

### **WASTE MANAGEMENT**

We have adopted various methods and practices for solid and hazardous waste management. Solid waste like Drums, Ashes, and Waste Cloth are sold to authorized parties for re-use. Hazardous wastes are handled through registered recyclers, who are authorized by the concerned Pollution Control Boards.

### **SAFETY, HEALTH AND ENVIRONMENT CONTROLS (EHS)**

In keeping with the environment-conscious tenor of the times, your company has taken effective steps in creating an aesthetic, environment-friendly industrial habitat in its factory units, mobilizing support and generating interest among staffs and labors for maintaining hygienic and green surroundings. Being providing continual efforts and stress on fire and safety, no major incident was noted in the year 2017-18.

The Company is aware of its responsibilities as a good corporate citizen, in health, safety and environmental management. To achieve the environment, health & safety visions, various objectives have been set forth. These are as follows:-

- Compliance with environment, health & safety laws and regular assessment of the compliance of operations against the requirement.
- Ensuring safety related practices to enable employees and others to eliminate work related injury and illness.
- First Aid training camps organized.
- State-of-the-art fire and safety installations to meet emergencies within the company, as well as nearby areas.
- Training and counseling of employees, contractors, sub-contractors and transporters to ensure effects of environment, health and safety.
- Imparting firefighting training to personnel and mock drills to ensure safety preparedness.
- Toilets and drinking water facility provided and they are being regularly inspected for cleanness.
- Proactive measures to increase usage of recycled water.
- To abide by all statutory compliance as per Factories Act, 1948.

**HUMAN RESOURCES**

The company firmly believes that success of any organization largely depends upon availability of human assets within the organization as it is one of the most valuable assets because revenue and profit growth cannot take place without the right equality of people. To that effect, company has taken a series of measures that ensures that the most appropriate people are recruited in to the organization.

**a) RECRUITMENT POLICY**

The Company has been able to attract a team of dedicated professionals with appropriate expertise and experience, leaders who are passionate, eager to learn and succeed.

Recruitment based on merit by following well defined and systematic selection procedures eliminating discrimination, sustain motivated and quality work force through appropriate and fair performance evaluation to retain the best talent. Various training programs, with internal and external experts are organized regularly for skill up gradation. The sincere efforts of the employees have resulted in major administrative expense savings.

**b) PERFORMANCE APPRAISAL SYSTEM**

A competency based performance appraisal system has been devised and implemented the same across the organization. The best performers get recognized and rewarded by the management with the objective of motivating them for further improved performance. Employees are promoted to higher positions on the basis of their performance, attitude and potential to motivate them for further improvement in their work.

**c) PERSONNEL TRAINING**

The company from time to time fosters a culture of training, people development and meritocracy to ensure that the maximum efficiencies are derived from its human capital. The newly recruited employees undergo a comprehensive induction program. The employees underwent both functional/technical and behavioural training that would eventually result in improved productivity. Safety training is given on regular basis to all employees including temporary employees.

**d) LABOUR RELATIONS**

On the labour front, during the year, there were no incidents of labour unrest or stoppage of work on account of labour issues and relationship with them continues to be cordial. To increase team spirit inter department tournaments are organized and various festivals are celebrated in the company.

**STATUTORY COMPLIANCE**

The Whole-time Directors and CFO makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes, after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance accordance to SEBI regulations and provisions of the Listing Agreement.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those Expressed in the statement. Important factors that would influence the Company's operations include geo political uncertainties affecting demand and supply, cost of raw materials, tax laws, Government regulations, litigations, industrial relations, interest and power cost and economic developments and such other factors within the country.

**Identified as having been approved by the Board  
Of Directors of Betex India Limited**

**Mahesh Somani  
(Chairman)**

**Place: Surat**

**Date: 13.08.2018**

## INDEPENDENT AUDITOR'S REPORT

To the Members of BETEX INDIA LIMITED, Surat

### Report on the Financial Statements

We have audited the accompanying financial statements of **BETEX INDIA LIMITED, SURAT**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 cash flows and the statement of changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act, read with the of Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of 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.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statement, that give a true and fair view, in order to design audit procedures that are appropriate in circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, its profit/loss and its cash flows for the year ended on that date.

#### We Report that:

1. As required by the Companies (Auditor's Report) Order, 2016, as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2015 as amended;
  - e) on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act
  - f) in our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has not been noticed or reported
  - g) in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company does not have any pending litigations which would impact its financial position.


B.CHORDIA & CO.  
Chartered Accountants

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Ring Road,  
Surat-395 002  
Phone- +91 261 6662008

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- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. Therefore the question of delay in transferring such sums does not arise.

**FOR B. CHORDIA & CO.**  
**CHARTERED ACCOUNTANTS,**  
**F.R.N. 121083W**

  
**CA. B. C. CHORDIA**  
**Partner**  
**M.N. 048557**



**Place : Surat**  
**Date : May 30, 2018**

**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT**

**BETEX INDIA LIMITED**

The Annexure referred to in our report to the members of **BETEX INDIA LIMITED** for the year Ended on March 31, 2018, **We report that:**

- i.
  - a) As per the information provided to us and based on our verification, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
  - b) As explained to us, the fixed assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - c) As explained to us, the title deeds of immovable properties are held in the name of the Company.
- ii.
  - a) As informed to us, physical verification of inventory has been conducted at reasonable intervals by the management.
  - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification were not material and these have been properly dealt with in books of accounts.
- iii.
  - a) The company has granted unsecured loan/advances of Rs. 618.88 Lakh (Balance as on 31.03.2018) to companies, firms or other parties covered in the register maintained under section 189 of the Act.
  - b) As per information given to us, receipt of the principal amount and interest are as per decided by management.
  - c) The company has taken reasonable steps to recover the loan whose overdue amount is exceeding Rs. 1 Lakh.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.


- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rule made by the Central Government of maintenance of cost records under sub-section (1) of Section 148 of the Act. We are of the opinion that the prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records.
- vii.
- a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Goods & Services Tax, Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;
- b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty, Goods & Services Tax which have not been deposited on account of any disputes. Income tax assessment for A.Y. 2009-10, A.Y. 2010-11, A.Y. 2011-12, A.Y. 2012-13, A.Y. 2013-14, A.Y. 2014-15, A.Y. 2015-16 is pending with CIT (Appeals). Total amount involved in all these cases are amounting to Rs.18.66 Crores which is subject to final order and rectification.
- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in any repayment of dues to financial institution or banks or debentures holders.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act subject to the below mentioned:

"The Board of directors at their meeting held on 15.11.2017, subject to approval of members of the Company, has accorded its approval for revision in the remuneration of directors Mr. Rajkumar Somani, Mr. Ritesh Somani, and Mr. Manish Somani. The same was approved by the Nomination and Remuneration Committee at its meeting and was recommended to the Board for its approval.

The above said revision in remuneration requires approval of members of the Company in a general meeting by way of ordinary resolution which is still pending."

- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**FOR B. CHORDIA & CO.**  
**CHARTERED ACCOUNTANTS,**  
**F.R.N. 121083W**

  
**CA. B. C. CHORDIA**  
**Partner**  
**M.N. 048557**



**Place : Surat**  
**Date : May 30, 2018**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Note	Particulars
	<p><b>Corporate Information</b> Betex India Limited is a Public Limited Listed Company domiciled in India and Incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of Processing of Art Silk Cloth on job work basis. The Company has three processing units named BETEX, SUMEET SILK MILLS - 1 and SUMEET SILK MILLS - 2. The Company is also engaged in Power generation through its Wind Mill Unit.</p>
<b>1</b>	<b>Significant accounting policies</b>
<b>1.1</b>	<p><b>GENERAL :</b> I) The Financial statements have generally, been prepared in accordance with applicable Accounting Standards on the historical cost Convention on accrual basis. II) Accounting Policies, not specifically referred to otherwise, are in consonance with generally accepted accounting policies.</p>
<b>1.2</b>	<p><b>BASIS OF PREPARATION OF FINANCIAL STATEMENTS (AS -1):</b> The Company generally follows mercantile system of accounting except otherwise herein stated.</p>
<b>1.3</b>	<p><b>FIXED ASSETS (AS-10) :</b> Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost comprises of Purchase price and all other cost attributable to bringing the assets to its working condition for its intended use. Requirement of Sch.II of Companies Act 2013 has been complied with. Treatment of transition to Ind As has been prescribed in point no. 1.12.</p>
<b>1.4</b>	<p><b>DEPRECIATION (AS-6) :</b> Depreciation has been provided in accordance with the provision of schedule II of the Companies Act 2013, on Straight Line method, except Wind Mill Unit, on which Depreciation has been provided as per Written Down Value Method. Remaining useful life of the assets is as confirmed by the management.</p>
<b>1.5</b>	<p><b>INVESTMENTS (AS-13) :</b> Investments are stated at Cost. Investment in Share &amp; Securities are considered as long term and valued at cost. No provision for shortfall in value at the end of the year is provided for.</p>
<b>1.6</b>	<p><b>INVENTORIES (AS-2) :</b> a). Raw Materials : At Cost. b). Stores &amp; Spares : At Cost c). WIP : At average cost (including all overheads) c). Power Unit : At Cost Cost of Inventories is ascertained under FIFO Basis.</p>
<b>1.7</b>	<p><b>REVENUE AND EXPENDITURE RECOGNITION (AS-9) :</b> Expenses and incomes, not specifically referred to otherwise consider payable and receivable respectively accounted for on accrual basis except claims, Claims in respect of materials purchased and sold and Rebate &amp; Discount etc. which are accounted on cash basis.</p>
<b>1.8</b>	<p><b>IMPAIRMENT OF ASSETS (AS-28) :</b> An assets is treated as impairment when the carrying cost of the assets exceeds its recoverable amount. An impairment loss is charged to the Profit &amp; Loss Account in the year in which an assets is identified as impaired.</p>
<b>1.9</b>	<p><b>RETIREMENT BENEFIT (AS-15) :</b> All the Retirement Benefits to the employees are being made on the payment basis.</p>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars
1.10	<p><b>INCOME TAX (AS-22) :</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Tax expenses for the year, comprising Current Tax and Deferred Tax is included in determining the Net Profit for the year. Deferred Tax Assets and Liabilities are recognised for the Future Tax consequences of temporary difference between the carrying value of assets and liabilities in their respective tax base, and operating loss carry forward. The Deferred Tax Assets are recognised subject to managements judgements that realisation is more likely than not. Deferred Tax Assets and Liabilities are measured using the enacted tax rates expected to apply to taxable income in the year in which the temporary difference are expected to be reviewed or settled.</p>
1.11	<p><b>BORROWING COSTS :</b></p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
1.12	<p><b>TRANSITION TO IND AS</b></p> <p>Ind AS 101 permits a first time adopter to apply requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition. Accordingly the Company has opted to use carrying value of financial assets and liabilities, property, plant and equipments same as measured as per the previous GAAP.</p>



**BALANCE SHEET AS AT 31ST MARCH, 2018**

	Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
I.	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	62,950,096	89,290,991
	(b) Capital Work in Progress		-	-
	(c) Investment Property		-	-
	(d) Goodwill		-	-
	(e) Other Intangible Assets		-	-
	(f) Intangible Assets under Development		-	-
	(g) Financial Assets			
	(i) Investments	3	82,598,039	83,198,039
	(ii) Trade Receivables		-	-
	(iii) Loans	4	40,397,226	50,263,094
	(iv) Other Financial Assets		-	-
	(h) Deferred Tax Assets		-	-
	(i) Other non current assets	5	-	75,000
(2)	<b>Current Assets</b>			
	(a) Inventories	6	17,559,786	20,338,407
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	7	127,805,340	159,185,654
	(iii) Cash and Cash Equivalents	8	8,476,013	13,429,421
	(iv) loans	9	15,944,432	15,944,432
	(v) Other Financial Assets	10	120,080,755	90,403,238
	(b) Others Current Assets	11	6,252	11,500
	<b>TOTAL ASSETS</b>		<b>475,817,940</b>	<b>522,139,776</b>
II	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	Share Capital	12	19,969,370	19,969,370
	Other Equity	13	197,816,438	188,745,737
	<b>Total Equity</b>		<b>217,785,808</b>	<b>208,715,107</b>
(2)	<b>Liabilities</b>			
	<b>Non Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	119,084,444	111,517,183
	(ii) Trade Payable		-	-
	(iii) Other Financial Liabilities		-	-
	(b) Provisions		-	-
	(c) Deferred Tax liabilities (Net)	15	-3,496,532	-1,648,949
	(d) Other non current liabilities		-	-
	<b>Total non-current liabilities</b>		<b>115,587,911</b>	<b>109,868,234</b>
	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	44,870,409	47,240,086
	(ii) Trade Payable	17	57,653,418	74,966,847
	(iii) Other Financial Liabilities		-	-
	(b) Other Current Liabilities	18	38,196,577	79,148,839
	(c) Provisions	19	1,723,816	2,200,663
	<b>Total Current liabilities</b>		<b>142,444,220</b>	<b>203,556,435</b>
	<b>Total Liabilities</b>		<b>258,032,132</b>	<b>313,424,669</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>475,817,940</b>	<b>522,139,776</b>

See accompanying notes forming part of the financial statements

As per our report of even date attached  
FOR B. CHORDIA & CO.  
Chartered Accountants  
F.R.N. 121083W

CA. B.C. CHORDIA  
Partner  
M. N. 048557

Place : Surat  
Date : May 30, 2018



For and on behalf of the Board of Directors  
BETEX INDIA LIMITED

Maheshkumar Somani  
[Director - DIN - 00106449]

Rajkumar Somani  
[Director - DIN - 00254038]

Manish Somani  
[CFO]

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Note No.	For the period ended 31st March 2018	For the Period ended 31st March, 2017
		Amount in INR	Amount in INR
1 Revenue from Operations	20	512,501,206	579,065,696
2 Other Income	21	2,472,367	823,340
3 Total Revenue (1+2)		514,973,573	579,889,036
4 Expenses			
(a) Cost of materials consumed	22 -(A)	226,837,409	303,925,008
(b) Purchase of Trade Goods		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22 -(B)	2,863,384	5,830,075
(d) Other Manufacturing Expenses	22 -(C)	93,307,429	95,048,385
(e) Employee benefits expense	23	148,939,723	119,729,106
(f) Finance costs	24	9,633,871	11,011,513
(g) Depreciation and amortisation expense			
Depreciation	2	11,899,244	14,412,622
(h) Other expenses	25	12,550,191	18,456,704
Total Expenses		506,031,252	568,413,413
5 Profit / (Loss) before exceptional and extraordinary		8,942,321	11,475,623
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		8,942,321	11,475,623
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		8,942,321	11,475,623
10 Tax expense:			
(a) Net current tax expense		1,719,203	2,186,680
(b) Deferred tax		-1,131,142	-893,278
(c) Short / (Excess) Provision of Tax for earlier years		-	-
(c) Mat Credit		-716,441	(957,729)
		-128,380	335,674
11 Profit / (Loss) for the year (09 ± 10)		9,070,701	11,139,950
12 Other Comprehensive Income			
(a) Item that will not be re-classified to Profit & Loss		-	-
(b) Income Tax related to above		-	-
(c) Item that will be re-classified to Profit & Loss		-	-
(d) Total Other Comprehensive income for the year (net)		-	-
(e) Total Comprehensive income for the year		-	-
12 Earnings per share (of Rs. 10/- each):			
(a) Basic		6.05	7.43
(b) Diluted		6.05	7.43
See accompanying notes forming part of the financial statements			

As per our report of even date attached  
FOR B. CHORDIA & CO.  
Chartered Accountants  
F.R.N. 121083W

CA. B.C. CHORDIA  
Partner  
M. N. 048557

Place : Surat  
Date : May 30, 2018



For and on behalf of the Board of Directors  
BETEX INDIA LIMITED

M. H. Somani  
Maheshkumar Somani  
[Director - DIN - 00106449]

Rajkumar Somani  
[Director - DIN - 00254038]

Manish Somani  
[CFO]

# BETEX INDIA LTD.

436, G.I.D.C., PANDESARA, SURAT - 394221

## Note 2 Fixed assets

DESCRIPTION		S.L.M. RATE	G R O S S B L O C K		TOTAL 31/03/2018	D E P R E C I A T I O N			N E T B L O C K		
			OPENING 01/04/2017	ADDITION		DEDUCT.	UPTO 01/04/2017	FOR THE Period	ADJ. FOR THE YEAR	UPTO 31/03/2018	AS ON 31/03/2018
[A] TANGIBLE ASSETS											
UNIT - BETEX											
LAND & LAND DEVELOP.			4,138,700	-	-	4,138,700	-	-	-	4,138,700	4,138,700
PLANT & MACHINERY			29,777,589	-	29,777,589	-	13,420,637	-	13,420,637	-	16,356,952
BOILER			1,392,521	-	1,392,521	-	978,891	-	978,891	-	413,630
PHOTOGRAPHICS MC.			367,500	-	367,500	-	237,392	-	237,392	-	130,108
AIR CONDITIONER			522,750	-	-	522,750	347,463	46,028	-	393,491	175,287
COMPUTER & PRINTER			153,761	-	-	153,761	68,711	37,371	-	106,082	85,050
GENERATOR			1,900,022	-	1,900,022	-	1,575,459	-	1,575,459	-	324,563
OFFICE EQUIPMENT			171,555	-	-	171,555	73,678	26,648	-	100,326	97,877
ACTIVA SCOOTER			51,217	-	-	51,217	30,344	4,578	-	34,922	20,873
CAMERA			137,702	-	-	137,702	93,459	33,771	-	127,229	44,243
MOTOR CAR			9,301,175	-	-	9,301,175	2,012,816	1,104,103	-	3,116,919	7,288,359
ELECTRICAL EQUIPMENTS			512,781	-	512,781	-	36,333	-	36,333	-	476,448
FURNITURE & FIXTURES			322,450	-	-	322,450	80,243	30,633	-	110,876	242,207
FACTORY BUILDING			5,182,338	-	-	5,182,338	150,778	164,280	-	315,058	5,031,560
SUB T O T A L			53,932,061	-	33,950,413	19,981,648	19,106,204	1,447,411	16,248,712	4,304,902	34,825,857
PREVIOUS YEAR			40,994,132	12,937,929	-	53,932,061	14,266,039	4,840,165	-	19,106,204	34,825,857

UNIT - WIND MILL											
DESCRIPTION	W.D.V. RATE	G R O S S B L O C K			TOTAL 31/03/2018	D E P R E C I A T I O N				N E T B L O C K	
		OPENING 01/04/2017	ADDITION	DEDUCTION		UPTO 01/04/2017	FOR THE YEAR	ADJ. FOR THE YEAR	UPTO 31/03/2018	AS ON 31/03/2018	AS ON 01/04/2017
LAND & BUILDING	10.00%	4,837,500	-	-	4,837,500	3,098,085	149,195	-	3,247,280	1,590,220	1,739,415
PLANT & MACHINERY	15.33%	59,160,476	-	-	59,160,476	46,073,299	1,318,863	-	47,392,162	11,768,314	13,087,177
SUB T O T A L		63,997,976	-	-	63,997,976	49,171,385	1,468,058	-	50,639,443	13,358,533	14,826,591
PREVIOUS YEAR		63,997,976	-	-	63,997,976	47,541,525	1,629,859	-	49,171,385	14,826,591	16,456,451

Note: Depreciation has been provided as per Company Act under "Written Down Value"



# BETEX INDIA LTD.

436, G.I.D.C., PANDESARA, SURAT - 394221

## UNIT - SUMEET SILK MILLS - I & II

DESCRIPTION	S.L.M. RATE	G R O S S OPENING 01/04/2017	S B L O C K ADDITION	DEDUCTION	TOTAL 43190	DE P R E C I A T I O N U P T O 01/04/2017	FOR THE YEAR	A J S T F O R THE YEAR	U P T O 31/03/2018	N E T B L O C K AS ON 31/03/2018	AS ON 01/04/2017
LAND & LAND DEVELOP.		3,079,025	-	-	3,079,025	-	-	-	-	3,079,025	3,079,025
PLANT & MACHINERY	10.34%	28,439,875	-	-	28,439,875	27,017,881	-	-	27,017,881	1,421,994	1,421,994
PHOTOGRAPHIC MC.	10.34%	43,804,954	830,280	-	44,635,234	25,629,620	4,013,065	-	29,642,685	14,992,549	18,175,334
GENERATOR	10.34%	539,700	-	-	539,700	345,823	55,200	-	401,023	138,677	193,877
FURNITURE & FIXTURE	6.33%	5,470,127	-	-	5,470,127	3,813,990	553,052	-	4,367,043	1,103,084	1,656,137
OFFICE EQUIP. (OLD)	11.31%	991,951	-	-	991,951	942,353	-	-	942,353	49,598	49,598
OFFICE EQUIP. (NEW)	11.31%	1,384,762	-	-	1,384,762	1,315,524	-	-	1,315,524	69,238	69,238
FACTORY BUILDING	3.34%	10,565,581	408,111	-	11,111,887	85,461	102,353	-	187,814	411,887	106,129
VEHICLE (CAR)	9.50%	22,767,223	-	-	22,767,223	4,287,784	374,322	-	4,662,106	7,615,362	6,277,797
VEHICLE (OTHER)	9.50%	1,020,750	-	-	1,020,750	16,055,517	3,207,794	-	19,263,311	3,503,912	6,711,706
COMPUTER	16.21%	1,166,534	-	-	1,166,534	617,663	138,986	-	756,649	264,101	403,087
AIR CONDITIONER	6.33%	1,262,713	309,771	-	1,572,484	964,107	92,113	-	1,056,220	110,314	202,427
BORWELL	1.63%	55,903	-	-	55,903	818,339	167,066	-	985,405	587,080	444,374
ELECTRIC FITTINGS	7.07%	856,847	-	-	856,847	53,108	-	-	53,108	2,795	2,795
ELECTRIC INSTALLA	10.34%	1,398,525	-	-	1,398,525	530,017	94,663	-	624,679	232,168	326,830
MOBILE	7.07%	114,250	-	-	114,250	942,150	128,816	-	1,070,966	327,559	456,375
CAMERA	7.07%	110,639	-	-	110,639	108,538	31,218	-	139,755	(25,505)	5,712
SUB T O T A L		123,220,949	3,260,049	-	126,480,998	54,531	25,127	-	79,658	30,981	56,108
PREVIOUS YEAR		118,097,552	11,373,631	6,250,234	123,220,949	83,582,406	8,983,775	-	92,566,181	33,914,818	39,638,543
TOTAL [A]		241,150,986	3,260,049	33,950,413	210,460,622	79,738,864	7,942,598	4,099,055	83,582,406	39,638,543	38,358,688
PREVIOUS YEAR [A]		223,089,660	24,311,560	6,250,234	241,150,986	151,859,995	11,899,244	16,248,712	147,510,526	62,950,096	89,290,992
						141,546,428	14,412,622	4,099,055	151,859,995	89,290,991	81,543,232

## [B] CAPITAL WORK IN PROGRESS

BETEX											
FACTORY BUILDING											
TOTAL [B]											
PREVIOUS YEAR [B]											
GRAND TOTAL [A + B]											
PREVIOUS YEAR [A + B]											



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note-3: Non-Current Investments**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Investments (At cost):		
(a) Investment in Jewellery		
Gold Watch	620,000	620,000
(b) Investment in equity instruments / Mutual Funds (Quoted)		
Sumeet Ind. Ltd. (584000 Sh.) (P.Y. 584000 Sh.)	7,282,004	7,282,004
MRPL (500 Sh.) (P.Y. 500 Sh.)	16,875	16,875
Rajasthan Petro Ltd. (550 Sh.) (P.Y. 550 Sh.)	5,500	5,500
D.C.L. Poly Ltd. (25 Share) (P.Y. 25 Sh.)	2,500	2,500
	2,000	2,000
Poddar Pigment Ltd. (200 Sh.) (P.Y. 200 Sh.)		
(Market Value as on 31.03.2018 Rs. 91.08 Lacs)		
	7,928,879	7,928,879
(c) Investment in equity instruments (unquoted)		
Survika Vinimay Pvt. Ltd. (42500 Sh.) (P.Y. 42500 Sh.)	425,000	425,000
Sumeet Menthol Pvt. Ltd. (34000 Sh.) (P.Y. 34000 Sh.)	340,000	340,000
Ambaji Syntex Pvt. LTd. (35000 Sh.) (P.Y. 35000 Sh.)	350,000	350,000
Chintan Proc. Pvt. LTd. (74580 Sh.) (P.Y. 74580 Sh.)	149,160	149,160
Akashganga Proc. Pvt. Ltd. (57500 Sh.) (P.Y. 57500 Sh.)	575,000	575,000
Sanjay Polytex Pvt. Ltd. (90000 Sh.) (P.Y. 90000 Sh.)	400,000	400,000
Rangila Fabrics Pvt. Ltd. (12200 Sh.) (P.Y. 12200 Sh.)	61,000	61,000
Sumeet Poly Power Limited (1371000 Sh) (P.Y. 1371000 Sh)	71,938,000	71,938,000
Ekta Polyfab Private Ltd. (43100 Sh) (P.Y. 103100 Sh)	431,000	1,031,000
	74,669,160	75,269,160
<b>Total</b>	<b>82,598,039</b>	<b>83,198,039</b>

**Note-4: Long-Term Loans and Advances**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	33,967,860	44,064,000
Doubtful	-	-
	33,967,860	44,064,000
Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	6,429,366	6,199,094
Doubtful	-	-
	6,429,366	6,199,094
<b>Total</b>	<b>40,397,226</b>	<b>50,263,094</b>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note-5: Other Non Current Assets**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Deferred Revenue Expenditure		
DGVCL - Cable Network Development Fund	-	63,000
Building Fund	-	12,000
<b>Total</b>	<b>-</b>	<b>75,000</b>

**Note-6: Inventories**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(a) Raw materials		
- Colours & Chemicals	9,045,880	8,922,119
- Coal & Fuel	3,805,160	3,703,819
- Design Material	638,401	721,576
(b) Stores & Spares	1,306,750	1,363,914
(c) Work in Progress	2,020,385	5,208,182
(d) Power Unit with GEB	743,209	418,796
<b>Total</b>	<b>17,559,786</b>	<b>20,338,407</b>

Raw Materials and Stores & Spares are valued at Cost.

**Note-7: Trade Receivables**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Trade receivables outstanding for a period exceeding six months		
Secured, considered good	-	-
Unsecured, considered good	15,285	-
Doubtful	-	-
	15,285	-
Less: Provision for doubtful trade receivables	-	-
	15,285	-
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	127,790,055	159,185,654
Doubtful	-	-
	127,790,055	159,185,654
Less: Provision for doubtful trade receivables	-	-
	127,790,055	159,185,654
<b>Total</b>	<b>127,805,340</b>	<b>159,185,654</b>

**Note-8: Cash and Cash Equivalents**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(a) Cash on hand	954,903	3,779,475
(b) Balances with banks		
(i) In Current Account		
Bank of Baroda C/A	3,714,307	-
Bank of Baroda O/D	-	-
State bank of India	21,168	21,168
Axis Bank	873,514	1,375,392
(ii) In Fixed Deposit	2,912,121	8,253,387
<b>Total</b>	<b>8,476,013</b>	<b>13,429,421</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note-9: Short-Term Loans and Advances**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	15,944,432	15,944,432
Doubtful	-	-
<b>Total</b>	<b>15,944,432</b>	<b>15,944,432</b>

**Note-10: Short-Term Loans and Advances**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(a) Prepaid expenses - Unsecured, considered good	332,763	352,118
(b) Balances with government authorities		
Unsecured, considered good		
T.D.S. Receivable	26,783,023	22,068,077
Income Tax Appeal - Deposit	19,525,420	2,195,420
GST Recceivable [Net]	164,382	
	46,472,825	24,263,497
(c) Others		
Unsecured, considered good		
Advance To Suppliers	55,573,467	65,787,623
Other Receivables	17,701,701	
	73,275,168	65,787,623
<b>Total</b>	<b>120,080,755</b>	<b>90,403,238</b>

**Note-11: Other Current Assets**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Insurance Claim Receivable	6,252	11,500
<b>Total</b>	<b>6,252</b>	<b>11,500</b>

**Note-12: Share Capital**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(a) Authorised		
15,00,000/- Equity shares of Rs.10/- each with voting rights (Previous Year 15,00,000 Equity Shares of Rs. 10 Each)	15,000,000	15,000,000
5,00,000/- 6% Non-convertible Redeemable Pref. shares of Rs. 10/- each (Previous Year 500,000/- Non-Convertible Red. Pref. Shares of Rs.0 Each)	5,000,000	5,000,000
	20,000,000	20,000,000
(b) Issued, Subscribed and Fully Paid up		
15,00,000/-Equity shares of Rs.10/- each with voting rights (Previous Year 15,00,000 Equity Shares of Rs.10 Each)	15,000,000	15,000,000
4,96,937/- 6% Non-convertible Redeemable Pref. shares of Rs.10/- each (Previous Year 496,937/- Non-Convertible Red. Pref. Shares of Rs.10 Each)	4,969,370	4,969,370
<b>Total</b>	<b>19,969,370</b>	<b>19,969,370</b>
i. The Company has Two class of shares referred to as equity shares having face value of Rs.10/- each and Non-Convertible ii. The holder of equity shares are entitled to dividends, if any proposed by the Board of Directors and approved by share iii. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining iv. Non-convertible Redeemable Pref. shares does not carry any voting rights		
(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:		



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31th March, 2018		As at 31st March, 2017	
	Number of shares	Amount in INR	Number of shares	Amount in INR
Equity Shares:				
Number of Shares at the Beginning	1,500,000	15,000,000	1,500,000	15,000,000
Add. : Issue	-	-	-	-
Less : Bought Back	-	-	-	-
Add. : Others	-	-	-	-
Number of Shares at the end	1,500,000	15,000,000	1,500,000	15,000,000
Non-Convertible Redeemable Pref. Shares:				
Number of Shares at the Beginning	496,937	4,969,370	496,937	4,969,370
Add. : Issue	-	-	-	-
Less : Bought Back	-	-	-	-
Add. : Others	-	-	-	-
Number of Shares at the end	496,937	4,969,370	496,937	4,969,370
(b) Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As at 31th March, 2018		As at 31st March, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sumeet Menthol Pvt. Ltd.	319,300	21.29	319,300	21.29
Raghuvir Texturizer Pvt. Ltd.	176,099	11.74	176,099	11.74



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note-13: Reserves and Surplus**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(a) Securities premium account		
Opening balance	74,540,630	74,540,630
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	74,540,630	74,540,630
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	110,860,741	99,720,791
Add: Profit / (Loss) for the year	9,070,701	11,139,950
Closing balance	119,931,442	110,860,741
(c) General Reserve	3,344,366	3,344,366
<b>Total a+b+c</b>	<b>197,816,438</b>	<b>188,745,737</b>

**Note-14: Long-Term Borrowings**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Secured Loan		
Other than Repayable with in One Year		
-- Car Loan - ICICI Bank	396,343	1,500,946
-- Car Loan - HDFC Bank	-	405,846
-- Car Loan-BMW Financial Services P. L.	419,581	1,454,086
-- Term Loan - Bank of Baroda	-	2,384,496
Unsecured Loan		
From Directors, Share holders & Relatives	57,610,000	-
From Other Corporates	60,658,519	105,771,809
<b>Total</b>	<b>119,084,444</b>	<b>111,517,183</b>

**Note:** Loans and advances include those advances which are in the nature of loans

**Classification of secured borrowings and Nature of security:**

**A . Term Loan From Bank of Baroda**

1. **Primary Security:** Hypothecation of Fixed Assets added.

2. **Collateral Security:** Factory Land & Building

3. **Personal Guarantee:** By Directors of the Company

**B . Car Loan:** Secured against hypothecation of Motor Car.

**Note-15: Deferred Tax Liabilities (net)**

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
<b>Deferred Tax Assets</b>		
(i) Tax Credit of MAT u/s. 115J AA	4,869,664	4,153,223
	4,869,664	4,153,223
<b>Deferred Tax Liabilities</b>		
Tax effect on Differences between W.D.V. as per Company Act and	1,373,132	2,504,274
	1,373,132	2,504,274
<b>Deferred Tax (Net)</b>	<b>-3,496,532</b>	<b>-1,648,949</b>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note-16: Short-Term Borrowings**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Secured Loan		
Repayable with in One Year		
-- Car Loan - ICICI Bank	1,113,004	2,082,952
-- Car Loan - HDFC Bank	405,846	2,306,712
-- Car Loan-BMW Financial Services P. L.	1,016,490	928,300
-- Term Loan - Bank of Baroda	-	-
Loans Repayable on Demand		
From Banks		
Secured		
-- Bank of Baroda (Overdraft against F.D.)	-1,215,610	1,088,126
-- Bank of Baroda C/C	43,550,679	40,833,995
Total	44,870,409	47,240,086
Overdraft facility of Rs. 45.00 Lacs is from Bank of Baroda, Udhna Branch, Surat, repayable on demand against the following		
Particulars	Security Holders	
(A) Primery Securities		
Fixed Deposit Worth Rs. 50.00 Lacs	Betex India Limited	
Cash Credit Facility of Rs. 475.00 Lacs is taken from Bank of Baroda, Udhna Branch, Surat. This facility is against		

**Note-17: Trade Payables**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Trade Payables	49,998,553	66,541,989
Others	7,654,865	8,424,859
<b>Total</b>	<b>57,653,418</b>	<b>74,966,847</b>
The details of status of suppliers whether MSME or Otherwise are not available to the company, hence due/ payable to		

**Note-18: Other Current Liabilities**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
Other payables		
(i) Statutory remittances	293,428	781,858
(ii) T.D.S. Payable	746,399	891,981
(iii) Advances from customers	37,156,750	77,475,000
<b>Total</b>	<b>38,196,577</b>	<b>79,148,839</b>

**Note-19: Short-Term Provisions**

Particulars	As at 31th March, 2018	As at 31st March, 2017
	Amount in INR	Amount in INR
(i) Provision for Income Tax	1,719,203	2,186,680
(ii) Provision - others		
Telephone Exp. Payable	4,613	13,983
	4,613	13,983
<b>Total</b>	<b>1,723,816</b>	<b>2,200,663</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note-20: Revenue from Operations**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Job Charges	500,600,904	561,589,092
Wind Mill Power Sale (Inter Unit Sale)	11,900,302	17,476,604
Coal Trading	-	-
<b>Total</b>	<b>512,501,206</b>	<b>579,065,696</b>

**Note-21: Other Income**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Dividend Income	3,000	-
Interest Income	2,402,429	659,994
Other Income	66,938	-
Profit on Sale of Shares & M.F. (Capital Gain)	-	11,124
Profit on Sale of Fixed Assets	-	152,222
<b>Total</b>	<b>2,472,367</b>	<b>823,340</b>

**Note-22 (A): Cost of Materials Consumed**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
<b>(i) Colour and Chemicals</b>		
Opening stock	8,922,119	21,239,934
Add: Purchases	108,895,517	114,827,545
	117,817,636	136,067,480
Less: Closing stock	9,045,880	8,922,119
	108,771,756	127,145,360
<b>(ii) Stores, Spares &amp; Oil</b>		
Opening stock	1,363,914	875,114
Add: Purchases	25,015,723	34,431,878
	26,379,637	35,306,992
Less: Closing stock	1,306,750	1,363,914
	25,072,886	33,943,077
<b>(iii) Design Materials</b>		
Opening stock	721,576	714,364
Add: Purchases	14,362,281	14,499,641
	15,083,857	15,214,005
Less: Closing stock	638,401	721,576
	14,445,456	14,492,429
<b>(iv) Fuel &amp; Coal</b>		
Opening stock	3,703,819	21,468,715
Add: Purchases	78,648,652	110,579,245
	82,352,471	132,047,961
Less: Closing stock	3,805,160	3,703,819
	78,547,311	128,344,142
<b>(v) Coal (Trading)</b>		
Opening stock	-	-
Add: Purchases	-	-
	-	-
Less: Closing stock	-	-
	-	-
<b>Cost of material consumed</b>	<b>Total</b>	<b>303,925,008</b>
	<b>226,837,409</b>	

**Note-22 (B): Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Inventories at the end of the year:		
Power Units	743,209	418,796
Work in Progress - Others	2,020,385	5,208,182
	2,763,594	5,626,978
Inventories at the beginning of the year:		
Power Units	418,796	859,974
Work in Progress - Others	5,208,182	10,597,079
	5,626,978	11,457,053
<b>Net (Increase) / Decrease</b>	<b>2,863,384</b>	<b>5,830,075</b>

**Note-22 (C): Other Manufacturing Expenses**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Energy Charges	133,796	119,385
C.E.T.P. Expenses	3,308,754	4,728,600
Coal Testing Expenses	4,000	4,000
Gas Consumption	1,324,081	1,301,377
Jobwork Expenses	19,235,858	2,310,516
Operating & Maintenance Exp.	162,150	1,020,253
Photographic Printer Expenses	100,564	303,210
Power & Fuel Expenses	28,154,113	32,768,303
Repairs & Maintenance Expenses	5,831,756	4,628,864
Service Tax (Transportation)	398,573	700,591
Substation Charges	34,405	137,620
Transportation	10,285,953	12,731,005
Water Charges	12,433,124	16,818,057
Wind Mill Power Purchase (Inter Unit Purchase)	11,900,302	17,476,604
<b>Total</b>	<b>93,307,429</b>	<b>95,048,385</b>

**Note-23: Employee Benefits Expense**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Salaries and Wages	146,439,911	115,839,979
Contribution to Provident and Other Funds	1,602,827	3,634,487
Staff Welfare Expenses	896,985	254,640
<b>Total</b>	<b>148,939,723</b>	<b>119,729,106</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note-24: Finance Costs**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
(a) Interest expense on:		
(i) Borrowings from Banks	4,312,647	2,464,920
(ii) Other:		
- Interest on Unsecured Loan / Other Interest	4,935,626	7,888,467
- Interest on delayed/deferred payment of I.Tax / TDS	4,864	23,399
(b) Bank Charges & Commission	380,735	634,727
<b>Total</b>	<b>9,633,871</b>	<b>11,011,513</b>

**Note-25: Other Expenses**

Particulars	For the period ended 31st March 2018	For the Period ended 31st March, 2017
	Amount in INR	Amount in INR
Advertisement Exp.	263,803	46,099
Building fund - Written off	12,000	-
Computer Exp.	116,000	78,085
Consultancy & Professional Fees	711,972	724,409
Corporation Tax	973,468	1,605,651
DGVCL Expenses - Written off	63,000	75,000
Donations and contributions	591,400	958,851
Electrical Expenses	12,366	-
G.P.C.B. Charges	174,083	198,960
GIDC Expenses	1,395	12,747
Insurance Exp.	664,093	696,600
Insurance Claim Short Received	-	61,315
Lease Rent Others	48,225	338,419
Legal and Professional Exp.	129,180	14,375
Membership Fees	-	10,001
Office Expenses	2,385,336	2,040,850
Other Expenses	2,624	635,328
Packing Expenses	121,130	194,307
Payments to auditors		
For Audit Matters	80,000	80,000
Professional Tax	1,236,548	535,721
Repair & Maintenance	24,235	27,637
Sample Sarees Exp.	2,076,599	4,616,486
Short Term Capital Loss	-	65,982
Telephone & Mobile Exp.	149,996	193,542
Textile Cess / Committee Expenses	-	385,000
Travelling Exp.	1,894,870	1,918,808
VAT Expenses	157,530	2,262,284
Vehicle Parking & Running Exp.	660,338	680,247
<b>Total</b>	<b>12,550,191</b>	<b>18,456,704</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDEN 31ST MARCH, 2018**

PARTICULAR	F.Y. 2017-2018		F.Y. 2016-2017	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit before Tax		8,942,321		11,475,623
Add: Adjustment For :				
Interest & Financial Charges	9,633,871		11,011,513	
Depreciation	11,899,244		14,412,622	
Loss on Sale of Assets	-		-	
Loss on Sale of Investments	-		65,982	
		21,533,115		25,490,116
		30,475,436		36,965,740
Less: Interest Income	2,402,429		659,994	
Profit on Sale of Investments	-		11,124	
Profit on Sale of Fixed Assets	-		152,222	
Dividend Income	3,000	2,405,429	-	823,340
		28,070,008		36,142,399
Less: Adjustment For :				
Increase/(Decrease) In Inventories	(2,778,620)		(35,416,775)	
Increase/(Decrease) In Trade Receivable	(31,380,314)		28,465,582	
Increase/(Decrease) In Other Current Assets	(5,248)		-	
Increase/(Decrease) In Loan & Adv. (Excluding Loan Given)	19,736,650	(14,427,533)	32,148,669	25,197,476
		42,497,540		10,944,923
Add: Adjustment For :				
Increase/(Decrease) In Current Liabilities & Provisions		(60,461,741)		41,485,886
Net Cash Flow from Operating Activities - (A)		(17,964,201)		52,430,809
<b>B Cash Flow from Investing Activities</b>				
Add: Adjustment For :				
Interest Income	2,402,429		659,994	
Dividend Income	3,000		-	
Profit on Sale of Fixed Assets	-		152,222	
Profit on Sale of Investments	-	2,405,429	11,124	823,340
Less: Adjustment For :				
Purchases of Fixed Assets (Net)	(14,441,651)		16,998,533	
Purchases of Investments (Net)	(600,000)		(4,000,000)	
Loss on sale of Investment	-		65,982	
Increase/(Decrease) In Loan Given	-	(15,041,651)	(1,085,000)	11,979,515
Net Cash Flow From Investing Activities - (B)		17,447,080		(11,156,175)
<b>C Cash Flow From Financing Activities</b>				
Add: Increase/(Decrease) in Unsecured Loan		7,567,260		(39,173,206)
Increase/(Decrease) in Bank Loan		(2,369,677)		11,326,523
Less: Interest & Financial Charges		9,633,871		11,011,513
Net Cash Flow form Finaning Activities - (C)		(4,436,288)		(38,858,197)
<b>Net Increase/(Decrease) in Cash And Cash Equivalents (A+B+C)</b>		(4,953,409)		2,416,438
Cash and Cash Equivalents at the Begining of the Year		13,429,421		11,012,983
Cash and Cash Equivalents at the End of the Year		8,476,013		13,429,421

FOR B. CHORDIA & CO.  
Chartered Accountants  
F.R.N. 121083W

CA. B.C. CHORDIA  
Partner  
M. N. 048557

Place : Surat  
Date : May 30, 2018



For and on behalf of the Board of Directors  
BETEX INDIA LIMITED

Maheshkumar Somani  
[Director - DIN - 00106449]

Rajkumar Somani  
[Director - DIN - 00254038]

Manish Somani  
[CFO]

**26 NOTES ON ACCOUNTS :**

Notes Forming Part of the Accounts for the Year ended 31st March 2018.

**26.1 CONTINGENT LIABILITIES (AS-29):**

Contingent Liabilities (Not provided for) in respect of:-

PARTICULARS	As On 31/03/2018	As On 31/03/2017
Central Excise & Customs Liabilities	2,213,789	2,213,789
Income Tax Demand under Appeal		
-- A.Y. 2009-10	50,599,180	-
-- A.Y. 2010-11	62,269,590	-
-- A.Y. 2011-12	24,301,730	-
-- A.Y. 2012-13	13,790,080	-
-- A.Y. 2013-14	5,592,210	-
-- A.Y. 2014-15	14,928,980	-
-- A.Y. 2015-16	15,083,600	-
<b>TOTAL</b>	<b>188,779,159</b>	<b>2,213,789</b>

**26.2 DETAILS OF REMUNERATION TO DIRECTORS**

Particulars	As On 31/03/2018	As On 31/03/2017
Remuneration	2,400,000	600,000
<b>TOTAL</b>	<b>2,400,000</b>	<b>600,000</b>

The Board of directors at their meeting held on 15.11.2017, subject to approval of members of the Company, has accorded its approval for revision in the remuneration of the directors Mr. Rajkumar Somani, Mr. Ritesh Somani and Mr. Manish Somani.

**26.3 FOREIGN EXCHANGE EARNING & OUT GO :**

PARTICULARS	As On 31/03/2018	As On 31/03/2017
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange outgo	24,451,271	NIL
Purchase of Capital goods	NIL	NIL

**26.4 TRANSACTIONS WITH RELATED PARTIES (AS-18)**

SR. NO.	NAME OF THE PARTY	RELATION SHIP	NATURE OF TRANSACTION	BALANCE
<b>BETEX - UNIT</b>				
1	Sumeet Poly Power Ltd	Related Party	Loan Repaid	3,146,333
			Loan Given	3,000,000
			Interest Earned	2,222,535
2	Rajkumar Somani	Director	Loan Outstanding Dr.	17,576,202
			Loan Taken	1,500,000
3	Rakesh Somani	Related Party	Loan Outstanding Cr.	1,500,000
			Loan Taken	13,422,000
4	Ritesh Somani	Related Party	Loan Outstanding Cr.	13,422,000
			Loan Taken	2,863,000
5	Suman Devi Somani	Related Party	Loan Outstanding Cr.	2,863,000
			Loan Taken	1,500,000
6	Ambaji Syntex Private Limited	Related Party	Loan Outstanding Cr.	1,500,000
7	Bhoomeka Processors Private Limited	Related Party	Advance from Customer	17,156,750
8	Sumeet Slik Processors Pvt. Ltd.	Related Party	Advance to Supplier	18,967,860
			Advance to Supplier	16,118,168



**BETEX INDIA LTD.**  
436, G.I.D.C., PANDESARA, SURAT - 394221

SUMEET I + II				
1	Rajkumar Somani	Related Party	Director Remuneration	900,000
2	Ritesh Kumar Somani	Related Party	Director Remuneration	900,000
3	Suman Devi Somani	Related Party	Salary	550,000
4	Aruna Somani	Related Party	Salary	550,000
5	Amrita Somani	Related Party	Salary	500,000
6	Bhoomeka Processors Pvt. Ltd.	Related Party	Advance to Supplier	1,400,000
7	Ambaji Syntex Private Limited	Related Party	Advance to Supplier	40,465,950
9	Manish Somani	Related Party	Director Remuneration	600,000
10	Rashmi Somani	Related Party	Salary	1,375,000
11	Sharda Devi Somani	Related Party	Salary	2,200,000
Note : The above Transaction include Inter unit Transactions				

**26.5 SEGMENT REPORTING (AS-17)**

The requirement of Segment reporting is not applicable to the Company both in respect of Geographical Segment and Product wise Segment.

- 26.6 In the absence of necessary information with the company relating to the status of the supplier under Micro, Small, and Medium Enterprises Act, 2006, the information could not be compiled.
- 26.7 Estimated amount of contracts remained to be executed not provided for : NIL, Advance paid : NIL
- 26.8 In the opinion of the Board of directors of the Company, the current assets, Loans, advance and deposits are approximately of the value stated in the accounts if realized, in the ordinary course of Business, unless otherwise stated.
- 26.9 The provision of all known liabilities are adequate and not in excess of the amount reasonably necessary.
- 26.10 The Amount of Loans & Advances includes Rs. 618.88 Lacs (P.Y. Rs.602.12 Lacs) due from Firm/Companies/Individuals in which directors of the company are interested.
- 26.11 No Balance confirmation letters have been sent to Sunday debtors, creditors Loans & Advances unsecured Loan etc. Hence the said balance remains unconfirmed.
- 26.12 No employees was in receipt of remuneration aggregating to Rs. 24,00,000/- p.a. or Rs. 2,00,000/- or more per month for the part of the year. Previous year also there was no such employees.
- 26.13 We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidences were available, We have relied on the authentication given by the management.
- 26.14 The Quantity of closing stock of Raw Materials, Finished Goods etc. as shown in the Balance Sheet has been physically verified by the management and has been certified as true and correct. We have totally relied upon the quantitative statements of stock as provided by the management's. The value of closing stock is also taken as certified by the management.
- 26.15 Income tax assessment for A.Y. 2009-10, A.Y. 2010-11, A.Y. 2011-12, A.Y. 2012-13, A.Y. 2013-14, A.Y. 2014-15, A.Y. 2015-16 is pending with CIT (Appeals). Total amount involved in all these cases are amounting to Rs.18.66 Crores which is subject to final order and rectification.
- 26.16 The figures are rounded off to nearest rupee wherever necessary.

As per our report of even date attached  
FOR B. CHORDIA & CO.  
Chartered Accountants,  
F.R.N. 121083W

CA. B.C. CHORDIA  
Partner  
M. N. 048557

Place : Surat  
Date : May 30, 2018



For and on behalf of the Board of Directors  
BETEX INDIA LIMITED

M. H. Laxmi  
Maheshkumar Somani  
[Director - DIN - 00106449]

Rajkumar Somani  
[Director - DIN - 00254038]

Manish Somani  
[CFO]

## BETEX INDIA LIMITED

(CIN: L17119GJ1992PLC018073)

**Registered office:** 436, GIDC PANDESARA, SURAT GUJARAT 394221 INDIA

**Email:** corporate@betexindia.com

**Website:** www.betexindia.com

**Phone:** 0261 – 2328902 / 2334189 **Fax:** (91-261) 2334189

### ATTENDANCE SLIP ANNUAL GENERAL MEETING - 29/09/2018

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

Folio No.	
DP ID	
CLIENT ID	
No. of Shares	

I/We hereby record my presence at the 31<sup>ST</sup> ANNUAL GENERAL MEETING of the Company at 436, GIDC PANDESARA, SURAT GUJARAT 394221 INDIA on Saturday, 29th September, 2018 at 12:00 P.M.

Name of the Shareholder		Signature of the Shareholder	
-------------------------	--	------------------------------	--

Shareholders who come to attend the meeting are requested to bring their copies of Annual Report with them.

## BETEX INDIA LIMITED

(CIN: L17119GJ1992PLC018073)

**Registered office:** 436, GIDC PANDESARA, SURAT GUJARAT 394221 INDIA

**Email:** corporate@betexindia.com

**Website:** www.betexindia.com

**Phone:** 0261 – 2328902 / 2334189 **Fax:** (91-261) 2334189

### PROXY FORM ANNUAL GENERAL MEETING – 29/09/2018

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No./Client ID	
DP ID	
No. of Shares	

I/We, being the member(s) of \_\_\_\_\_ shares of Betex India Limited, hereby appoint.

1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

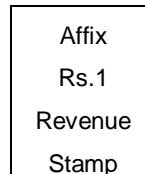
as my/our proxy to attend and vote for me/us at the 31<sup>ST</sup> Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 12:00 P.M. or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	Vote(*Optional)	
	For	Against
<b>Ordinary Business:</b>		
1. Consider and Adopt Audited Statement of Accounts for the financial year ended on 31st March, 2018 and Reports of Auditors and Board of Directors.		
2.Re-appointment of Ritesh Kumar Somani (DIN No.: 01402114), Director of the Company, who retires by rotation		
3. Appointment of Auditors for F.Y. 2018-19		
<b>Special Business:</b>		
1.Revision in the Remuneration of Mr. Rajkumar Somani, Executive Director of The Company		
2.Revision in the Remuneration of Mr. Ritesh Somani, Executive Director of The Company		
3.Revision in the Remuneration of Mr. Manish Somani, Executive Director & CFO of The Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of the Shareholder \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_



**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the Commencement of the meeting.
2. In the case of a body corporate, the proxy form should be signed by the authorised person duly enclosing thereto, a certified copy of the resolution of the Board under Section 113 of the Companies Act, 2013.
3. It is Optional to put a 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. A proxy need not be a member of the Company.

Route Map of Venue of Annual General Meeting

