

SHRI BHOLANATH CARPETS LIMITED

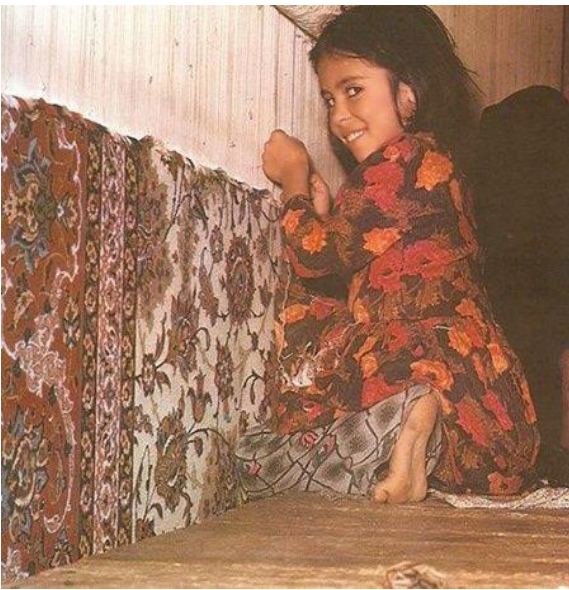
48th ANNUAL REPORT

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CORPORATE INFORMATION

SHRI BHOLANATH CARPETS LIMITED

CIN: L17226UP1973PLC003746

BOARD OF DIRECTORS:

Name of Director	Designation
Mr. Vivek Baranwal	Director & CFO
Mr. Harish Baranwal	Director
Mr. Sunil Pal	Director (Independent Director)
Mrs. Nisha Tripathi	Director (Independent Director)
Mrs. Veena Agnihotri	Director (Independent Director)
Mr. Shrinarayan Khemka	Director (Independent Director)

Mr. A.K. Pal – Company Secretary & Compliance officer

Bankers:

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

Statutory Auditors:

M/s. O.P. Tulyan & Co.
Chartered Accountant,
Varanasi- 221010

Secretarial Auditor

M/s Rakesh Mishra & Associates,
Practicing Company Secretary
Mumbai

Registered Office:

G.T. Road, Kachhawan,
Varanasi- 221313, U.P.

Website: www.bholanath.biz

Email ID: cs@bholanath.biz

Phone: 542-2620221

Internal Auditor:

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

Registrar & Transfer Agent:

Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area
Phase No. II, New Delhi- 110020,
E-mail:info@masserv.com
Website: www.masserv.com

Listing of Equity Shares:

BSE Limited, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

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NOTICE

Notice is hereby given that **48th Annual General Meeting** of the shareholders of the Company will be held on Thursday **30th September, 2021 at 10:00 a.m. at its registered address at G.T. Road, Kachhawan, Varanasi- 221313, U.P.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harish Baranwal (DIN: 01722061), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To Regularize the appointment of Mr. Sunil Purnvasi Pal (DIN: 07858880) as an Independent Non- Executive Director;

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with schedule IV and other applicable provisions of The Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 Mr. Sunil Purnvasi Pal (DIN: 07858880), who was appointed as an Additional Director pursuant to the Provisions of section 161(1) of The Companies Act, 2013 and the Articles of association of the Company and who holds office up to the date of this Annual general Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of The Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 13/02/2021 up to 12/02/2026, not liable to retire by rotation.."

4. Approval of Related Party Transaction

To consider, and if thought fit, to pass, the following resolution as a Special Resolution;

"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement), 2015 (including statutory modification(s) or re- enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board), to enter into contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto) in ordinary course of business and on arm's length basis with related parties within the meaning of the Act and Securities Exchange (Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated statement annexed to this notice on such terms and conditions as defined in the related party in below table, relating to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of

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property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate or promoter group Company, making of loans to, and/or giving of guarantees or providing security and/or making of investments and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc. on such terms and conditions as the Board in its absolute discretion may deem fit provided however that the aggregate amount/value of all such transactions/contracts/arrangements that may be entered into and remaining outstanding at any time shall not exceed Rs.50 Crores with each related parties respectively during any financial year."

Sr. No.	Name(s) of the Related Party	Nature of Transaction	Period of Transaction	Maximum amount of Transactions in per Year
01	Shri Bholanath Industries Limited (Associate Company)	To enter in to transaction relating to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, property of any kind, leasing of property of any kind, availing or rendering of any services, appointment of any agent for purchase or sale of goods, materials, services or property, such related party appointment to any office or place of profit in the company, its subsidiary company or associate company etc.	Ordinary Course of Business/ Ongoing (Repetitive in nature)	50 Crores
02	Organic Weave Limited (Group Company)			50 Crores
03	Kaandla Rugs Limited (Group Company)			50 Crores
04	Mr. Vivek Baranwal (Promoter & Director)			50 Crores
05	Mr. Harish Baranwal (Promoter & Director)			50 Crores

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

REGISTERED OFFICE

G.T. Road, Kachhawan,
Varansi- 221313, U.P
CIN: L17226UP1973PLC003746

Date: 25/08/2021

**BY ORDER OF THE BOARD
SHRI BHOLANATH CARPETS LIMITED**

sd/-
A .K. Pal
(Company Secretary)

IMPORTANT COMMUNICATION TO MEMBERS – GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a circular stating that service of all documents including Annual Reports can be sent by email to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the members on the email address provided by them to the R&T Agent/ the Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while members holding shares in Demat form can intimate/update their email address to their respective Depository Participants.

NOTES:

1. A member is entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself/herself and a proxy need not be a member of the company. A person can act as proxy on behalf of member's up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. Further, member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person may not act as a proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting.
2. Corporate Members are requested to send in advance duly certified copy of Board Resolution /power of attorney authorizing their representative to attend the annual general meeting.
3. Members/ proxies are requested to bring their copies of annual reports and the attendance slip duly completed and signed at the meeting, quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
4. The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent (Mas Services Limited) of the Company.
5. Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat/physical form at: **Mas Services Limited T-32, 2nd Floor, Okhla Industrial Area, Phase- II, New Delhi – 110 020.**
6. Pursuant to the provisions of Sections 101 and 136 of the Act read with 'The Companies (Accounts) Rules, 2014' electronic copy of the Annual Report for financial year 2020-2021 along with Notice of 48th Annual General Meeting of the company (including the Attendance Slip & Proxy Form) is being sent to all the members whose email id is registered with the Registrar/Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their e mail address, physical copies of the Annual Report for the financial year 2020-2021 along with the notice of the 48th Annual general Meeting

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of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Forms is being sent by other permissible modes.

7. Electronic copy of the Notice convening the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialized mode and whose email addresses are registered with their respective Depository Participants. For those members who have not registered their email address, physical copies of the said Notice inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.
8. Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report for 2020-2021 will also be available on the Company's website www.bholanath.biz which can be downloaded from the site. The physical copies of the aforesaid documents will also be available at the Company's registered office in Varanasi for inspection during normal business hours on all the working days except Saturdays and Sundays.
9. During the period beginning 24 hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.
10. The Company is under process to pay the annual listing fees for the financial year 2020-21 to BSE Limited.
11. Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
12. Pursuant to section 91 of the Companies Act, 2013 The Register of Members and the Transfer Book of the Company will remain closed from 24/09/2021 to 30/09/2021 (both days inclusive).
13. Brief details of the Directors, who are seeking appointment / re-appointment, are annexed hereto as per the requirements of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.



14. Procedure and Instruction for E-Voting

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 48th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

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The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.

The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

A detail on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL

eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. Now, you will have to click on "Login" button.

A Detail on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN 111802" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to carrsoni@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

- i. The e-voting period commences on Saturday, 25/09/2021 at 9:00 A.M. and ends on Monday, 27/09/2021 at 5:00 P.M. During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cutoff / relevant date i.e. Thursday, 23/09/2021 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.
- ii. Any person, who becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 23/09/2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cs@bholanath.biz. However, if such member is already registered with NSDL for remote e-voting then he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by NSDL by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
- iii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., 23/09/2021 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

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- iv. Mr. Rakesh Mishra (Membership No.39925) of M/s. Rakesh Mishra & Associates., Practicing Company Secretary, Mumbai has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the voting and e-voting process in a fair and transparent manner.
- v. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- vi. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.bholanath.biz and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorized. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.

REGISTERED OFFICE

**G.T. Road, Kachhawan,
Varanasi- 221313
CIN: L17226UP1973PLC003746
Date: 25/08/2021**

**BY ORDER OF THE BOARD
SHRI BHOLANATH CARPETS LIMITED**

sd/-
A. K. Pal
(Company Secretary)

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Special business mentioned under Item Nos. 3 to 4 of the accompanying Notice dated **August 25, 2021 and 30th June, 2021 respectively.**

Item No. 3

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at its meeting held on February 13, 2021, appointed Mr. Sunil Purnavasi Pal as an Additional Director (Independent) under Section 161(1) of the Act. Accordingly, Mr. Sunil Purnavasi Pal holds office as a director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint her as a Non-executive Independent Director of the Company for five consecutive years with effect from February 13, 2021 in terms of Section 149 of the Act.

The Company has received a notice under Section 160 of the Act from a member proposing Mr. Sunil Purnavasi Pal as a candidate for the office of a director of the Company. Mr. Sunil Purnavasi Pal as confirmed to the Board that he qualifies to be an independent director within the meaning of Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Mr. Sunil Purnavasi Pal fulfills the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director of the Company.

The Directors are of the view that Mr. Sunil Purnavasi Pal, possesses requisite skills and experience, which will be beneficial to the Company and this would benefit from his appointment as Director.

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Accordingly, the Board commends the passing of the Ordinary Resolution proposed at item no. 3 of the Notice.

Brief profile of Mr. Sunil Purnavasi Pal and the disclosures required under Regulation 36 of the Listing Regulation are given as additional information about the directors, which forms part of the Notice.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Mr. Sunil Purnavasi Pal, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice.

Item No. 4

Pursuant to provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, all the Related Party Transactions beyond the thresholds mentioned in Rule 15(3) (a) require a Company to obtain approval of the Board of Directors and subsequently the Shareholders in general meeting. Further, as per the provisions of Regulation 23 of the SEBI (LODR), Regulation 2015, as amended from time to time, all related party transactions require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of a public listed company through resolution and the related parties are required to abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.

“Material Related Party Transaction” under Regulation 23(1) of listing Regulation means a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Accordingly, a transaction(s) by the Company with a related party (except with its wholly owned subsidiaries) exceeding 10% of the Company’s annual consolidated turnover shall be considered as material transaction and hence, the approval of the Members is required for the same.

On recommendation of Audit Committee and Meeting of the Board of Directors held on 30th June, 2021 approved related party transactions and now seek approval of the shareholders by way of Special Resolution under Section 188 of the Companies Act, 2013 the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015 to enable the Company to enter transactions with a related Party in one or more tranches. The transactions under consideration, is proposed to be entered into by the Company with the above related Party set out in item 4 related is in the ordinary course of business and at arm length basis.

None of the other Directors except Mr. Vivek Baranwal and Mr. Harish Baranwal and their relatives are concerned or interested, financially or otherwise in the resolution set out in item no. 4 however none of the key managerial personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out in the item no. 4.

The Board recommends this Special Resolution for your approval.

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Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for re-appointment/Appointment at the 48th Annual General Meeting

Particulars	Mr. Harish Baranwal	Mr. Sunil Pal
DIN	01722061	07858880
Date of Birth	10/08/1972	22/08/1988
PAN	ACEPB0693A	AHUPP4474G
Nationality	Indian	Indian
Date of Appointment	30/08/2008	13/02/2021
No. of Equity Shares held	57500	Nil
Qualifications	Graduation	Graduation
Brief Profile	Mr. Harish Baranwal is Graduate in Commerce. He has good interpersonal, communication skills and ability to lead as Directors. He has vast experience in the field of administration work as well as in marketing.	Mr. Sunil Pal is Graduate in Commerce and Computer networking Engineer. He also did the MCSA in Computer field. He has more than 8 years of a good experience and knowledge in the field of IT. He has also vast experience in the field of administration work and also have a good communication skill and ability to lead as Director in the Company.
Directorship held in other entities	1. Shri Bholanath Industries Limited 2. Organic Weave Limited	Nil
Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)	NIL	Member in Audit Committee and Stakeholder relationship Committee in Shri Bholanath Carpets Limited
Relationships, if any between Directors, interest.	Brother of Vivek Baranwal Director of the Company	NA

BOARDS' REPORT

To THE MEMBERS OF THE COMPANY

Your Directors have pleasures in submitting their 48th Annual report of the company along with the Audited Financial Statements for the year ended 31st March, 2021.

FINANCIAL RESULTS:

Particulars	2020-21 (Rs. In Lacs)	2019-20 (Rs. In Lacs)
Revenue from Operations	1806.40	2015.85
Revenue from other income	23.45	22.95
Total Revenue from Operation	1829.85	2038.80
Profit before depreciation, Exceptional & tax	18.69	35.46
Depreciation	10.90	14.75
Exceptional Income	-	-
Profit after Depreciation & Exceptional Income but before Tax	7.80	20.71
Provision for Taxation (current)	3.83	8.18
Provision for Tax (deferred)	1.80	2.57
Interest on Self assessment tax	-	0.53
Earlier Tax Short/ (Excess) Provision	0.59	-
Profit / Loss after Tax	5.18	14.57
Other equity excluding revaluation reserve	803.37	798.19
EPS	0.11	0.30

PERFORMANCE REVIEW:

During the year under review your Company achieved total revenue of Rs. 1829.85 lacs as against Rs. 2038.80 in the previous year. The poor performances due to COVID -19 had certainly negative impact on the export business. As a manufacturer and exporter of carpets and yarn, viscose, it business is affected by International as well domestic market conditions, demand and supply policy of various overseas countries, transporters problems resulted into declined of its profit for the year of Rs. 5.18 lacs as compared to last year profit of Rs. 14.57 lacs. However in due courses Company looking or given much importance to the domestic markets.

DIVIDEND:

In order to conserve the reserve for a sustainable future, your Company do not recommended any dividend on Equity Shares for the year under review.

RESERVES

During the year of the Company stand at Rs. 803.37 Lakhs as compared to Rs. 798.19 in the previous year.

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CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year there have been changes at the Board level. Mr. Bholanath Baranwal, Chairman & Managing Director expired on 06.01.2021. Mr. Sunil Pal was appointed as the Additional Director of the company in Independent Category w.e.f. 13/02/2021 and holds office as Additional Directors until the 48th Annual General Meeting, and is eligible for appointment as a Directors.

The Company has received a notice in writing under Section 160 of Companies Act, 2013, proposing the appointment of Mr. Sunil Pal as Directors of the Company.

Your Board has recommended the appointment of Mr. Sunil Pal as Independent Director not liable to retire by rotation for a period of five consecutive years up to the fifth consecutive Annual General Meeting of the Company.

As required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 with the stock exchanges, the information on the particulars of directors proposed for appointment/re-appointment has been given in the notice of annual general meeting.

DEPOSITS:

During the year, Company has not invited/accepted any deposits from the public under the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Details of investments covered under Section 186 of the Companies Act, 2013 ("the Act") will be produced for verification to the members at the Registered office of the company on their request.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2021 the applicable accounting standards have been followed.
- b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the State of affairs of the corporation as at the end of March 31, 2021 and of the profit of the Company for the year ended on that date.
- c) Proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual Accounts of the Company have been prepared on the ongoing concern basis.
- e) That they have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.
- f) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company neither has any Holding and Subsidiary Company but have Associate Company.

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TRANSFER TO INVESTOR'S EDUCATION AND PROTECTION FUND:

During the year under review, the Company was not required to transfer any amount in the Investor's Education and Protection Fund.

DECLARATION OF INDEPENDENT DIRECTORS':

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 as well as under SEBI (LODR) Regulations, 2015 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

POLICIES ON DIRECTORS' APPOINTMENT & REMUNERATION

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. The policy is available on the website of the company viz www.bholanath.biz.

EVALUATION OF BOARD OF DIRECTORS':

Pursuant to the provisions of the Act and Schedule V of SEBI (Listing Obligation & Disclosure Requirement) regulations, 2015, the Nomination and Remuneration Committee of the Board carried out the annual evaluation of the performance of the Board as a whole, the Directors individually as well as of various Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and non independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

STATUTORY AUDITORS':

M/s. O.P.Tulsyan & Co., [Firm Registration No. 500028N] Chartered Accountants had been appointed by the members at 44th Annual General Meeting held on 29th Septemebr, 2017 to the conclusion of 49th Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting.

However Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 48th AGM.

As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. O.P. Tulsyan & Co. that their appointment, if made, would be in conformity with the limits specified in the said Section.

There are no qualifications, reservations or adverse remarks made Statutory Auditors in their report for the financial year ended March 31, 2021.

AUDITORS' REPORT:

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

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SECRETARIAL AUDIT:

Pursuant to the requirements of Section 204(1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Rakesh Mishra, Company Secretary in Practice to conduct the Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report as received from Mr. Rakesh Mishra is appended to this Report as **Annexure I.**

COMMENTS/EXPLANATIONS/REMARKS/OBSERVATIONS/QUALIFICATION MADE BY SECRETARIAL AUDITORS:

Mr. Rakesh Mishra, Company Secretary in Practice appointed for Secretarial Audit of your Company, in his Secretarial Audit Report for financial year 2020-21 have drawn the attention of the management on some the non-compliances, which have been marked as qualification in his report. In connection with the same management herewith give the explanation for the same as follows:

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit

Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Director.

It monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action

in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

BOARD MEETINGS:

The Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required. The decisions and urgent matters approved by way of circular resolutions, if any, are placed and noted at the subsequent Board meeting.

During the financial year 2020-21 **Six (6)** Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. For details of the meetings of the board along with the attendance of the respective Directors, please refer to the Corporate Governance Report forming part of this Annual Report.

BOARD COMMITTEES:

The Company has a duly constituted Audit Committee as per the provisions of Section 177 of Companies Act, 2013 and regulation 18 of SEBI (Listing Obligation & Disclosure) Requirement Regulations, 2015 with the stock exchanges. The Board of Directors has constituted two other committees namely – Nomination and Remuneration Committee and Stakeholders' Relationship Committee, which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities.

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The details of the composition of the Audit Committee along with that of the other Board committees and their respective terms of reference are included in the Corporate Governance Report forming part of this Annual Report.

The Audit Committee and other Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 are appended as **Annexure II**.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at March 31, 2021, in the prescribed form MGT 9, forms part of this report and is annexed as **Annexure III**.

POSTAL BALLOT:

No postal Ballot was held during the year 2020-21.

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Ratio of remuneration of each director to the median remuneration of the employees of the company for the year 2020-2021

Sr. No	Name & Designation	Remuneration Received (In Rs. Lakh)	Ratio to median remuneration
1.	Mr. Bholanath Baranwal – ED@	522000	2.39
2.	Mr. A. K. Pal- Company Secretary#	325403	1.49

@expire on 06.01.2021 and # appointed w.e.f. 31.07.2021

Note:

- All appointments are / were non-contractual.
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Remuneration on Cash basis
- The median remuneration of employees of the Company during the financial year was Rs. 2.18 lakh
- There were 18 employees on the rolls of Company as on March 31, 2021.
- As per the Rules, the Company is required to arrive at the median remuneration of the employees of the Company on financial basis and it is not necessary for the Company to include the details of employees serving the company below the period of twelve months. Hence, Company consider only 7 employees out of 18 employees for the purpose of calculation of median remuneration.

REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As per SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, a separate section titled '**Report on Corporate Governance**' and '**Management Discussion and Analysis**' forming part of this Annual Report. The Report on Corporate Governance also includes certain disclosures that are required, as per Companies Act, 2013.

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Auditors' Certificate confirming compliance with the conditions of Corporate Governance as stipulated under regulations of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 also forms part of this Annual Report.

SHARE CAPITAL

During the year under review, the Company, neither increased nor decreased its Equity.

RISK MANAGEMENT POLICY:

Your Company has formulated and adopted a Risk Management Policy which covers a formalized Risk Management Structure, along with other aspects of Risk Management i.e. Credit Risk Management, Operational Risk Management, Market Risk Management and Enterprise Risk Management. The Risk Management Committee of the Board, on periodic basis, oversees the risk management systems, processes and minimization procedures of the Company.

HUMAN RESOURCES:

Your Company believes that its employees are one of the most valuable assets of the Company. During the year under review, the Company organized various training programs at all level to increase the skill of the employees. The employees are deeply committed to the growth of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, the Company has adopted a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The details of the same are provided in Corporate Governance Report forming part of this Annual Report. The policy is available on the website of the company www.bholanath.biz

During the financial year 2020-21, no cases under this mechanism were reported in the Company.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has in place a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace. The primary objective of the said Policy is to protect the women employees from sexual harassment at the place of work and also provides for punishment in case of false and malicious representations. The policy is available on the website of the company www.bholanath.biz

During the financial year 2020-21, no cases in the nature of sexual harassment were reported at any workplace of the company.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The directors will be introduced to all the Board members and the senior management personnel such as Chief Financial Officer, Company Secretary and Various Department heads individually to know their roles in the organization and to understand the information which they may seek from them while performing their duties as a Director.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The information pertaining to energy and technology absorption, foreign exchange earning & outgo as required under section 134(3) (m) of the Companies Act, 2013 and read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is **Annexure IV**.

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INDUSTRIAL RELATIONS:

During the year under review, your company enjoyed cordial relationships with workers and employees at all the levels.

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

The Chief Executive Officer and Chief Financial Officer Certification as required under SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and Chief Executive Officer declaration about the Code of Conduct is Annexed to this Report.

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

There are not significant and material orders passed by the regulators or courts or tribunals that would impact on going concern of the Company and its future operations during the Financial Year 2020-21.

CORPORATE SOCIAL RESPONSIBILITY:

As per the provisions of the companies Act, 2013 every company shall require to constitute a corporate social responsibility committee who cross the threshold limit as prescribed under the Act. So accordingly these provisions, our company does not fall under the said limit as prescribed. Thus your company do not required to constitute the committee during the Financial Year 2020-21.

APPRECIATION &ACKNOWLEDGEMENT:

Your Directors wish to place on record their gratitude to the Company's Customers, Bankers and others for their continued support and faith reposed in the Company. The Board also places on record its deep appreciation for the dedication and commitment of the employees at all levels. The Directors would also like to thank BSE Ltd., National Securities Depository Limited, Central Depository Services (India) Limited, our RTA Mas Services Limited for their co-operation.

BY ORDER OF THE BOARD

For Shri Bholanath Carpets Limited

Sd/-

Vivek Baranwal
(Director & CFO)
DIN: 02076746

Sd/-

Harish Baranwal
(Director)
DIN: 01722061

Place: Varanasi

Date: 25/08/2021

Annexure to Director Report

Secretarial Audit Report –Annexure –I
For Financial Year Ended 31st March, 2019
Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Member,
SHRI BHOLANATH CARPETS LIMITED
G.T. Road, Kachhawan,
Varanasi -221313, U.P.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shri Bholanath Carpets Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2020 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Not applicable to the Company during the audit period)

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- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.(Not applicable to the Company during the audit period)

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

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. Except in respect of matters specified below;

Sr. No	Compliance Requirements (Regulations/Circulars/Guidelines including specific clauses)	Deviations	Observations/Remarks
1	Regulation 23(9) of the SEBI (LODR) Regulations, 2015: Non submission with disclosure of related party transactions on consolidated basis for the half year ended 30th September, 2020.	The disclosure of related party transactions for the half year ended 30th September, 2020 should have been disclosed within 30days of result declaration but the company not filed within the time prescribed.	This is the violation of Regulation 23(9) of the SEBI (LODR) Regulations, 2015
2	Regulation 33 of the SEBI (LODR) Regulations, 2015: Non submission of financial results within the prescribed period under this regulations for the quarter ended December, 2020	The unaudited financial results along with limited review report for the quarter ended 31st December, 2020 not filed within the time prescribed.	This is the violation of Regulation 33 of the SEBI (LODR) Regulations, 2015
3	Regulation 6(1) of the SEBI (LODR) Regulations, 2015: Non appointment of Company Secretary within time limit.	The Company Secretary should be appointed as per Regulation 6(1) of the SEBI (LODR) Regulations, 2015 for the quarter ended 31st March, 2020	This is the violation of Regulation 6(1) of the SEBI (LODR) Regulations, 2015

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The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of Violation	Details of Action taken
1	Bombay stock exchange (BSE)	As per Regulation 23(9) of the SEBI (LODR) Regulations, 2015, The disclosure of related party transactions for the half year ended 30th September, 2020 should have been disclosed within 30 days of result declaration but the company not filed within the time prescribed.	The Company is liable to pay fine amount of Rs. 206,500/- (penalty inclusive of GST @ 18%) within 15 days of letter dated January 18, 2021 to the BSE in view of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018.
2	Bombay stock exchange (BSE)	As per Regulation 33 of the SEBI (LODR) Regulations, 2015, Audited financial results for the quarter ended 31st December, 2020, Company not filed within the time prescribed.	The Company is liable to pay fine amount of Rs. 17,700/- (penalty inclusive of GST @ 18%) within 15 days of letter dated March 15, 2021 to the BSE in view of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018.
3	Bombay stock exchange (BSE)	As per Regulation 6(1) of the SEBI (LODR) Regulations, 2015, Company should appoint qualified Company Secretary, however Company failed to appoint.	The Company is liable to pay fine amount of Rs. 107,380/- (penalty inclusive of GST @ 18%) within 15 days of letter dated August 5, 2020 to the BSE in view of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018.
4.	Bombay stock exchange (BSE)	BSE issued Regret letter for waiver of fines levied under regulation 31, pursuant to SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020. (Erstwhile SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018)	The Company is liable to pay fine amount of Rs. 21,240/- (penalty inclusive of GST @ 18%) within 10 days of letter dated April 20, 2021 to the BSE in view of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018.
5.	Bombay stock exchange (BSE)	BSE issued Reminder for freezing of promoter demat account for Non-compliance/non payment of fines for Regulation 27(2)/ 31/ 13(3)/ 76 for March 2020	The Company is liable to pay fine amount of Rs. 263,140, /- (penalty inclusive of GST @ 18%) within 7 days of letter dated September 4, 2020 to the BSE in view of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018

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We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes, the decisions at the Board Meetings were taken unanimously. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc. We further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Rakesh Mishra & Associates
Company Secretaries**

sd/-

Rakesh Mishra

ACS No: 39925 CP No: 21929

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

Place: Mumbai

Date: 16.08.2021

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'Annexure A'

**To,
The Members
Shri Bholanath Carpets Limited**

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

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

**For Rakesh Mishra & Associates
Company Secretaries**

**sd/-
Rakesh Mishra
ACS No: 39925 CP No: 21929**

**Place: Mumbai
Date: 16.08.2021**

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Annexure –II Form AOC- 2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto

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

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

Name(s) of the related party and nature of relationship.	Nature of contracts/ arrangements/ Transactions.	Duration of contracts/ Arrangements/ Transactions.	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the boards, if any.	Amount paid as advances, if any.
Shri Bholanath Industries Limited (Associate Company)	Purchase of Mulberry	Ongoing	Rs. 104,45,526	-	NA
	Purchase of Yarn	Ongoing	Rs. 11,4,089,917.22		
Organic Weave Limited (Group Company)	Sales of Carpets	Ongoing	Rs. 1,32,69,581.65	-	NA
	Sales of Silk	Ongoing	Rs. 25,82,41.25	-	
Kaandla Rugs Limited (Group Company)	Sales of Carpets	Ongoing	Rs. 21,44,739	-	NA

BY ORDER OF THE BOARD
For Shri Bholanath Carpets Limited

Sd/-
Vivek Baranwal
(Director & CFO)
DIN: 02076746

Sd/-
Harish Baranwal
(Director)
DIN: 01722061

Date: 25/08/2021
Place: Varanasi

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Annexure –III (FORM NO. MGT-9)
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS :	
1. CIN	L17226UP1973PLC003746
2. Registration Date	21/07/1973
3. Name of the Company	Shri Bholanath Carpets Limited
4. Category/Sub-category of the Company	Company Limited By Shares/Indian Non Govt Company
5. Address of the Registered office & contact details	G.T. Road, Kachhawan, Varanasi- 221313 Tel-542-2620221 Email id:cs@bholanath.biz Website: www.bholanath.biz
6. Whether listed company	Yes
7. Name , Address & contact details of the Registrar & Transfer Agent, if any	Mas Services Limited T-34, IInd Floor, Okhla Industrial Area, Phase- II, New Delhi- 110020 Tel: 011-26387281 Email: info@maserv.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Carpets Manufacture	13931	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Shri Bholanath Industries Limited	U74899DL1992PLC051145	Associate	33.43	2(6)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									
A. Category-wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	01/04/2020				31/03/2021				
	Demat	Physical	Total	% of Total share	Demat	Physical	Total	% of Total share	
A. PROMOTERS									

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(1) Indian									
(a) Individuals/ HUF	2133000	299400	2432400	50.68	2137100	299400	2436500	50.76	0.08
(b) Central Govt.	0	0	0	0	0	0	0	0	0
(c) State Govt.(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....									
* Directors	0	0	0	0	0	0	0	0	0
*Directors Relatives	0	0	0	0	0	0	0	0	0
* Person Acting in Concern	0	0	0	0	0	0	0	0	0
Sub Total	2133000	299400	2432400	50.68	2137100	299400	2436500	50.76	0.08
(A)(1):-									
(2) Foreign									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals									
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....									
Sub Total	0	0	0	0	0	0	0	0	0
(A)(2):-									
Total shareholding of Promoter(A)= (A)(1)+(A)(2)	2133000	299400	2432400	50.68	2137100	299400	2436500	50.76	0.08
B.PUBLIC SHAREHOLDING									
(1) Institutions									
(a) Mutual Funds	0	3700	3700	0.08	0	3700	3700	0.08	0.00
(b) Banks FI	100000	0	100000	2.08	100000	0	100000	2.08	0.00
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Ven Cap Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
*Financial Institutions	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
*Government Companies	0	0	0	0	0	0	0	0	0
*State Financial Corp	0	0	0	0	0	0	0	0	0

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*Qualified Foreign Investor	0	0	0	0	0	0	0	0	0	0
* Any Other	0	0	0	0	0	0	0	0	0	0
*OTC Dealers (Bodies Corporate)	0	0	0	0	0	0	0	0	0	0
* Private Sector Banks	0	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	100000	3700	103700	2.16	100000	3700	103700	2.16	0	
(2) Non-Institutions										
(a) Bodies Corp.										
(i) Indian	123500	293100	416600	8.68	124900	293100	418000	8.71	0.03	
(ii) Overseas	0	0	0	0	0	0	0	0		
(b) Individuals										
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	241700	582900	824600	17.18	242700	582200	824900	17.19	0.01	
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	238300	781600	1019900	21.25	238300	781600	1019900	21.25	0	
(c) Others (specify)										
* N.R.I.(Repat)	0	1000	1000	0.02	0	1000	1000	0.02	0	
* LLP	0	0	0	0	0	0	0	0	0	
* Foreign Corporate Bodies	0	0	0	0	0	0	0	0	0	
* Trust	0	0	0	0	0	0	0	0	0	
* Hindu Undivided Family	0	0	0	0	0	0	0	0	0	
* Employee	0	0	0	0	0	0	0	0	0	
* Clearing Members	1500	0	1500	0.03	0	0	0	0	-0.03	
* Depository Receipts	0	0	0	0	0	0	0	0	0	
Sub-total (B)(2):-	605000	1658600	2263900	47.16	605900	1657900	2263800	47.17	0.01	
Total Public Shareholding (B) = (B)(1)+(B)(2)	705000	1662300	2367600	49.32	705900	1661600	2367500	49.33	0.01	
C. Total shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	
Grand Total(A + B + C)	2838300	1961700	4800000	100	2839000	1961000	4800000	100	00.00	

B. SHAREHOLDING OF PROMOTERS

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Sr. No	ShareHolder's Name	ShareHolding at the beginning of the year 01/04/2020			Shareholding at the end of the year 31/03/2021			% change in share holding during the year
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	Late Bholanath Baranwal	672780	14.02	0	676880	14.10	0	0.08
2	Mr. Harish Baranwal	57500	1.20	0	57500	1.20	0	0
3	Mr. Vivek Baranwal	36400	0.76	0	36400	0.76	0	0
4	M/s. Bholanath Baranwal HUF	188900	3.94	0	188900	3.94	0	0
5	Mr. Romit Baranwal	31200	0.65	0	31200	0.65	0	0
6	Mr. Amit Baranwal	31200	0.65	0	31200	0.65	0	0
7	Mr. Sumit Baranwal	31200	0.65	0	31200	0.65	0	0
8	Mrs. Renu Baranwal	12800	0.27	0	12800	0.27	0	0
9	Mr. Dina Nath Baranwal	257400	5.36	0	257400	5.36	0	0
10	Mr. Hirdiyanath Baranwal	27500	0.57	0	27500	0.57	0	0
11	Mr. Dinanath Baranwal	103900	2.16	0	103900	2.16	0	0
12	Mrs. Phoolmani Devi Baranwal	117900	2.46	0	117900	2.46	0	0
13	Mr. Surendranath Baranwal	357400	7.45	0	357400	7.45	0	0
14	Mrs. Vijaya Baranwal	87800	1.83	0	87800	1.83	0	0
15	Mrs. Ragini Baranwal	204600	4.26	0	204600	4.26	0	0
16	Mrs. Bina Baranwal	112520	2.34	0	112520	2.34	0	0
17	Mr. Nikhil Baranwal	101400	2.11	0	101400	2.11	0	0

C. CHANGES IN SHAREHOLDING OF PROMOTERS

Sr. No.	ShareHolder's Name	ShareHolding at the beginning of the year 01/04/2020			Shareholding at the end of the year 31/03/2021			% change in share holding during the year
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	

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-	-	-	-	-	-	-	-	-
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D. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS					
Sr. No.	Shareholders Name	Shareholding at the Beginning/ Transactions During the year		Cumulative Shareholding at the end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vasudha Agrawal				
	Opening Balance	702000	14.63	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	0	0	0	0
2	Late Bholanath Baranwal @				
	Opening Balance	672780	14.02	0	0
	Transactions during the year ended 31/03/2021	4100	0.08	0	0
	Closing Balance	676880	14.10	676880	14.10
3	Surendra Nath Baranwal				
	Opening Balance	357400	7.45	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	357400	7.45	357400	7.45
4	Dina Nath Baranwal				
	Opening Balance	257400	5.36	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	257400	5.36	257400	5.36
5	Ragini Baranwal				
	Opening Balance	204600	4.26	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	204600	4.26	204600	4.26
6	Pratik Rajendra Gandhi				
	Opening Balance	190500	3.97	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	190500	3.97	190500	3.97
7	Kohinoor Credit Pvt. Ltd				
	Opening Balance	189300	3.94	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0

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	Closing Balance	189300	3.94	189300	3.94
8	Bholanath Baranwal HUF				
	Opening Balance	188900	3.94	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	188900	3.94	188900	3.94
9	Phoolmani Devi Baranwal				
	Opening Balance	1179000	2.46	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	1179000	2.46	1179000	2.46
10	Bina Baranwal				
	Opening Balance	112520	2.34	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	112520	2.34	112520	2.34
11	Nikhil Baranwal				
	Opening Balance	101400	2.11	0	0
	Transactions during the year ended 31/03/2021	0	0	0	0
	Closing Balance	101400	2.11	101400	2.11

Note: @ expire on 06.01.2021

E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No	ShareHolder's Name	ShareHolding at the beginning of the year 01/04/2020		Cumulative Shareholding during the year 31/03/2021		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	Late Bholanath Baranwal @	676880	14.10	676880	14.10	Equity
2	Harish Baranwal	57500	1.20	57500	1.20	Equity
3	Vivek Baranwal (CFO)	36400	0.76	36400	0.76	Equity

Note: @ Expire on 06.01.2021

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V. INDEBTEDNESS				
INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	104994137.04	3639791	NIL	108633928.04
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	104994137.04	3639791	NIL	108633928.04
Change in Indebtedness during the financial year				
Additions	122357361.13	13961013.82	NIL	136318374.95
Reduction	(122125011.17)	(16500804.82)	(NIL)	(138625815.99)
Net Change	232349.96	(2539791)	NIL	(2307441.04)
Indebtedness at the end of the financial year				
i) Principal Amount	105226487	1100000	NIL	106326487
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	105226487	1100000	NIL	106326487

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
Sr. No	A. Remuneration to Managing Director, Whole-time Directors and/or Manager:	Name of MD/WTD/Manager	Total Amount (In Rs. Lakh)
		Mr. Bholanath Baranwal (C. & M.D)@ expire on 06.01.2021	
1	Gross salary	5,22,000	5,22,000
A	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
B	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
C	Profits in lieu of salary under section 17(3) I. T. Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity - -	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	- others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	5,22,000	5,22,000
	Ceiling as per the Act	-	-

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B. REMUNERATION TO OTHER DIRECTORS					
Sr. No	Particulars of Remuneration	Name of Directors			Total Amount
		Mrs. Nisha Tripathi	Mrs. Veena Agnihotri	Mr. Shrinarayan Khemka	
1	Independent Directors				-
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others (Fee for attending meeting)	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors	NONE	NONE	NONE	NA
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration**	0	0	0	0
Overall Ceiling as per the Act		-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD			
Sr. No	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr. A.K. Pal (Company Secretary)# appointed w.e.f. 31.07.2020	
			-
1	Gross salary	325,403	325,403
A	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
c	Profits in lieu of salary under section 17(3) I.T Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity - -	0	0
4	Commission	0	0
	- as % of profit	0	0
	- others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	325,403	325,403
	Ceiling as per the Act	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

Type	Section of	Brief	Details of	Authorit	Appeal made,
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	the Companies Act	Description	Penalties /Punishmen t / Compoundin g fees imposed	y (RD/NCL T/ COURT)	if any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

**BY ORDER OF THE BOARD
For Shri Bholanath Carpets Limited**

**Sd/-
Vivek Baranwal
(Director & CFO)
DIN: 02076746**

**Sd/-
Harish Baranwal
(Director)
DIN: 01722061**

**Place: Varanasi
Date: 25/08/2021**

ANNEXURE IV OF THE BOARD'S REPORT**A. CONSERVATION OF ENERGY:**

In line with the Company's commitment towards the conservation of energy, all units continue with their endeavor to make more efficient use of energy through improved operational and maintenance practices. The measures taken in this direction at the units are as under:

- Replaced inefficient motors with energy efficient motors;
- Installed power factor capacitor banks to save energy;
- Heat recovery from CRP hot water to boiler feed;
- Increase in temperature of feed water for saving on coal consumption in boilers;
- Shades were covered by installing Natural ventilation equipment;
- Made use of waste water generated by cooling coil moisture;
- Trimming of impellers to save on power consumption in chilled water pumps;

- **Power & Fuel Consumption:**

In this regard the management of the company taken the following measures to reduce the power & fuel consumption:

- ✓ Develop an Energy Management Team by pulling a representative from each department. Bring in those who already have an incentive to keep costs low, or build in a bonus that can be tied to the amount of energy the team saves. Together, they can work to monitor energy usage throughout the facility and implement ways to reduce waste.
- ✓ Conducted energy audits using an energy audit guidebook and assistance from facility experts. A useful energy audit will quantify how much energy each department is consuming and will help identify peak consumption times throughout the year.
- ✓ With help of the energy audit, Company's found the some machinery requires the most energy to run. Accordingly, we schedule operation of these machines outside of peak hours. Peak hours can constitute up to 30 percent of a manufacturing facilities monthly utility bill.
- ✓ Company's do all its efforts to Optimize Air Compressors because Industrial air compressors are to blame for huge amounts of energy consumption and waste. Company maintained or designed the air compressors in a such way which reduce the consumption of power.

B. TECHNOLOGY ABSORBTION:

Regarding Research & Development and Technology absorption your Company's make all efforts on regularly or continuous basis since incorporation. However, right now your Company is not enclosed due to the fact that there is no scope for R & D and Absorbing in any new technology in view of type of product due to the slow of markets but Company's shall certainly go for it in future if any new development in technologies takes places.

C. FOREIGN EXCHNAGE EARINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual out flows are as under;

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Particulars	31.03.2021 (Rs.)	31.03.2020 (Rs.)
Foreign Exchange Earnings (FOB Value)	52524654	92618394
Foreign Exchange Outgo	NIL	NIL

BY ORDER OF THE BOARD
For Shri Bholanath Carpets Limited

Sd/-
Vivek Baranwal
(Director & CFO)
DIN: 02076746

Sd/-
Harish Baranwal
(Director)
DIN: 01722061

Place: Varanasi
Date: 25/08/2021

ANNEXURE- V

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

We have examined and verified the records of the Board of Directors available and maintained on the online portal of Ministry of Corporate Affairs of **SHRI BHOLANATH CARPETS LIMITED** (hereinafter will known as "the Company"), having its Registered Office at G.T. Road, Kachhawan, Varanasi -221313, U.P., India incorporated vide its Company Registration Number L17226UP1973PLC003746 on 21st July, 1973 under the jurisdiction of Registrar of Companies, Kanpur, Uttar Pradesh.

On the basis of examination and verification, we hereby state that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Securities Exchange Board of India / MCA or any such statutory authority for the Financial Year ending on 31st March,2021.

The Board of Directors of the Company comprises of 6 (Six) Directors and the Board is composed as follows:

Sr.No	Name of the Director	DIN	Type of the Director	Status of the Director
1	VIVEK BARANWAL	02076746	Director & CFO	Active
2	HARISH BARANWAL	01722061	Executive Director	Active
3	SUNIL PAL	07858880	Independent Director	Active
4	NISH TRIPATHI	08151050	Independent Director	Active
5	VEENA AGNIHOTRI	07293343	Independent Director	Active
6	SHRINARAYAN KHEMKA	08207158	Independent Director	Active

Ensuring the eligibility for the appointment/ continuity of each director on the board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on the verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. This Certificate is being issued at the request of the Company for the rightful compliance with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

**For RAKESH MISHRA & ASSOCIATES
Company Secretaries**

**Place: Mumbai
Date: 25.08.2021**

**sd/-
(Rakesh Mishra)
Proprietor
M. No. ACS 39925
COP No.21929**

REPORT ON CORPORATE GOVERNANCE

Corporate governance broadly refers to the mechanisms, processes and relations by which corporations are controlled and directed. Governance structures and principles identify the distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) and include the rules and procedures for making decisions in corporate affairs. Corporate governance includes the processes through which corporations' objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of corporations, their agents, and affected stakeholders. Corporate governance practices are affected by attempts to align the interests of stakeholders

The convergence of governance practices brings to the fore the critical role played by the Board to ensure governance framework enjoins higher level of transparency and effective governance standards to enhance the competitiveness and to protect long term interests of all stakeholders. Corporate Governance, which assumes great deal of importance at SBC. SBCL is intended to ensure consistent value creation for all its stakeholders. We believe that the governance practices must ensure adherence and enforcement of the sound principles of Corporate Governance with the objectives of fairness, transparency, professionalism, trusteeship and accountability, while facilitating effective management of the businesses and efficiency in operations.

The Board is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis. The Board has approved and implemented a comprehensive Corporate Governance Manual, containing guidelines covering decision making, authority levels, the policies and processes, which provide an effective and flexible governance framework in the Company realizing the need to ensure an effective mechanism of checks and balances with transparency and accountability as the hallmark.

BOARD OF DIRECTORS

Composition

The Board of Directors comprises of Six directors as on 31st March, 2021, who bring in a wide range of skills and experience to the board. The Board consists of Six Directors, out of these four i.e. Mrs. Nisha Tripathi, Mrs. Veena Agnihotri, Mr. Shrinarayan Khemka & Mr. Sunil Pal are Non – Executive and Independent Directors. Mr. Harish Baranwal Executive Director and Mr. Vivek Baranwal are appointed as the Director cum Chief Financial Officer on the Board of the Company. The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in the provisions of the Section 149(6) of the Companies Act, 2013. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company. None of the directors of the Company are related to each other.

The Directors bring to the Board a wide range of experience and skills. Brief profiles of the directors, are set out elsewhere in the annual report. The composition of the board is in conformity with SEBI (LODR) Regulations, 2015. As per the SEBI (LODR) Regulations, 2015, no Director can be a member in more than 10 committees or act as chairman of more than 5 committees across all public companies in which he is a director. Necessary Disclosures regarding committee positions in other

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public companies as on 31st March, 2021 have been made by the Directors. The Details of the Board of Directors in terms of their Directorships and Memberships/Chairmanship in committees held by the Directors in other public companies are as under:

Sr. No.	Name of Director	DIN	No. of other Directorships	No. of Committees		Category of Director
				Member	Chairman	
1.	Mr. Bholanath Baranwal@	00306086	2	0	0	Executive Director
2.	Mr. Harish Baranwal	01722061	2	0	0	Executive Director
3.	Mr. Vivek Baranwal	02076746	2	1	0	Executive Director & CFO
4.	Mrs. Nisha Tripathi	08151050	Nil	3	0	Independent Non - Executive
5.	Mrs. Veena Agnihotri	07293343	Nil	3	0	Independent Non - Executive
6.	Mr. Shrinarayan Khemka	08207158	Nil	3	2	Independent Non - Executive
7	*Mr. Sunil Pal	07858880	Nil	3	0	Independent Non - Executive
8.	#Mr. A.K. Pal (C.S.)	-	Nil	-	-	Company Secretary

Note: @ Expire on 06.01.2021 * appointed w.e.f. 13.02.2021 and # appointed w.e.f. 31.07.2020

All Directors and Senior Management Personnel have re-affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors.

BOARD MEETINGS HELD

The Board of Directors formulates the broad business and operational policies, periodically reviews the performance and engages itself with strategic issues concerning the Company.

During the year under review, 06 meetings of the Board of Directors were held at Registered Address of the Company.

17 th May, 2020	25 th August, 2020	13 th November, 2020
31 st July, 2020	15 th September, 2020	13 th February, 2021

Particulars of Meetings of Board Meetings held during the year along with details of Directors attendance at such Committee Meeting(s) are detailed herein:

NAME OF DIRECTORS'	MEETINGS ATTENDED
No. of Meetings held	6
@Bholanath Baranwal	5/6
Harish Baranwal	6/6
Vivek Baranwal	6/6
Nisha Tripathi	3/6
Veena Agnihotri	3/6
Shrinarayan Khemka	4/6

Note: @Expire on 06.01.2021

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BOARD PROCEDURE

The Board Meetings of the Company are governed by a structured agenda. The Board meetings are generally held at the registered office of the Company at G.T. Road, Kachhawan, Varanasi. The Director/Company Secretary finalizes the agenda of the Board meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board meeting(s) to enable the Board members to take informed decision. Any Board Member may, in consultation with the Chairman of the meeting, bring up any matter at the meeting for consideration by the Board. Senior management personnel are invited from time to time to the Board meetings to make requisite presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies.

The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

CODE OF CONDUCT

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management and all the Directors and senior functionaries as defined in the Code provide their annual confirmation of compliance with the Code. Copy of the Code is available on the website of the Company www.bholanath.biz. A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below.

DECLARATION OF COMPLIANCE OF THE CODE OF CONDUCT
[Pursuant to Schedule V OF SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015]

Declaration by the Director

In the above regards as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I declare as follows:

1. The Company does have a Code of Conduct approved by its Boards, which is posted on the company website www.bholanath.biz
2. All the members of the Boards and senior management personnel of the Company to whom the code of conduct is applicable have affirmed the compliance of the said code during the financial year ended 31st March, 2021

For Shri Bholanath Carpets Ltd
Sd/-
Vivek Baranwal
(Director & CFO)

Place: Varanasi
Date: 25.08.2021

RELATED PARTY TRANSACTION POLICY

In compliance with the requirements of Regulation 23 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate Management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.bholanath.biz

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BOARD COMMITTEES

Particulars of Meetings of Board Committees held during the year along with details of Directors attendance at such Committee Meeting(s) are detailed herein:

Committee Members	Audit Committee	Nomination & Remuneration Committee	Stakeholders Grievance Committee
No. of Meetings held	4	2	1
Mr. Shrinarayan Khemka	3/4	2/2	1/1
Mrs. Veena Agnihotri	3/4	2/2	1/1
Mrs. Nisha Tripathi	3/4	1/2	1/1
Mr. Vivek Baranwal	4/4	-	-

Details of Board Committees are as mentioned herein:

AUDIT COMMITTEE

Apart from all the matters provided in Regulation 18 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and section 177 of the Companies Act, 2013, the Audit Committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company.

Constitution

As at March 31, 2021, the Audit Committee of the Board comprised of four (4) Directors viz, Mr. Shrinarayan Khemka as the Chairman and member of the committee and Mrs. Nisha Tripathi, Mr. Vivek Baranwal, Mrs. Veena Agnihotri and Mr. Sunil Pal (appointed w.e.f. 13.02.2021) as the Members of the committee.

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and interacts with the statutory auditors. Besides, the Committee reviews the audit plans, interim and annual financial results, management discussion and analysis of financial condition, observations of the management and external auditors on internal control and follow-up reports of the management.

During the year under review, four (4) meetings of the Audit Committee were held on 31ST July, 2020, 15th September, 2020, 13th November, 2020 and 13th February, 2021.

Terms of reference

The Terms of reference and role of the Audit Committee are as per guidelines set out in Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and Section 178 of Companies Act, 2013. The Committee meets periodically and inter alia reviews:

- Accounting and financial reporting process of the Company;
- Audited and Un-audited financial results; risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations;

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- Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
- Functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditors and Chief Financial Officer.

NOMINATION & REMUNERATION COMMITTEE

Constitution

In compliance with requirements of Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and Section 178 of the Companies Act, 2013, during financial year 2020-21 the Board had combined and renamed the existing Remuneration Committee and Nomination Committee as 'Nomination and Remuneration Committee' which comprises of Mr. Shrinarayan Khemka as the Chairman and member of the committee and Mrs. Nisha Tripathi, Mrs. Veena Agnihotri and Mr. Sunil Pal (appointed w.e.f. 13.02.2021) as the Members of the committee.

During the year under review, Two (2) meetings of the Nomination & Remuneration Committee were held on 31st July, 2020 and 13th February, 2021.

The Nomination and Remuneration Committee has formulated criteria for evaluation of the Board and non-independent directors for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel and other employees which, inter alia, includes the principles for identification of persons who are qualified to become directors.

The criteria laid down for evaluation of the directors and the remuneration policy, as approved and adopted by the Board, and is available on the website of the company www.bholanath.biz

Terms of reference

The terms of reference of the Nomination and Remuneration Committee include:

- Formulation of guidelines for evaluation of candidature of individuals for nominating and/ or appointing as a Director on the Board including but not limited to recommendation on the optimum size of the Board, age / gender / functional profile, qualification / experience, retirement age, number of terms one individual can serve as Director, suggested focus areas of involvement in the Company, process of determination for evaluation of skill sets, etc.
- Formulation of the process for evaluation of functioning of the Board – individually and collectively and making recommendation as to the Board remuneration including the salary and/or commission payable to the Directors;
- Recommend nominations / appointments to the Board, including Executive Directors /Independent Directors and suggest the terms of such appointments;
- Recommend all elements of remuneration package of Whole-time Directors including increment/ incentives payable to them within the limits approved by the Board / Members; and
- Decide and approve issuance of Stock Options, including terms of grant etc under the Company's Employee Stock Option Scheme

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Shareholding of the Directors in the Company as on 31st March, 2021

Name of Director	No. of Shares held
@ Late Bholanath Baranwal	676880
Mr. Harish Baranwal	57500
Mr. Vivek Baranwal	36400
Mrs. Veena Agnihotri	Nil
Mrs. Nisha Tripathi	Nil
Mr. Shrinarayan Khemka	Nil
*Mr. Sunil Pal	Nil

Note: @ Expire on 06.01.2021 and * appointed w.e.f. 13.02.2021

STAKEHOLDERS RELATIONSHIP COMMITTEE

Constitution

In compliance with Section 178 of the Companies Act, 2013, and Regulation 20 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 during financial year 2020-21 the Stakeholders Relationship Committee, comprises of Mrs. Veena Agnihotri as the Chairman and member of the committee and Mr. Shrinarayan Khemka, Mrs. Nisha Tripathi and Mr. Sunil Pal (appointed w.e.f. 13.02.2021) as the Members of the committee.

During the year under review, One (1) meetings of the Stakeholders Relationship Committee were held on 13th February, 2021.

The Stakeholders Relationship Committee:

- Approves and monitors transfers, transmission, splits and consolidation of securities of the Company,
- Reviews the Redressal of grievances / complaints from shareholders and debenture holders on matters relating to Transfer of shares, non-receipt of annual report, dividends, interest etc., and
- Reviews the compliances with various statutory and regulatory requirements.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A Separate Meeting of Independent Directors was held on 13th February, 2021 without the attendance of non-independent directors and members of management. All the Independent Directors attended the meeting and:

- Reviewed the performance of non-independent directors and the Board as a whole.
- Reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

GENERAL BODY MEETINGS

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Financial Year	Date	Time	Location
2019-2020	30/09/2020	10:00 A.M	G.T. Road, Kachhawan, Varanasi-221313, U.P.
2018-2019	28/09/2019	11:30 A.M	G.T. Road, Kachhawan, Varanasi-221313, U.P.
2017-2018	29/09/2018	11:30 A.M	G.T. Road, Kachhawan, Varanasi-221313, U.P.

DISCLOSURES:

During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.

Details of Non Compliance by the Company, penalties strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter related to capital markets, during the last three years – None.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary Company and but have associate company as on 31st March, 2021.

POLICY FOR PROHIBITION OF INSIDER TRADING:

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Compliance Officer of the company ensures the compliance of the said Code by all the Directors, Senior Management Personnel and employees who likely to have access to unpublished price sensitive information. The Policy is available on the website of the company www.bholanath.biz

GENERAL INFORMATION FOR MEMBERS:

I. Annual General Meeting – The 48th Annual General Meeting of the Company will be held on Thursday, 30th September, 2021 at its Registered Office at G.T. Road, Kachhawan, Varanasi-221313 at 10:00 am

II. Financial Calendar (2020-2021)

Financial Year	April 1 to March 31
For Consideration of Unaudited/Audited Financial results	
Results for quarter ending 30th June, 2021	On or before 15 th August, 2021
Results for quarter ending 30th September, 2021	On or before 15 th November, 2021
Results for quarter ending 31st December, 2021	On or before 15 th February, 2022
Results for quarter ending 31st March, 2022	On or before 30 th May, 2022
Annual general Meeting for the year ending 31st March, 2022	On or before 30 th September, 2022

III. Book Closure date : 24/09/2021 to 30/09/2021 (Both day inclusive)

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IV. Dividend payment date : Not applicable

V. Listing of Equity Shares: Bombay Stock Exchange

VIa) BSE Scrip Code: 530841

b) Demat ISIN Numbers in NSDL & CDSL INE151F01012 for Equity Shares

STOCK MARKET DATA AT BSE

Month	High	Low	Close	No. of Shares
April 2020	-	-	-	-
May 2020	-	-	-	-
June 2020	-	-	-	-
July 2020	-	-	-	-
Aug 2020	6.50	6.50	6.50	100
Sept 2020	-	-	-	-
Oct 2020	-	-	-	-
Nov 2020	-	-	-	-
Dec 2020	-	-	-	-
Jan 2021	-	-	-	-
Feb 2021	6.80	6.80	6.80	100
March 2021	-	-	-	-

SHAREHOLDING PATTERN AS ON 31st March, 2021

DISTRIBUTION OF SHAREHOLDING AS ON 30th March, 2021

Shareholders			Shareholding	
No. of Shares	No. of shareholders	%	Holding in Rs.	%
Up to 5000	748	69.004	1876500	3.909
5001 - 10000	160	14.760	1081500	2.253
10001 - 20000	87	8.026	1223000	2.548
20001 - 30000	15	1.384	387000	0.806
30001 - 40000	8	0.738	277000	0.577
40001 - 50000	7	0.646	325000	0.677
50001 - 100000	13	1.199	1007000	2.098
100001- and above	46	4.244	41823000	87.131
Total	1084	100.00	48000000	100.00

Category		No. of Shares held	% of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	2436500	50.76
	- Foreign Promoters	0	0
2	Persons acting in concert	0	0
I	Sub - Total (A)	2436500	50.76
B	Non-Promoter's Holding		
3	Institutional Investors	0	0
a)	Mutual Funds and UTI	3700	0.08

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b)	Banks/Financial Institutions i.e. Indian Bank	100000	2.08
C)	Venture Capital Funds	0	0
	(Central/State Govt. Institutions / Non-Government Institutions)	0	0
C	FII's	0	0
II	Sub - Total (B+C=D)	103700	2.16
E	Others		
a)	Private Corporate Bodies	418000	8.71
b)	Indian Public	1840800	38.35
c)	NRI's (Repate)	1000	0.02
d)	Any Other (Please specify)	0	0
III	Sub-Total (E)	2259800	47.08
	Grand Total (I+II+III)	4800000	100.00

DEMATERIALIZATION OF SHARES:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Percentages of Shares held in physical and dematerialized form as on 31st March, 2021 are as follows:

Mode	No. of Shares	% shares
Electronic Form with NSDL	2839000	59.15
Electronic Form with CDSL	0	0
Physical	1961000	40.85
Total	4800000	100.00

MEANS OF COMMUNICATION:

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's corporate website, [www. Bholanath.biz](http://www.Bholanath.biz). The quarterly, half yearly and annual financial results and other statutory information were generally communicated to the shareholders by way of an advertisement in a English newspaper and in a vernacular language newspaper viz. 'Business standard (Hindi)' as per requirements of the Listing Agreement. The financial and other information are filed by the Company Corporate Filing platforms of BSE.

INVESTOR CORRESPONDENCE:

All documents, transfer deeds, demat requests and other communications in relation thereto should be addressed to the R & T Agents at its following address for transfer/dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the company.

MAS SERVICES LIMITED

T-34, 2ND Floor, Okhla Industrial Area,
II Phase, New Delhi - 110020
Ph: 011-26387384
Email: info@masser.com

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ANY OTHER QUERY:

SHRI BHOLANATH CARPETS LIMITED

G.T. Road, Kachhawan, Varanasi -221313, U.P.

Ph: 542-2620221

Email: cs@bholanath.biz

Website: [www. Bholanath.biz](http://www.Bholanath.biz)

OTHER DISCLOSURE

Details of Non Compliance

Details of Non Compliance by the Company, penalties, and structures imposed on the Company by Stock Exchanges or the Board or any statutory authority, on any matter related to capital markets, during the last three years – please refer the Secretarial Auditor report forming part of Annual Report.

Details of Subsidiary and Associate Companies:

The Company does not have any Subsidiary and but have Associate Companies as on 31st March, 2021.

Policy determining Material Subsidiaries and Related Party Transactions:

The Company has adopted the policy on determining material subsidiaries is hosted on its website at www.bholanath.biz And Policy on dealing with related party transactions is hosted on its website at www.bholanath.biz

Disclosure on Material Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23(1) of the SEBI (LODR) Regulations 2015 during the financial year 2019-20 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2019-20 having potential conflict with the interest of the Company at large. A list of related parties as per the Accounting Standard 18 and the transactions entered into with them in prescribed Form AOC-2 is given separately in this Annual Report.

Policy for Prohibition of Insider Trading:

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the Compliance Officer to ensure compliance of the said Code by all the Directors, Senior Management Personnel and employees likely to have access to unpublished price sensitive information. The policy is available at website of the company at www.bholanath.biz

Vigil Mechanism/Whistle Blower Policy:

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behavior, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2019-20. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any

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unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group. The policy is available at company's website www.bholanath.biz

Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulation

Sr. No.	Particulars	Regulation	Compliance status Yes/No/ N.A.	Compliance observed for the following:
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> • Board Composition • Meeting of Board of Directors • Review of compliance reports • Plans for orderly succession for appointments • Code of Conduct • Fees / compensation • Minimum information to be placed before the Board • Compliance Certificate • Risk Assessment & Management • Performance Evaluation of Independent Directors
2.	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition • Meeting of Audit Committee • Role of Audit Committee and review of information by the Committee
3.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> • Composition • Role of the Committee
4.	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> • Composition • Role of the Committee
5.	Risk Management Committee	21	Not Applicable	<ul style="list-style-type: none"> • The Company is not in the list of top 100 listed entities by market capitalization
6.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> • Formulation of Vigil Mechanism for Directors and employees • Direct access to Chairperson of Audit Committee
7.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> • Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions • Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and Shareholders of the Company • Review of transactions pursuant to aforesaid contracts

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8.	Corporate Governance requirements with respect to subsidiary of listed entity	24	Not Applicable	<ul style="list-style-type: none"> • The Company does not have any subsidiary
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum Directorship and Tenure • Meeting of Independent Directors • Familiarization of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> • Memberships / Chairmanships in Committees • Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel • Disclosure of shareholding by Non-executive Directors • Disclosures by Senior Management about potential conflicts of interest
11.	Other Corporate Governance requirements	27	Not Applicable	<ul style="list-style-type: none"> • Compliance with discretionary requirements • The Company does not fall the threshold limit prescribed the regulation
12.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> • Terms and conditions of appointment of Independent Directors • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors and Management Personnel • Details of establishment of Vigil Mechanism/ Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programs imparted to Independent Directors

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2021.

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The Indian Textile and Apparel industry has been a significant contributor to the Indian economy and continues to play a pivotal role in India's growth story through its contribution to industrial output, employment generation and export earnings. India is one of the few countries with a complete and integrated textile value chain having production at each level of textile manufacturing.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

OPPORTUNITIES AND THREATS:

Some of the key trends of the industry that are favorable to the company to exploit these emerging opportunities are:

- Clients are more comfortable with uniform high quality and quick service and process across the enterprise.
- There are good prospects for expanding further activities in this direction.

Some of the key changes in the industry unfavorable to the company are:

- Heightened competition
- Increasing Compliances
- Attraction and retention of human capital.
- Regulatory changes

RISK & CONCERNS

In line with the regulatory requirements, the Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. A detailed exercise is being carried out at regular intervals to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization with increasing integration of markets, newer and more complex products and transactions and an increasingly stringent regulatory framework has exposed organizations to and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company.

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- The evolution of appropriate systems and processes to measure and monitor them.
- Risk Management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels.
- There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increase use of technology and staff turnover. Your company has in place suitable mechanisms to effectively reduce such risks.
- All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems are embedded in the processes across all functions in the Company. These systems are being regularly reviewed and wherever necessary are modified or redesigned to ensure better efficiency and effectiveness. The systems are subjected to supervision by the Board of Directors and the Audit Committee, duly supported by Corporate Governance. Company complies with all Applicable statutes, policies, procedures, listing requirements and management guidelines. It adheres to applicable accounting standards and polices.

HUMAN RESOURCES

Your Company treats its human resources as its important asset and believes in its contribution to the all-round growth of your Company. Your Company takes steps, from time to time, to upgrade and enhance the quality of this asset and strives to maintain it in agile and responsive form. Your Company is an equal opportunity employer and practices fair employment policies. Your Company is confident that its Human Capital will effectively contribute to the long term value enhancement of the organization. Your Directors further 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.

SEGMENT-WISE PERFORMANCE

The Company operates in single segments i.e. carpets business. Hence, The Business Segments reporting in accordance with Accounting Standard 17 'Segment Reporting' is not applicable.

SUBSIDIARY COMPANY

As there are no subsidiaries of the Company but have associate company

FORWARD LOOKING AND CAUTIONARY STATEMENT

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements may differ from those expressed or implied in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking.

BY ORDER OF THE BOARD

For Shri Bholanath Carpets Limited

Sd/-
Vivek Baranwal
(Director & CFO)
DIN: 02076746

Sd/-
Harish Baranwal
(Director)
DIN: 01722061

Date: 25/08/2021
Place: Varanasi

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (LODR) Regulations, 2015)

**To
The Members of
Shri Bholanath Carpets Limited**

We have examined the compliance of conditions of Corporate Governance by Shri Bholanath Carpets Limited (the 'Company'), for the year ended March 31, 2021, as stipulated Chapter IV of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 pursuant to Listing Agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to the procedures and implementation thereof adopted by the company to ensure compliance with the conditions of the corporate governance as stipulated in the said clause. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance, as stipulated as stipulated Chapter IV of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 pursuant to Listing Agreement of the said company with stock exchanges.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For O.P. Tulsyan & Co
Chartered Accountants
FRN No. 500028N**

**Sd/
(Partner)
Membership No. 070672**

**Place: Varanasi
Date: 25.08.2021**

CEO/CFO CERTIFICATE

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To
The Members of
Shri Bholanath Carpets Limited**

- A. I Vivek Baranwal have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee that there is no:
- Significant changes in internal control over financial reporting during the year;
 - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Shri Bholanath Carpets Limited

**Sd/-
Vivek Baranwal
CFO & Director
(DIN: 02076746)
Place: Varanasi
Date: 25/08/2021**

Independent Auditor's Report

To the Members of **SHRI BHOLANATH CARPETS LTD**

Report on the Audit of the Standalone Financial StatementsOpinion

We have audited the financial statements of SHRI BHOLANATH INDUSTRIES LTD ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss for the year then ended and the cash flow statement, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2021, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

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

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For O.P. TULSYAN & COMPANY
Chartered Accountant
FRN: 0500028N

Sd/-
S.N. GARAG
(Partner)
Membership No: 052740

Place: Varanasi
Date: 28/06/2021

<u>ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT</u>	
	Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:
1	<p>a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>b) 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.</p> <p>c) The title deeds of immovable properties are held in the name of the company.</p>
2	<p>a) The management has conducted the physical verification of inventory at reasonable intervals.</p> <p>b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.</p>
3	The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
4	In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5	The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6	As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

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O.P. TULSYAN & CO.		Continuation Sheet
7	<p>a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.</p> <p>b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.</p>	
8	In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.	
9	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.	
10	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.	
11	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;	
12	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.	
13	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.	
14	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.	

O.P. TULSYAN & CO.										Continuation Sheet									
15	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.																		
16	As per the explanation and representation provided by the management of the company, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.																		
										For O.P. TULSYAN & CO., CHARTERED ACCOUNTANTS FRN 0500028N Sd/-									
PLACE :VARANASI										S.N. GARG									
DATE: 28/06/2021										(PARTNER)									
										M.N. 052740									

O.P. TULSYAN & CO.	Continuation Sheet
<u>ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS</u>	
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")	
<p>We have audited the internal financial controls over financial reporting of SHRI BHOLANATH CARPETS LTD. ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.</p>	
Management's Responsibility for Internal Financial Controls	
<p>The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.</p>	
Auditors' Responsibility	
<p>Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the</p>	
<p>Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.</p>	
<p>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.</p>	

O.P. TULSYAN & CO.		Continuation Sheet
Meaning of Internal Financial Controls Over Financial Reporting		
<p>A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :</p>		
(1)	pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;	
(2)	provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and	
(3)	provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.	
Inherent Limitations of Internal Financial Controls Over Financial Reporting		
<p>Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.</p>		
Opinion		
<p>In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021.</p>		
		For O.P. TULSYAN & CO., CHARTERED ACCOUNTANTS FRN 500028N
		Sd/-
PLACE : VARANASI		S.N. GARG
DATE: 28/06/2021		Partner
		M.N. 052740

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SHRI BHOLANATH CARPETS LIMITED				
BALANCE SHEET AS ON 31ST MARCH, 2021				
Particulars		Note No.	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
1		2	3	4
I. EQUITY AND LIABILITIES				
A Shareholders' funds				
(a)	Share capital	1	48,000,000.00	48,000,000.00
(b)	Reserves and surplus	2	80,336,977.36	79,819,191.72
B Non-current liabilities				
(a)	Deferred tax liabilities (Net)	3	2,010,293.60	2,190,654.73
(b)	Other Long-Term Liabilities	4	16,369,022.99	3,639,791.00
C Current liabilities				
(a)	Short-term borrowings	5	105,226,487.00	104,994,137.04
(b)	Trade payables	6	54,894,187.48	43,062,001.79
(c)	Other current liabilities	7	14,403,405.12	11,515,071.32
(d)	Short-term provisions	8	383,035.00	817,828.00
TOTAL :			321,623,408.21	294,038,675.60
II. ASSETS				
A Non-current assets				
(a)	Fixed assets			
(i)	Tangible assets	9	19,197,835.49	20,189,685.16
(b)	Non-current investments	10	21,375,000.00	21,375,000.00
(c)	Long-term loans and advances	11	407,398.00	407,398.00
B Current assets				
(a)	Current investments			
(a)	Inventories	12	110,119,649.23	102,293,144.43
(b)	Trade receivables	13	110,951,687.46	91,993,202.44
(c)	Cash and cash equivalents	14	7,264,205.06	3,570,721.75
(d)	Short-term loans and advances	15	52,307,632.98	54,209,523.82
TOTAL :			321,623,408.21	294,038,675.60
Additional notes		16		
SIGNED IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE.		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS SHRI BHOLANATH CARPETS LIMITED		
FOR O.P. TULSYAN & COMPANY CHARTERED ACCOUNTANTS			Sd/-	Sd/-
			Vivek Baranwal	Harish Baranwal
			Director & CFO	Director
			DIN: 02076746	DIN: 01722061
Sd/-				
S.N. GARG				
(PARTNER)	PLACE: VARANASI			
Membership No:052740	DATED: 28/06/2021			

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SHRI BHOLANATH CARPETS LIMITED					
NOTES TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2021					
Note	1				
Share Capital		Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
		No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
	Authorised				
	60,00,000 Equity Shares of Rs.10/- Each	6000000	60000000	6,000,000.00	60,000,000.00
	Issued Subscribed and Fully Paid Up				
	48,00,000 Equity Shares of Rs. 10/- Each	4800000	48000000	4,800,000.00	48,000,000.00
	Total	4800000	48000000	4,800,000.00	48,000,000.00
Note	1(a)	There is no Preference Share hence the same is not being reported			
Note	1(b)				
Particulars		Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
		Equity Shares		Equity Shares	
		Number	Value	Number	Value
	Shares outstanding at the beginning of the year	4800000	48,000,000.00	4,800,000	48,000,000.00
	Shares Issued D/y	0	0	-	-
	Shares bought back D/y	0	0	-	-
	Shares outstanding at the end of the year	4800000	48,000,000.00	4,800,000.00	48,000,000.00
Note	1(c)	Equity Shares held by the Holding Company NIL Equity Shares (NIL) are held by , the holding company.			
Note	1(d)	Shareholders holding more than 5% of Share Holdings			
Name of Shareholder		Figures As At The End Of Current Reporting Period		Figures As At The End Of Previous Reporting Period	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Surendranath Baranwal	357400	7.45%	357,400	7.45%
	Vashudha Agrawal	702000	14.63%	702,000	14.63%
	Bholanath Baranwal	676880	14.10%	672,780	14.02%
	Dinanath Baranwal	257400	5.36%	257,400	5.36%
	TOTAL	4800000	100.00%	4,800,000	100.00%
Note	1(e)	Disclosure for each class of Shares:			
Particulars		Year (Aggregate No. of Shares)			
		2017-18	2018-19	2019-20	2020-21
	Equity Shares :				
	Fully paid up pursuant to contract(s)	NIL	NIL	NIL	NIL
	Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL
	Shares bought back	NIL	NIL	NIL	NIL
	Preference Shares :	N.A.	N.A.	N.A.	N.A.
	Fully paid up pursuant to contract(s)	NIL	NIL	NIL	NIL
	Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL
	Shares bought back	NIL	NIL	NIL	NIL
Note	2	Reserves & Surplus		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	a. General Reserves				
	Opening Balance			44,570,772.00	44,570,772.00
	Addition / (Written off)			-	-
	Closing Balance			44,570,772.00	44,570,772.00
	b. Securities Premium Account				
	Opening Balance			28,600,000.00	28,600,000.00
	Addition during the year			-	-
	Closing Balance			28,600,000.00	28,600,000.00
	c. Surplus				
	Opening balance			6,648,419.72	5,191,032.03
	(+) Net Profit/(Net Loss) For the current year			517,785.64	1,457,387.69
	(-) Transfer to Reserves			-	-
	Closing Balance			7,166,205.36	6,648,419.72
	TOTAL			80,336,977.36	79,819,191.72

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Note			Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
3	Deferred Tax Liabilities			
	Deferred Tax Liabilities		2,190,654.73	2,447,742.21
	Addition During The Year		180,361.13	257,087.48
	TOTAL		2,010,293.60	2,190,654.73
4	Other Long Term Liabilities			
	Syndicate Bank - Covid		15,269,022.99	-
	Unsecured Loan		1,100,000.00	3,639,791.00
	TOTAL		16,369,022.99	3,639,791.00
5	Short Term Borrowings			
	Secured			
	Syndicate Bank PCFC		55,716,352.00	104,994,137.04
	Canara Bank CC		49,510,135.00	-
	(Secured against Hyp of Stock and Book Debts)		-	-
	TOTAL		105,226,487.00	104,994,137.04
6	Trade Payables			
	Trade Payables for Goods and Services		54,894,187.48	43,062,001.79
	TOTAL		54,894,187.48	43,062,001.79
7	Other Current Liabilities			
	Advance from customers		2,629,380.24	990,208.20
	TDS Payable		98,875.05	231,330.50
	GST Payable		68,784.71	-
	Other Liabilities		11,486,794.12	10,293,532.62
	Advance to Staff		119,571.00	-
	TOTAL		14,403,405.12	11,515,071.32
8	Short term Provisions			
	Provision for current year tax		383,035.00	817,828.00
	TOTAL		383,035.00	817,828.00

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Note	9	Non Current Investments	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		Bholanath Industries	21,300,000.00	21,300,000.00
		Amari Investments (P) Ltd.	75,000.00	75,000.00
		TOTAL	21,375,000.00	21,375,000.00
Note	10	Long Term Loans And Advances	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		a. Security Deposits	-	-
		Secured, considered good	-	-
		Unsecured, considered good	407,398.00	407,398.00
		Less: Provision for doubtful deposits	-	-
		Total	407,398.00	407,398.00
Note	11	Inventories	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		Raw Material	6,650,867.20	8,913,194.45
		Work in Progress	1,024,750.36	4,999,256.67
		Finished Goods	101,813,963.79	88,092,257.13
		Stores, Spares And Loose Tools	630,067.88	288,436.18
		TOTAL	110,119,649.23	102,293,144.43
Note	12	Trade Receivables	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		Trade receivables outstanding for a period less than six months from the date they are due for payment	75,422,528.37	44,059,035.61
		Less: Provision for doubtful debts		
		Total	75,422,528.37	44,059,035.61
		Trade receivables outstanding for a period exceeding six months from the date they are due for payment	35,529,159.09	47,934,166.83
		Unsecured, considered doubtful		
		Less: Provision for doubtful debts		
		Total	35,529,159.09	47,934,166.83
		TOTAL	110,951,687.46	91,993,202.44
Note	13	Cash and cash equivalents	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		a. Balances with banks		
		In Current Account:	4,173,978.75	1,498,738.89
		a. Cheques, drafts on hand	1,750,000.00	1,750,000.00
		b. Cash on hand	1,340,226.31	321,982.86
		TOTAL	7,264,205.06	3,570,721.75
Note	14	Short Term Loans And Advances	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
		Advance for goods & services	11,803,678.44	989,437.45
		Staff advances	-	504,260.00
		Balance with revenue authorities	17,465,841.54	17,662,777.37
		Others	23,038,113.00	35,053,049.00
		TOTAL	52,307,632.98	54,209,523.82

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PART II - Form of STATEMENT OF PROFIT AND LOSS				
SHRI BHOLANATH CARPETS LIMITED				
Profit and Loss Statement For The Year Ended 31st March, 2021				
SL. No.	Particulars	Refer Note No.	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
I.	Revenue from operations	PL-1	180,639,594.78	201,585,121.77
II.	Other Income	PL-2	2,345,374.92	2,294,897.11
III.	Total Revenue		182,984,969.70	203,880,018.88
	Cost of Materials consumed	PL-3	11,379,223.76	18,221,249.67
	Purchases of Stock-in-Trade	PL-4	141,577,982.23	141,057,084.87
	Changes in inventories of Stock-in-Trade	PL-5	-9,747,200.35	-2,563,102.15
	Employee Benefits Expense	PL-6	3,266,186.00	3,074,897.00
	Finance Costs	PL-7	14,742,318.27	10,438,266.97
	Depreciation and Amortization Expense	PL-8	1,089,881.64	1,475,036.00
	Payment to Auditors	PL-9	72,000.00	72,000.00
	Other expenses	PL-10	19,825,065.11	30,033,385.31
	Total expenses		182,205,456.66	201,808,817.67
V.	Profit before exceptional and extraordinary items & tax (III-IV)		779,513.04	2,071,201.21
VI.	Exceptional items			
VII.	Profit before extraordinary items and tax (V - VI)		779,513.04	2,071,201.21
VIII.	Extraordinary Items			
IX.	Profit before tax (VII- VIII)		779,513.04	2,071,201.21
X.	Tax expense:			
	(1) Current tax		383,035.00	817,828.00
	(2) Deferred tax		180,361.13	257,087.48
	(3) Interest on Self assessment tax		-	53,073.00
	(4) Earlier Tax Short / (Excess) Provision		59,053.52	-
XI.	Profit (Loss) for the period from continuing operations (VII-VIII)		517,785.64	1,457,387.69
XII.	Profit/(loss) from discontinuing operations			
XIII.	Tax expense of discontinuing operations			
XIII.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XIV.	Profit (Loss) for the period (XI + XIV)		517,785.64	1,457,387.69
XV.	Earnings per equity share:			
	(1) Basic		0.11	0.30
	Additional notes	16		
SIGNED IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE.		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS SHRI BHOLANATH CARPETS LIMITED		
FOR O.P. TULSYAN & COMPANY CHARTERED ACCOUNTANTS			Sd/-	Sd/-
Sd/-			Vivek Baranwal	Harish Baranwal
S.N. GARG			Director & CFO	Director
(PARTNER)			DIN: 02076746	DIN: 01722061
Membership No:052740		PLACE: VARANASI		
		DATED: 28/06/2021		

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SHRI BHOLANATH CARPETS LIMITED				
NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS □				
FOR THE YEAR ENDED 31ST MARCH, 2021				
	Revenue From Operations		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
PL-1	Sale of products		178,146,751.31	196,297,930.92
	Sale of services		-	-
	Other Operating Revenues		2,492,843.47	5,287,190.85
			180,639,594.78	201,585,121.77
			-	-
	Total		180,639,594.78	201,585,121.77
PL-2	Other Income			
	Other Income		-	-
	Interest Income		2,293,173.00	1,865,218.00
	Miscellaneous Income		52,201.92	429,679.11
	Total		2,345,374.92	2,294,897.11
PL-3	Cost of Materials Consumed			
	Purchases Raw Materials		9,116,896.51	17,859,166.46
	Add: Opening Balance of Stock		8,913,194.45	9,275,277.66
			18,030,090.96	27,134,444.12
	Less: Closing Balance of Stock		6,650,867.20	8,913,194.45
			11,379,223.76	18,221,249.67
	Total		11,379,223.76	18,221,249.67
PL-4	Purchase of Stock In Trade			
	Purchases of Traded goods		141,577,982.23	141,057,084.87
	Total		141,577,982.23	141,057,084.87
PL-5	Changes in inventory			
	Finished Stock			
	At the Beginning of Accounting Period		88,092,257.13	87,763,140.16
	At the End of Accounting Period		101,813,963.79	88,092,257.13
			-13,721,706.66	-329,116.97
	Work-in-Progress			
	At the Beginning of Accounting Period		4,999,256.67	2,765,271.49
	At the End of Accounting Period		1,024,750.36	4,999,256.67
			3,974,506.31	-2,233,985.18
	Total		-9,747,200.35	-2,563,102.15
PL-6	Employee Benefit Expenses			
	Factory Salary & Wages		2,234,036.00	1,734,667.00
	Directors Remuneration		522,000.00	696,000.00
	Sitting Fee and Medical Exp.to Directors		28,796.00	49,039.00
	Bonus		134,750.00	153,000.00
	Contribution To Provident Fund		169,795.00	164,713.00
	Staff Welfare		176,809.00	277,478.00
	Total		3,266,186.00	3,074,897.00
PL-7	Payment To Auditors		Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Payment To Auditors		72,000.00	72,000.00
	Total		72,000.00	72,000.00
PL-8	Finance Costs			
	Interest To Bank		8,169,566.77	9,245,715.26
	Interest on USL		151,800.00	-
	ERD Losses Against PCFC Closer		5,580,819.43	-
	Bank Charges & Commission		840,132.07	1,192,551.71
	Total		14,742,318.27	10,438,266.97
PL-9	Depreciation and Amortization Expense			
	Depreciation		1,089,881.64	1,475,036.00
	Total		1,089,881.64	1,475,036.00

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PL-10	Other Expenses		
	Manufacturing Expenses:		
	Consumption Of Stores And Spare Parts:		
	Opening Stock	288,436.18	187,496.00
	Add:Purchases	1,922,294.37	2,302,067.09
	Total	2,210,730.55	2,489,563.09
	Less:Closing Stock	630,067.88	288,436.18
		1,580,662.67	2,201,126.91
	Weaving Finishing & Other Job Charges	4,563,043.36	7,165,004.04
	Power & Fuel	92,018.37	553,580.60
	Manufacturing Expenses	4,131,305.70	5,070,130.81
	Dyeing Charges Woolen Yarn	1,012,476.45	1,155,343.75
	Yarn Opening Expenses	171,470.00	188,145.00
	Total	11,550,976.55	16,333,331.11
	Administrative Expenses:		
	Admintrative Charges P.F.	6,312.00	7,413.00
	Advertisement	77,437.00	297,166.00
	Computer Printing & Maintenance	4,470.00	-
	Diwali Expenses	41,806.00	-
	Filing fees	11,700.00	9,720.00
	Focus Licence Clearence Charges	26,067.00	33,110.00
	Insurance Charges	341,866.00	173,033.64
	Internal/Stock Audit Fees	15,800.00	27,846.00
	Intt. On Tax /TDS	141,605.37	16,201.00
	Legal & Professional Fee/Expenses	623,129.00	669,309.00
	Losses Against MEIS Sales	21,311.00	132,706.00
	Miscellaneous Expenses	351,216.67	174,962.39
	Clearing and Gardening Expenses	128,271.00	-
	Office Expenses	45,991.00	-
	Printing & Stationery	131,811.00	152,727.98
	Registraration & Membership	287,163.62	166,251.00
	Repair & Maintainance	7,600.00	33,671.00
	Sundry Balances W/o	-	1,304,343.84
	Taxes W/o & Late Fees GST	23,005.00	25,850.00
	Telephone, Telegram, Fax Charges	89,540.22	40,271.00
	Travelling-Directors	109,667.48	780,957.70
	Travelling-Others	31,844.00	30,238.00
	Vehicle Running & Maintenance	131,614.00	169,271.00
	Total :	2,649,227.36	4,245,048.55
	Selling And Distribution Expenses:	Figures As At The End Of Current Reporting Period	Figures As At The End Of Previous Reporting Period
	Packing, Freight, Insurance & Forwarding Exp.	4,043,180.47	7,625,764.21
	Trade Fair	-	149,776.00
	ECGC Premium	737,261.00	655,696.00
	Sample development & Quality	98,437.60	40,670.00
	Commission	670,336.21	829,029.44
	Business Promotion Expenses	70,020.92	154,070.00
	Export Inspection Charges	5,625.00	-
	Total :	5,624,861.20	9,455,005.65
	Grade Total	19,825,065.11	30,033,385.31

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M/s SHRI BHOLANATH CARPETS LIMITED (FORMERLY KNOW BIL CONTINENTAL LIMITED)										
SCHEDULE OF FIXED ASSETS AS ON 31.03.2021										
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Rate	AS ON 01.04.2020	ADDITION	Deletion	AS ON 31.03.2021	UP TO 01.04.2020	FOR THE YEAR	UP TO 31.03.2021	AS ON 31.03.2021	AS ON 31.03.2020
Factory Building	0.0317	43101855	0	0	43101855	29160062.9	441954.8096	29602017.71	13499837.29	13941792.1
Plant & Machinery	0.0633	21142598	0	0	21142598	18829510.4	146418.4451	18975928.85	2166669.155	2313087.6
Electric Installation	0.095	1255664	0	0	1255664	1141357.55	10859.11275	1152216.663	103447.3373	114306.45
Other Machinery	0.0633	8372424	0	0	8372424	7762743.03	38592.8054	7801335.835	571088.1646	609680.97
Loom with Artisan	0.0633	3379583	0	0	3379583	3124945.93	16118.52653	3141064.457	238518.5435	254637.07
Computer & Allied Equipment	0.3167	2231205.07	32910.43	0	2264115.5	2119644.81	41207.03434	2160851.844	103263.6557	111560.26
Office & Other Equipment	0.19	4230985.24	65121.54	0	4296106.78	3026664.72	237116.4988	3263781.219	1032325.561	1204320.52
Furniture & Fixture	0.095	8929316.48	0	0	8929316.48	7422393.34	143157.6983	7565551.038	1363765.442	1506923.14
Trade Mark	0	48300	0	0	48300	48300	0	48300	0	0
Vehicles	0.1188	1989971	0	0	1989971	1890472.45	11820.42772	1902292.878	87678.12214	99498.54986
Motor Cycle	0.095	52985	0	0	52985	27156.55	2453.70275	29610.25275	23374.74725	25828.45
Assets Below Rs.5000/-	0	103313	0	0	103313	98147.35	0	98147.35	5165.65	5165.65
Assets above Rs.50000/-	0.0633	57688	0	0	57688	54803.59733	182.5826888	54986.18002	2701.819978	2884.402667
TOTAL		94895887.79	98031.97	0	94993919.76	74706202.63	1089881.644	75796084.27	19197835.49	20189685.16

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SHRI BHOLANATH CARPETS LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021		
	(Rs. Lacs)	
	31.03.2021	31.03.2020
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	7.80	19.83
Adjustment for:		
Dividend Received		
Depreciation /Amortisation	10.90	15.61
Interest Income	(22.93)	(18.65)
Interest Paid	83.21	-
Provision for current year tax	(3.83)	-
Excess Provision	(0.59)	-
Bad debts	-	-
Allowance for Bad Debts	-	-
Provision for Liquidated Damages (Net)	-	-
Provision For Incentive/Warranty/Liquidated Damages (Net)	-	-
(Profit)/Loss on Sale of Long Term Investments (Net)	-	-
Reclassification Effect of Change in Opening/ Closing Inventory	-	-
Provision for Other Current assets	-	-
Fair value gain on financial instrument at fair value through OCI	-	-
Sundry balance written back (Net)	(0.16)	(0.18)
Exchange Rate Fluctuation (Net)	(4.74)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	69.65	16.61
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Inventories	(78.27)	(24.57)
Trade Receivables	(189.58)	392.42
Short Long Term Loans and Advances	19.02	27.59
Short Term Borrowings	2.32	160.83
Short Term Provisions	3.83	(0.09)
Trade Payables	118.32	(245.44)
Other Current Liabilities	20.71	(330.48)
Cash Generated from Operations	(103.65)	(19.74)
Sundry balance written back (Net)	0.16	-
Exchange Rate Fluctuation (Net)	4.74	-
Excess Provision Written Back	-	-
NET CASH FROM OPERATING ACTIVITIES	(29.10)	(3.13)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loan (given)/ returned	(25.40)	28.33
Purchase of Fixed Assets including Capital Work in Progress	(0.98)	(2.02)
Sale of Fixed Assets	-	-
Sale of Non Current Investments	-	-
Increase in the Value of Investment on Account of Fair Value	-	-
Interest Received	22.93	-
Dividend Received	-	-
NET CASH USED IN INVESTING ACTIVITY	(3.45)	26.31
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Decrease/ (Increase) in Short Term Advances		54.39
Interest Income	-	18.65
Interest Paid	(83.21)	(92.48)
Loan Taken	152.69	-
Dividend Paid (Inclusive of Dividend Distribution Tax)	-	-
NET CASH USED IN FINANCING ACTIVITY	69.48	(19.44)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	36.93	3.74
OPENING BALANCE OF CASH & CASH EQUIVALENTS	35.71	14.29
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	72.64	18.03

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O.P. TULSYAN & CO.	Continuation Sheet
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Shri Bholanath Carpets Limited	
Formally Known BIL Continental Limited	
SCHEDULE FORMING PARTS OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021	
Note: 16	
Notes forming part of the financial statements	
1 Significant accounting policies	
A Basis of accounting and preparation of financial statements	
a	The Financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention on the assumption of going concern concept and in accordance with accounting standards as specified by the Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
b	All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in Revised Schedule VI of Companies Act, 1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of classification of current or non-current assets and liabilities.
B Use of estimates	
	The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires management to make estimates and assumptions that are considered in the reported amounts of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenues and expenses for the year. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results could vary from these estimates and any such differences are dealt with in the period in which the results are known / materialize.
C Inventories	
	The inventories of all textiles items traded and dealt with by the Company are valued at cost. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.
D Prior Period items and Extraordinary items :	
	Prior period items and extraordinary items are separately classified, identified and dealt with as required under Accounting Standard 5 on 'Net Profit or Loss for the Period, Prior Period items and changes in Accounting Policies' as notified under the Companies (Accounting Standards) Rules, 2006
E Cash and cash equivalents	
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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O.P. TULSYAN & CO.		Continuation Sheet	
	(2)		
G	Revenue recognition		
a	Sale of Goods		
	Revenue from sale of products net of returns, is recognised on despatch or appropriation of goods in accordance with the terms of sale. Sales are recognised when substantial risks and reward of ownership in the goods are transferred to the buyer, upon supply of goods, and are recognised net of trade discount , rebates , excise duty and vat on goods manufactured.		
b	Sale of Services		
	Revenue from services is recognised in accordance with the specific terms of contract on performance.		
c	Other Operating Revenue		
i	Other operating revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract		
ii	Sundry creditors not to be paid as decided by the management is written off and accounted as misc. income.		
H	Tangible fixed assets, Depreciation and Impairment		
a	Fixed Asset is shown at Cost less accumulated depreciation. All direct cost relating to acquisition of assets is capitalised upto the date the assets are ready for their intended use. Depreciation / amortisation is provided on a pro-rata basis from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation / amortisation is provided upto the month of sale or disposal of the assets.		
b	Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets at the rates prescribed as per part 'C' Schedule II of the Companies Act, 2013.		
c	The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount.		
I	Investments		
	Long-term and Short Term Investments (excluding investment properties), are carried individually at cost at which the same is purchased Cost of investments include acquisition charges such as brokerage, fees and duties and other charges Long term investments are carried individually at cost. However, provision for diminution is made to recognise a decline, if any, other than temporary, in the carrying value of the investment. Current investments are carried individually at lower of cost and fair value.		
J	Employee benefits		
	Short term benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related services is rendered. There are no post employment and long term benefits payable to the employees.		
K	Borrowing costs		
	Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, upto the date when the assets are ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.		

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O.P. TULSYAN & CO.		Continuation Sheet																									
	(3)																										
L	Segment reporting																										
	The Company's primary segment is identified as business segment based on nature of product, risks, returns and the internal business reporting system and secondary segment is identified based on geographical location of the customers as per Accounting Standard – 17. The Company is principally engaged in a single business segment.																										
M	Earnings per share																										
	The Company reports basic earnings per share (EPS) in accordance with Accounting Standard AS- 20 on 'Earnings per Share'. Basic EPS is computed by dividing the net profit or loss for the year 'by the weighted average number of equity shares outstanding during the year.																										
N	Taxes on income																										
	Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to the Company resulting in payment of normal income tax.																										
	Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets are recognised for timing differences other than unabsorbed depreciation and carry forward losses only to the extent that there is a reasonable certainty that there will be sufficient future taxable income to realise the assets. Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognised only to the extent there is a virtual certainty of its realisation.																										
O	Provisions and contingencies																										
	A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements. Provision for product warranties is made for contractual obligations in accordance with the policy in force and is estimated for the unexpired period.																										
P	Foreign Currency Translations																										
	Foreign Currency Transactions are accounted for the exchange rates prevailing at the date of transaction. Gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss. No provision for Exchange Fluctuation on monetary assets and liabilities denominated in foreign currencies as the year end has been made on the basis of exchange rates prevailing existed at the balance sheet date. Non monetary items has been carried at historical cost and any gains or losses, if any are recognised at exchange rate prevailing at the date of transaction.																										
Q	Miscellaneous Expenditure :																										
	Preliminary, Public Issue, Rights Issue Expenses and Expenses on Private Placement of shares are amortized as prescribed under the provisions of Income Tax Act 1961 at present it is amortised over a period of 5 years.																										
2 A.	As per Accounting Standard 18, the disclosures of transactions with the related parties are given below																										
	<table border="1"> <thead> <tr> <th>Sl. No</th> <th>Nature of Transactions</th> <th>KMP</th> <th>Others</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Directors Remuneration</td> <td>522,000.00</td> <td>-</td> </tr> <tr> <td>2</td> <td>Sale</td> <td></td> <td>15,677,561.90</td> </tr> <tr> <td>2</td> <td>Purchase</td> <td></td> <td>124,535,443.22</td> </tr> <tr> <td>3</td> <td>payment Made</td> <td></td> <td>102,389,893.00</td> </tr> <tr> <td>4</td> <td>Payment received</td> <td></td> <td>35,037,950.00</td> </tr> </tbody> </table>	Sl. No	Nature of Transactions	KMP	Others	1	Directors Remuneration	522,000.00	-	2	Sale		15,677,561.90	2	Purchase		124,535,443.22	3	payment Made		102,389,893.00	4	Payment received		35,037,950.00		
Sl. No	Nature of Transactions	KMP	Others																								
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3	payment Made		102,389,893.00																								
4	Payment received		35,037,950.00																								
3	Earnings in Foreign Exchange :																										
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>As at 31.03.2021</th> <th>As at 31.03.2020</th> </tr> </thead> <tbody> <tr> <td></td> <td>NIL</td> <td></td> </tr> </tbody> </table>	Particulars	As at 31.03.2021	As at 31.03.2020		NIL																					
Particulars	As at 31.03.2021	As at 31.03.2020																									
	NIL																										

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O.P. TULSYAN & CO.				Continuation Sheet			
				(4)			
4 Sundry Debtors, Loans and Advances :							
i) In the opinion of Management and to the best of their knowledge and belief the value of realization of Loans, Advances and Current Assets in ordinary course of Business will not be less than the amount for which they are stated in the Balance Sheet.							
ii) Sundry Debtors represent the debt outstanding on sale of textile and madeups and is considered good. The Company holds no other securities other than the personal security of the debtors. The Balances of Sundry debtors are subject to confirmations from the parties.							
iii) Sundry Debtors and Loans and Advances shown under the head Current Assets includes the amounts due from concerns which are under same management or in which some of the Directors are interested as Directors/Trustees, which amounts Rs.NIL							
5 Expenditure in Foreign Currency :							
Particulars				31.03.2021 (Rs.)		As at 31.03.2020	
a) CIF Value of Imports							
(i) Machinery and Equipment				NIL		NIL	
(ii) Stores and Spares				NIL		NIL	
(iii) Other Consumables				NIL		NIL	
b) Investments				NIL		NIL	
c) Expenditure (Capital)				NIL		NIL	
6 The previous financial year's figures have been reworked, regrouped and reclassified to the extent to the extent possible, wherever necessary to conform to current year presentation.							
7 The Company is a Small and Medium Sized Company (SME) as defined in the General Instructions in respect of Accounting Standard notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized company.							
Signature to the Schedules "1" to "7"							
(As per our report of even date attached)							
For O.P. TULSYAN & CO. CHARTERED ACCOUNTANTS				Shri Bholanath Carpets Limited			
sd/-				sd/-		sd/-	
CAS N Garg				Place: Varanasi		Vivek Baranawal	
(Partner)				Dated: 28.06.2021		Director & CFO	
M No: 052740						Director	
						DIN: 01722061	
						DIN: 02076746	

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SHRI BHOLANATH CARPETS LIMITED

CIN: L17226UP1973PLC003746 | Registered Office: G.T. Road, Kachhawan, Varanasi- 221313, U.P.
ATTENDANCE SLIP

48th Annual General Meeting, _____ at _____

Regd. Folio No.		* DP ID:	
No. of Equity Shares held		* Client ID:	
Name of the Shareholder			
Name of Proxy			

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 48th Annual General Meeting of the Company on Thursday, 30th September, 2021 at its Registered Office at G.T. Road, Kachhawan, Varanasi - 221313 at 10:00 A.M.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

If Member, please sign here

If Proxy, please sign here

Note: This form should be signed and handed over at the Meeting Venue

Form No. MGT – 11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 (the Act) and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	
Registered address:	
Email Id:	
Folio No./Client Id:	
DP ID:	

I/we being the member(s) holding _____ shares of the above mentioned company, hereby appoint the following as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th Annual General Meeting of the Company, to be held on Thursday, 30th September, 2021 at 10.00 A.M. at its Registered Office at G.T. Road, Kachhawan, Varanasi- 221313 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Mr./Ms..... of in the district of or failing him / her
2. Mr./Ms..... of in the district of or failing him / her
3. Mr./Ms..... of in the district of

Signed this day of, 2021

Signature of the Member

Please Affix
Re.1/-
Revenue
Stamp and
sign
Across

Note: 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 Annual General Meeting.

ANNUAL REPORT 2020-21

**Form No. MGT – 12
Ballot Paper**

[Pursuant to Section 109(5) of the Companies Act, 2013 (the Act) and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

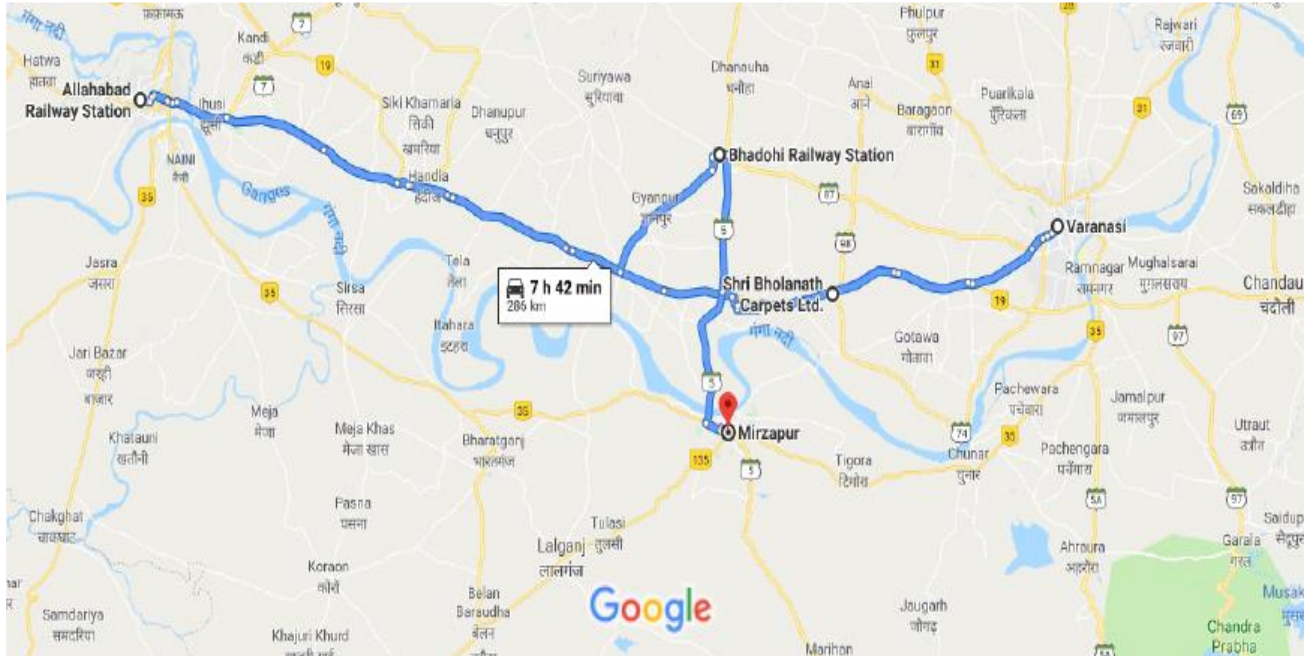
CIN: L17226UP1973PLC003746

Name of Company: Shri Bholanath Carpets Limited

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

Poll Paper				
Sr. No.	Particulars	Details		
1	Name of the First Named Shareholder (In block letters)			
2	Postal Address			
3	Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)			
4	Class of Share			
I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in following manner:				
Sr. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To receive, consider and adopt the Audited Standalone Financial Statements consisting of the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditors thereon			
2	To appoint a Director in place of Mr. Harish Baranwal (DIN: 01722061), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.			
3	To Regularize the appointment of Mr. Sunil Purnvasi Pal (DIN: 07858880) as an Independent Non- Executive Director			
4.	Approval of Related Party Transaction			
Place: Varanasi		(Signature of Shareholder)		
Date:				

ROUTE MAP



Venue to 48th AGM : G.T. Road, Kachhawan, Varanasi – 221313, U.P.
Land Mark: Near to Reliance Petrol Pump

By Couriered

If undelivered please return to:

REGISTERED OFFICE
SHRI BHOLANATH CARPETS LIMITED
G.T. ROAD, KACHHAWAN,
VARANASI- 221313, U.P. Ph: 542-2620221
Email: cs@bholanath.biz
Website: www.bholanath.biz