



CORPORATE INFORMATION

BOARD OF DIRECTORS

Arun Churiwal	Chairman & Managing Director
Ravi Jhunjunwala	
Shekhar Agarwal	
Salil Bhandari	
Sushil Kumar Churiwala	
Sushil Jhunjunwala	
A. N. Choudhary	
Nivedan Churiwal	Executive Director

ADVISOR

R. N. Gupta

BUSINESS HEAD

J. C. Soni

CFO & COMPANY SECRETARY

Praveen Jain

KEY EXECUTIVES

M. C. Maheshwari	Vice - President (Export)
S. Sen Gupta	Vice - President (Spinning)
A. K. Mehta	Vice - President (Processing & Silk)
V. B. Arora	Vice - President (Marketing)
Manoj Gupta	Vice - President (Weaving)

BANKERS

State Bank of India
Oriental Bank of Commerce
IDBI Bank Ltd.
Union Bank of India
ICICI Bank Ltd.

AUDITORS

M/s A. L. Chechani & Co.
Chartered Accountants, Bhilwara

REGISTERED OFFICE

26, Industrial Area, Post Box No. 17,
Gandhi Nagar, Bhilwara - 311 001 (Rajasthan)

WORKS

Mandpam, Dist. Bhilwara - 311 001 (Rajasthan)

WIND ENERGY PLANT

Village Gorera, Jaisalmer - 345 001 (Rajasthan)

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FINANCIAL HIGHLIGHTS

BSL LIMITED

(Rs. in Crore)

PARTICULARS	2008-2009	2009-2010	2010-2011
Turnover	188.17	218.02	271.78
Exports	110.44	122.91	155.83
P B I D T	22.53	29.55	34.84
Interest	12.64	11.03	12.63
Depreciation	9.64	12.38	12.70
Taxation	0.20	2.35	3.85
PAT	0.05	3.79	5.66
Gross Block	206.03	257.73	282.57
Less : Depreciation	124.40	160.17	168.85
Net Block	81.63	97.56	113.72
Net Worth	40.17	59.29	63.15



MANAGEMENT DISCUSSION AND ANALYSIS

(1) INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Indian Textile Industry plays very important role in our Country's Economy. The Indian Textile Industry is one of the largest in the world with a massive raw material and textile-manufacturing base and also currently India has the second highest spindleage in the world after China. Indian Economy is largely dependent on the textile manufacturing and trade in addition to other major industries about 30 per cent of the exchange earning are on account of export of textiles and clothing alone.

In line with its aspiration of ongoing growth, BSL is investing its resources in core business. It is also taking initiatives of investing in new technologies that help meet changing aspiration of millions of Indian and overseas customers. These strategies and initiatives are aimed to ensure that BSL delivers long-term growth and creates unprecedented value for its stakeholders.

Financial year 2010-11 was a strong year for its upstream textile business. During the year company's performance was better. The turnover increased from Rs. 218.02 crore to Rs.271.78 crore which reflects a growth of 24.66%. During the year the export has increased in terms of volume and per meter price realisation.

(2) OPPORTUNITIES :

Growth in the Indian Economy and demand have created unprecedented opportunities for BSL to invest significantly in its business. The company is proposing to install 20 Nos. of Airjet weaving machines at its weaving facility and planning for balancing and modernisation of its Spinning and Processing divisions.

All the above capital expenditures will enable the company to improve the quality of its products and economise the cost of production, which will ultimately support top-line as well as the bottom-line.

(3) THREATS & OUTLOOK :

After the Global recession the world economies are now coming out of the recession but the business environment is very challenging as customers are cutting down on inventory level & making pricing competitive. Highly fluctuating Raw Material Prices of Polyester and Viscose on one hand and only northward Wool and Silk Prices on the other are putting continuous challenges.

The outlook for textile industry is very optimistic. It is expected that Indian textile industry would continue to grow at an impressive rate.

(4) PERFORMANCE :

The product wise performance during the year is as under :

(Rs. in Crore)

	Particulars	This Year		Previous Year	
		Qty.	Value	Qty.	Value
a)	Fabrics (Lac Mtrs.)	177.78	224.73	158.42	186.93
b)	Yarn (MT)	1585.53	31.47	946.28	15.44
c)	Job Work		11.19		11.94
d)	Readymade Garments (No. of Pcs.)	40376	1.34	33889	1.36
e)	Wind Power (Lac Units)	30.94	1.17	35.06	1.30
f)	Others : Export Incentives		1.88		1.05
	Grand Total		271.78		218.02

The profitability of the Company is as under:

(Rs. in Crore)

	Particulars	2010-11	2009-10
i)	PBIDT	34.84	29.55
ii)	PBDT	22.21	18.52
iii)	PBT	9.51	6.14

(5) RISK & CONCERNS :

The Company is having the risks of market fluctuations of foreign exchange, Government policies, interest rates, raw material prices, tax rates and several other external and internal factors.

FOREIGN EXCHANGE RISK

The Company's policy is to hedge in a systematic manner its exports & imports on a regular basis by keeping constant watch over the rates.

INTEREST RATE RISK

The Company's policy is to borrow long term borrowings in Indian Rupees to avoid any rate variation risks. The short term borrowing are some times availed in foreign exchange at fixed rate of interest.

RAW MATERIAL PRICES RISK

The Company is exposed to the risk of raw material prices of Polyester, Viscose, P/V blended yarn, Silk and Wool. The Company hedges this risk by purchasing the required raw material at the time of booking of sales contracts. Also this risk is being managed by way of inventory management and forward booking.

OTHER RISKS

The Company is also exposed to other risks like various Government policies, and certain operating business risks which are managed by regular monitoring and timely actions.

(6) INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :

The Company has adequate internal control systems to safeguard the company's assets from any loss or damage, to control cost, prevent revenue loss and required financial and accounting controls and to effectively implement the applicable accounting standards. All significant audit observations and follow-up actions thereon are reported to the Audit Committee of Board of Directors. Audit Committee reviews the adequacy and effectiveness of the company's internal control environment and monitors the implementation of audit recommendations.

(7) HUMAN RESOURCES AND INDUSTRIAL RELATION :

During the year, various HR measures were taken to make the HR policies upto the required business needs. The Company has strong dedicated force of employees and they have shown commitment, competence and dedication in all areas of business. The appraisal systems based on KRAs are in place for senior management staff. For workers, technical and safety training programs are given periodically Industrial Relations remained cordial in the plant throughout the year.

(8) CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, estimates etc. may be "Forward Looking Statements" within the applicable laws and regulations. Actual results may vary from these expressed or implied. Several factors that may effect Company's operations include Raw material prices, Government policies, Cyclical demand and pricing in the Company's main market and economic developments within India and countries in which the Company conducts its business and several other factors. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in the future.

DIRECTORS' REPORT

To The Members,

The Board of Directors have pleasure to present the 40th Annual Report and Statement of Accounts for the year ended 31st March, 2011.

1) FINANCIAL RESULTS

(Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
Total Turnover				
a) Domestic	115.95		95.11	
b) Exports	155.83	271.78	122.91	218.02
Profit before interest and Depreciation		34.84		29.55
Less : Interest (Net)		12.63		11.03
Profit before Depreciation		22.21		18.52
Less : Depreciation		12.70		12.38
Profit before Tax		9.51		6.14
Taxation – Current year		2.07		1.21
– Deferred Tax		1.78		1.23
– Earlier years		–		(0.09)
Profit after Tax		5.66		3.79

2) OPERATIONS

The Division wise performance is as under :-

Value (Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
a) Fabrics (Lac Mtrs.)				
– Domestic	65.32	75.05	59.13	65.72
– Exports	112.40	149.68	99.29	121.21
Total	177.72	224.73	158.42	186.93
b) Yarn (MT)				
– Domestic	1381.61	27.23	920.60	14.94
– Exports	203.92	4.24	25.68	0.50
Total	1585.53	31.47	946.28	15.44
c) Job Work				
Job Fabric Processing (Lac Mtrs.)	80.40	9.10	94.35	10.64
Top, Fibre and Yarn Dyeing (MT)	177	0.48	108	0.26
Job Spinning (MT)	177	1.61	93	1.04
Total		11.19		11.94

Value (Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
d) Readymade Garments				
– Domestic (No. of Pcs.)	40376	1.31	33889	1.20
– Exports	–	0.03	–	0.16
Total		1.34		1.36
e) Wind Power				
Generation (Lac Units)	30.94	1.17	35.06	1.30
f) Export Incentives		1.88		1.05
Grand Total		271.78		218.02

3) EXPORTS

The Company's Export turnover during the year was Rs. 155.83 Crores. During the year, the export performance of the company was satisfactory and Company has been able to increase its volume and per meter price realization resulting into higher profitability during the year.

4) EXPANSIONS

A) WEAVING

The Company has installed 12 new Weaving Machines of Picanol, Belgium. The Machines have started giving value added products from 1st September, 2010.

B) NEW TECHNOLOGY IN SPINNING

In the Spinning Department, the Company has introduced new generation of Technology from Japan. The Vortex Spinning is producing better quality of yarn.

5) OUT LOOK FOR COMPANY'S ACTIVITIES

The Company is focusing more on Exports markets by getting better price realisation and developing new products and exploring new markets in various continents for Fabric and Yarn businesses. New Domestic markets are also being explored as well as Institutional Sales.

6) NEW EXPANSION PLANS

In the Current Year, the Company plans to install 20 Toyota Airjet Weaving Machines, and is modernising its weaving and processing divisions. It also plans to double its Vortex Spinning capacity. The Total Capital Expenditure will be Rs.40.00 Crores. The Expansions will be funded through Term Loans and Internal Accruals.

These Expansions will improve overall profitability of the Company.

7) WIND POWER PROJECT

The Company's Wind Power Project at Jaisalmer had generated 30.94 Lac units during the year, as against 35.06 Lac units last year.

DIRECTORS' REPORT

8) DIVIDEND

The Company has paid an Interim dividend of 7.50% (Rs. 0.75 per Equity share) during the year. The directors are pleased to recommend a final dividend of 7.50% (Rs. 0.75 per Equity share). Thus the aggregate dividend for the financial year 2010-11 works out to 15 % (Rs 1.50 per Equity share), and total payout will be Rs.179.72 lac , including dividend distribution tax of Rs. 25.34 lac.

9) DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors Confirm :-

- i) That in the preparation of the Annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- ii) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That they have prepared the Annual Accounts on a going concern basis.

10) PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

a) Energy Conservation, Technology Absorption, Foreign Exchange Earning & Outgo

As required by Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, the relevant data pertaining to conservation of energy and technology absorption and foreign exchange earnings and outgo are given in **Annexure-I** of this report.

b) Particulars of Employees

There was no employee who was in receipt of remuneration in excess of the ceiling prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

11) INTERNAL CONTROL SYSTEMS

The company has adequate Internal Control Systems through Internal and Management Audit of all the units of the Company regularly conducted by independent auditors.

12) HUMAN RESOURCE DEVELOPMENT

The Company's relations with the employees and workers at all levels have been cordial. Regular orientation and development courses for various disciplines are conducted by in-house as well as outside experts. The company endeavors to care for all its employees by providing medical and welfare facilities way beyond its statutory requirements.

13) DIRECTORS

Shri Salil Bhandari and Shri A. N. Choudhary retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

14) AUDITORS

M/s A.L. Chechani & Company will cease to hold office as Auditors of the Company in the ensuing Annual General Meeting and are eligible for re-appointment.

15) APPRECIATION

The Board records its grateful appreciation for the sincere co-operation and valuable guidance from Financial Institutions, Banks and Central and State Government Authorities.

For and on behalf of the Board

Place : Noida, U.P

Date : 28th April, 2011

(ARUN CHURIWAL)

CHAIRMAN & MANAGING DIRECTOR

DIN : 00001718

निदेशकों का प्रतिवेदन

सदस्यगण,

निदेशक मंडल आपके समक्ष 40 वीं वार्षिक रिपोर्ट एवं 31, मार्च, 2011 को समाप्त हुए वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे हैं।

1. वित्तीय परिणाम

मद	(रुपये करोड़ में)			
	इस वर्ष		गत वर्ष	
कुल बिक्री – घरेलू	115.95		95.11	
– निर्यात	155.83	271.78	122.91	218.02
ब्याज व मूल्यहास पूर्व लाभ	34.84			29.55
घटाया: शुद्ध ब्याज	12.63			11.03
मूल्यहास पूर्व लाभ	22.21			18.52
घटाया: मूल्यहास	12.70			12.38
आयकर पूर्व लाभ	9.51			6.14
कराधान – आयकर	2.07			1.21
– विलम्बित कर	1.78			1.23
– पूर्व वर्षों के कर	–			(0.09)
कर पश्चात् लाभ	5.66			3.79

2. संचालन

विभागानुसार विक्रय की स्थिति इस प्रकार है:-

मद	मूल्य (रुपये करोड़ में)			
	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य
(अ) वस्त्र (लाख मीटर में)				
घरेलू	65.32	75.05	59.13	65.72
निर्यात	112.40	149.68	99.29	121.21
कुल	177.72	224.73	158.42	186.93
(ब) धागा (टनो में)				
घरेलू	1381.61	27.23	920.60	14.94
निर्यात	203.92	4.24	25.68	0.50
कुल	1585.53	31.47	946.28	15.44

मूल्य (रुपये करोड़ में)

मद	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य
(स) उपकार्य				
वस्त्र प्रक्रियांकन उपकार्य (लाख मीटर में)	80.40	9.10	94.35	10.64
टोप, फाईबर और धागा डाईंग (टनो में)	177	0.48	108	0.26
स्पिनिंग उपकार्य (टनो में)	177	1.61	93	1.04
कुल		11.19		11.94
(द) पोशाक (संख्या)				
घरेलू	40376	1.31	33889	1.20
निर्यात	–	0.03	–	0.16
कुल		1.34		1.36
(य) पवन ऊर्जा				
ऊर्जा उत्पादन (लाख ईकाई)	30.94	1.17	35.06	1.30
(र) निर्यात प्रोत्साहन				
		1.88		1.05
कुल		271.78		218.02

3. निर्यात

कम्पनी का इस वर्ष रु. 155.83 करोड़ का निर्यात रहा। वर्ष के दौरान कम्पनी के निर्यात संतोषप्रद रहा है तथा कम्पनी के निर्यात मात्रा में एवं प्रति मीटर मूल्य प्राप्ति में वृद्धि से इस वर्ष कम्पनी का लाभ बढ़ा है।

4. विस्तारीकरण

(अ) विविंग – कम्पनी ने वर्ष के दौरान 12 नयी विविंग मशीन पिकानोल, बेल्जियम से आयातित को स्थापित किया है। जिसका उत्पादन 1 सितम्बर, 2010 से शुरू हुआ।

(ब) स्पिनिंग क्षेत्र में नयी तकनीक – स्पिनिंग के क्षेत्र में, कम्पनी ने नयी जापानी तकनीक से वोरटेक्स स्पिनिंग मशीनें स्थापित की है। इससे उन्नत प्रकार के धागे का उत्पादन किया जा रहा है।

5. कम्पनी की गतिविधियों पर दृष्टिकोण

मूल्य वृद्धि एवं नये उत्पादों के विकास तथा कपड़े व धागे के नये बाजारों के विकास के साथ कम्पनी निर्यात बाजार पर अधिक ध्यान

निदेशकों का प्रतिवेदन

दे रही है। घरेलू बाजार के विकास व संस्थागत विक्रय वृद्धि के अधिक प्रयास किये जा रहे हैं।

6. विस्तारीकरण योजना

इस वर्ष के दौरान कम्पनी की 20 टोयटा एयरजेट विविंग मशीनें लगाने की योजना है तथा विविंग व प्रोसेसिंग विभाग में मशीनों का नवीनीकरण किया जा रहा है। कम्पनी अपने वोरटेक्स स्पिनिंग की क्षमता को दुगुना करने का विचार कर रही है। विस्तारीकरण की अनुमानित पूंजीगत लागत 40 करोड़ रुपये होगी। योजनाओं का वित्तीयकरण दिर्घावधि ऋण व आंतरिक संसाधनों से किया जायेगा। विस्तारीकरण योजना से कम्पनी की सम्पूर्ण लाभदायकता में वृद्धि होगी।

7. पवन उर्जा परियोजना

इस वर्ष कम्पनी के जैसेलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 30.94 लाख यूनिट रहा। गत वर्ष यह उत्पादन 35.06 लाख यूनिट था।

8. लाभांश

वर्ष के दौरान कम्पनी ने 7.50% (75 पैसे प्रति साधारण अंश) के हिसाब से अन्तरिम लाभांश का भुगतान किया। निदेशक मण्डल 7.50% (75 पैसे प्रति साधारण अंश) अन्तिम लाभांश घोषित करने की अनुशंसा करता है। इस प्रकार वित्तीय वर्ष 2010-11 के लिए कुल लाभांश 15% (रुपये 1.50 प्रति साधारण अंश) होगा तथा कुल भुगतान रुपये 179.72 रुपये होगा जिसमें लाभांश वितरण कर के रुपये 25.34 लाख सम्मिलित है।

9. निदेशकों के उत्तरदायित्व का वर्णन

आपके निदेशक सुनिश्चित करते हैं—

1. कि वार्षिक खातों की तैयारी में यथोचित लेखांकन सिद्धांतों का पालन किया गया है, साथ ही महत्वपूर्ण विचलनों की दशा में उपयुक्त स्पष्टीकरण भी दिये हैं।
2. कि निदेशकों में ऐसी लेखांकन नीतियों का चयन कर उन पर लगातार अमल किया और उपयुक्त निर्णय और अनुमान लगाये, जो कि कम्पनी के वित्तीय वर्ष की समाप्ति पर स्थिति विवरण व वर्ष भर के लाभ हानि की स्थिति को सत्य व संतोषजनक रूप में दर्शाते हैं।
3. कि निदेशकों ने कम्पनी की सम्पत्तियों की सुरक्षा और धोखाधड़ी एवं अनियमितता की जाँच व रोक के संबंध में कम्पनी अधिनियम वर्णित नियमों का पालन करते हुए योग्य लेखांकन पुस्तकों के रखरखाव के लिए यथोचित व पर्याप्त सावधानी का पालन किया।
4. निदेशकों ने वार्षिक खाते, व्यवसाय की निरन्तरता के सिद्धान्त को ध्यान में रखते हुए तैयार किये।

10. कम्पनी अधिनियम 1956 की धारा 217 का विवरण

(अ) ऊर्जा, संरक्षण, तकनीक समावेशन एवं विदेशी मुद्रा आय व्यय

कम्पनी अधिनियम के तहत ऊर्जा, संरक्षण, तकनीक समावेशन एवम् विदेशी मुद्रा आय व्यय का विवरण इस प्रतिवेदन की परिशिष्ट-1 में दर्शाया गया है।

(ब) कर्मचारियों का विवरण

कम्पनी अधिनियम 1956 की धारा 217(2ए) तथा कम्पनीज (कर्मचारियों का विवरण) नियम 1975 के अन्तर्गत वर्णित सीमा से अधिक पारिश्रमिक प्राप्त करने वाले कोई भी कर्मचारी नहीं था।

11. आन्तरिक नियन्त्रण पद्धति

कम्पनी के पास योग्य आन्तरिक नियन्त्रण पद्धति है जिससे आन्तरिक एवं प्रबन्धक अंकेक्षण, स्वतंत्र अंकेक्षक द्वारा नियमित रूप से किया जाता है।

12. मानव संसाधन विकास

कम्पनी का कर्मचारियों एवम् श्रमिकों से सभी स्तर पर सौहार्दपूर्ण सम्बन्ध रहा है। कम्पनी में मानव संसाधन विकास विभाग कार्यरत है जो निरन्तर विभिन्न विकास कार्यक्रम स्वयं द्वारा व बाहर के विशेषज्ञों द्वारा संचालित करवाता है। कम्पनी वैधानिक दायित्वों के अतिरिक्त भी अपने सभी कर्मचारियों को मानवीय सुविधाएँ उपलब्ध करने का मुख्य लक्ष्य रखती है।

13. निदेशक

श्री सलील भण्डारी एवं श्री अमरनाथ चौधरी आगामी वार्षिक साधारण सभा में क्रमानुसार अवकाश ग्रहण कर रहे हैं, व पुनः नियुक्ति के योग्य हैं।

14. अंकेक्षक

सर्व श्री ए. एल. चेचाणी एण्ड कम्पनी आगामी वार्षिक साधारण सभा में अवकाश ग्रहण करेंगे व पुनः नियुक्ति के योग्य हैं।

15. आभार प्रदर्शन

निदेशक मंडल वित्तीय संस्थाओं, बैंकों, केन्द्रीय व राज्य सरकारों के विभिन्न विभागों के प्रति सहयोग व मार्ग दर्शन हेतु आभार व कृतज्ञता व्यक्त करता है।

निदेशक मंडल की ओर से

स्थान : नोएडा (उ० प्र०)
तारीख : 28 अप्रैल, 2011

अरुण चूड़ीवाल
अध्यक्ष व प्रबन्ध निदेशक

ANNEXURE - I TO DIRECTORS' REPORT

1. STATEMENT OF PARTICULARS RELATED TO ENERGY CONSERVATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2011.

A. POWER & FUEL CONSUMPTION

	Current Year	Previous Year
1) Electricity		
a) Purchased		
Units (Lac)	361.68	312.59
Total Amount (Lac Rs.)	1462.99	1397.25
Rate/Unit	4.05	4.47
b) Own Generation		
(i) Through Diesel Generator		
Units (Lac)	1.49	2.83
Units per litre of Diesel oil	3.08	3.09
Cost/Unit	11.72	10.92
(ii) Through HFO Generator		
Units (Lac)	5.03	31.77
Units per litre of HFO / Diesel	3.98	3.90
Cost/Unit	34.73	9.53
2) Coal		
Quantity (MT)	7876	7985
Total Amount (Lac Rs.)	640.07	461.35
Average Rate (Rs. /MT)	8126.75	5777.72
3) Steam		
Quantity (MT)	-	444
Total Amount (Lac Rs.)	-	2.22
Average Rate (Rs. /MT)	-	500.90
4) Furnace Oil		
Qty. in Kilo Literes	127	814
Total amount (Lac Rs.)	28.11	141.64
Average Rate (Rs. / Ltr.)	22.21	17.41
5) Other/Integral Generation	N.A.	N.A.

B) CONSUMPTION PER UNIT OF PRODUCTION

A. Weaving:-

Electricity Unit per Mtr.		
- Weaving	0.65	0.65
- Others	0.02	0.03
	0.67	0.68

B. Spinning:-

Electricity Unit per Kg.	5.45	5.70
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	Current Year	Previous Year
C. Processing:-		
i) Electric Unit		
– Per Mtr. of Fabric	0.26	0.26
– Per Kg. of Top, Fibre & Yarn Dyeing	0.62	0.57
ii) Coal		
– Per Mtr. of Fabric	0.28	0.29
– Per Kg. of Top, Fibre & Yarn Dyeing	0.40	0.38
2. TECHNOLOGY ABSORPTION		
Details of Expenditure incurred on Research and Development during the year is as follows :		
		(Rs. in lac)
Capital	-	2.84
Recurring	143.72	117.28
Total Expenditure as % of total turnover	0.53	0.55
3. FOREIGN EXCHANGE EARNINGS AND OUTGO		
The details of foreign exchange earning and outgo during the year are as under :		
	2010-2011	2009-2010
Earning	15066.52	11939.99
Outgo :		
(Revenue A/c)	3307.07	2309.43
(Capital A/c)	1305.02	24.86
	4612.09	2334.29

REPORT ON CORPORATE GOVERNANCE

The Company complies with the requirements regarding Corporate Governance as stipulated in clause 49 of the listing agreement of the stock exchanges as follows :-

1) Company's Philosophy on Corporate Governance

Corporate Governance is a set of system to control and operate the company in such a manner to ensure that the affairs of the company are being managed to achieve long term strategic goals which are beneficial for the company and its stakeholders, shareholders, customers, lenders, creditors, suppliers and employees and to ensure accountability, transparency, fairness in all transactions with a view to improve company's credentials at all levels as well as complying with the legal and regulatory requirements timely .

BSL endeavours to ensure that highest standards of ethical and good governance is met throughout the organization. The company is led by distinguished Board, which includes Independent directors with high profiles .

2) Board of Directors

The Board of Directors of the Company comprise of Eight Directors out of which Six are Non-Executive. The Chairman & Managing Director and the Executive Director fall in the category of Executive Directors. Four Directors are 'Independent' Directors.

Board Meetings & Annual General Meeting (AGM) :

During the year under review, Five Board meetings were held, the dates being 29th April,2010, 26th July,2010, 26th October'2010, 3rd February,2011 and 10th February, 2011. The last AGM was held on 15th September, 2010. Details of Attendance during 2010-2011 and other particulars are as given below:-

S. No.	Name	Title	Category	Directorship in Other Companies			No. of Board meetings for 2010-2011		Whether Attended Last AGM
				Member of Board *	Board Committees #		Total Held	Attended	
					Chairman	Member			
1.	Shri Arun Churiwal	Chairman & Managing Director	Promoter - Executive	4	-	-	5	5	Yes
2.	Shri Ravi Jhunjhunwala	Director	Promoter - Non Executive	9	2	1	5	4	No
3.	Shri Sushil Jhunjhunwala	Director	Independent Non-executive	3	-	-	5	4	No
4.	Shri Shekhar Agarwal	Director	Promoter - Non Executive	5	-	3	5	4	No
5.	Shri Nivedan Churiwal	Executive Director	Promoter Executive	-	-	-	5	4	No
6.	Shri Sushil Kumar Churiwala	Director	Independent Non Executive	2	-	2	5	1	No
7.	Shri Salil Bhandari	Director	Independent Non Executive	5	-	4	5	3	Yes
8.	Shri Amar nath Choudhary	Director	Independent Non Executive	2	-	1	5	5	No

Notes: * Excludes Directorship in Private Limited companies, foreign companies, memberships of management committees of various chambers, bodies and Section 25 Companies.

Includes Audit and Shareholders' / Investors' Grievance Committees only.

3) Audit Committee

The Audit Committee of the Board of Directors has been constituted in accordance with the prescribed guidelines. The Audit committee comprises of three directors, all of whom are non-executive and majority of them are independent directors. Shri Salil Bhandari is its Chairman. The Audit Committee comprises of following Directors :

1. Shri Salil Bhandari, Chairman
2. Shri Shekhar Agarwal
3. Shri Sushil Jhunjhunwala

The broad terms of reference of Audit Committee are in accordance with the prescribed guidelines, as set out in the Listing Agreement. During the year under review, four meetings of the Audit committee were held, the dates being 29th April', 2010, 26th July', 2010, 26th October' 2010 and 2nd February' 2011.

Shri Amar Nath Choudhary has been co-opted as member w.e.f. 2nd February, 2011 .

REPORT ON CORPORATE GOVERNANCE

The composition and attendance of the members at the Audit Committee Meetings are as follows:-

Name	No. of Audit committee meetings attended
1. Shri Salil Bhandari	4
2. Shri Shekhar Agarwal	4
3. Shri Sushil Jhunjunwala	4

The Company Secretary acts as the Secretary to the committee.

4) Remuneration Committee

The Remuneration Committee of the Board of Directors has been constituted in accordance with the prescribed guidelines. The committee comprises of three Directors, all of whom are Non Executive and Independent. The Remuneration Committee comprises of following Directors:-

- 1) Shri Sushil Jhunjunwala, Chairman
- 2) Shri Sushil Kumar Churiwala
- 3) Shri Salil Bhandari

The Company pays remuneration only to Executive Directors. The Company does not pay any remuneration to its Non-Executive directors, apart from sitting fees to them for attending the meetings of the Board or any Committee thereof. During the year 2010-2011, only one meeting of committee held on 29/04/2010 in which all members were present .

Remuneration paid to Wholetime Directors during 2010-2011 :- (Rs.lac)

Name of Executive	Salary	Commission	Value of perquisites	Retiral Benefits	Total
i) Shri Arun Churiwal Chairman & Managing Director Service Contract – 1 st September, 2007 to 31 st August, 2012	27.79	10.98	3.08	5.00	46.85
ii) Shri Nivedan Churiwal Executive Director Service Contract- 26 th July, 2007 to 25 th July, 2012	18.00	10.98	2.00	3.24	34.22

Remuneration paid to Non-Executive Directors during 2010-2011:- (Rs.in lac)

Non Executive Directors	Board fees	Committee fees	Total
1. Shri Ravi Jhunjunwala	0.16	-	0.16
2. Shri Shekhar Agarwal	0.16	0.16	0.32
3. Shri Salil Bhandari	0.12	0.16	0.28
4. Shri Sushil Kumar Churiwala	0.04	-	0.04
5. Shri Sushil Jhunjunwala	0.16	0.16	0.32
6. Shri Amar Nath Choudhary	0.20	-	0.20

There are no stock option plans of the company. Shri Shekhar Agarwal, Director holds 279 Equity Shares and Shri Ravi Jhunjunwala, Director holds 55,047 Equity shares of the Company. Other Non-Executive Directors are not holding any shares of the Company.

5) Shareholders' Committees

The Board of Directors has constituted following Committees for shareholders related matters:-

- I. The shareholder's / investor's grievance redressal committee has following members:-
 - 1) Shri Salil Bhandari, Chairman (Non-Executive)
 - 2) Shri Ravi Jhunjunwala, Member (Non-Executive)
 - 3) Shri Arun Churiwal, Member (Chairman & Managing Director)

REPORT ON CORPORATE GOVERNANCE

This committee is looking into shareholders / investors' complaints regarding transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc. The committee met 4 times during the year. The meetings were held on 29/04/2010, 26/07/2010, 26/10/2010 and 03/02/2011. All the members attended all these meetings.

II. The second committee is Share Transfer Committee, which has following members :-

- 1) Shri Arun Churiwal
- 2) Shri Nivedan Churiwal
- 3) Shri Sushil Jhunjunwala

The Committee considers and approves the transfer of Equity shares and its related matters, such as consolidation and split of shares, issue of duplicate shares, transmission of shares etc. The committee met 12th times during the year. The meetings were held on 29/04/2010, 21/05/2010, 28/06/2010, 26/07/2010, 04/09/2010, 30/09/2010, 26/10/2010, 30/11/2010, 31/12/2010, 31/01/2011, 18/02/2011, and 31/03/2011.

The no. of meetings attended by each of the members is as under :-

<u>Name of the Director</u>	<u>No. of meetings attended</u>
1. Shri Arun Churiwal	12
2. Shri Nivedan Churiwal	12
3. Shri Sushil Jhunjunwala	12

The details of complaints received & resolved during the year 2010-2011 are as under :-

No. of complaints / grievances received from shareholders / Stock Exchange / SEBI – 43.

No. of complaints not resolved – NIL

Shri Praveen Jain, Company Secretary, is the Compliance Officer of the Company.

Investor's grievances are resolved expeditiously. There are no grievances pending as on date.

6) General Body Meetings

The last three Annual General Meetings were held as per details given below :-

<u>Date of AGM</u>	<u>Relevant Financial year</u>	<u>Venue / Location where held</u>	<u>Time of Meeting</u>
12 th September'2008	2007-2008	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	10.30 A.M.
23 rd September'2009	2008-2009	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	10.30 A.M.
15 th September'2010	2009-2010	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	10.30 A.M.

- No special resolution requiring postal ballot is being placed before the shareholders for approval at this meeting.
- No special resolution through postal ballot was passed in the last AGM.

7) Subsidiaries

The Company does not have any material non-listed Indian Subsidiary whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth, respectively, of the listed holding Company and its subsidiaries, in the immediately preceding accounting year.

8) Code of Conduct :

The Board of Directors has adopted the Code of Conduct for Directors & Senior Management. The said Code has been confirmed by all the Directors and members of the senior management. The Code has also been posted on the Company's website.

9) Disclosures

- a) **Material related party transactions :** During the financial year 2010-2011 there were no transactions of material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large. Transactions with related parties as per requirements of AS-18 – "Related party disclosures" issued by ICAI, are disclosed in Note No. 3 of Schedule "N" (C) to the Accounts, in the Annual Report.
- b) **Disclosure of Accounting Treatment :** In preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.
- c) **Risk Management :** Business Risk evaluation and its management is an ongoing process within the Company. During year, under review, regular exercise on "Risk Assessment and Management" was carried out covering all the areas of business, and the Board was informed of the same.

REPORT ON CORPORATE GOVERNANCE

- d) **Details of Non-Compliance** : There were no penalties or structures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- e) The Company has complied with all mandatory requirements of Clause 49. Adoption of non-mandatory requirements of clause 49 of the Listing Agreement, are being reviewed by the Board from time to time.

10) Means of Communication

- a) No half yearly report is sent to each shareholder. However the same is published in the newspapers.
- b) Quarterly results and the half yearly results are published in leading newspapers. The annual audited results, on approval by Board are also published within sixty days of the close of the financial year.
- c) Company's website : - www.bslltd.com. The results are also sent to the Stock Exchanges for incorporation in their website.
- d) The Management discussion and Analysis Report forms part of the Annual Report.

11) Details of The Directors Seeking / Appointment / Re-Appointment in Forthcoming Annual General Meeting :

The same is given in the notice of forthcoming Annual General Meeting as attached herewith.

- 12) In terms of SEBI (Prohibition of Insider Trading) Regulations, 1992, Company has framed a Code of Conduct for prevention of Insider Trading ,in relation to the securities of the Company.

13) General Shareholder Information :

Detailed information in this regard is provided in the section "Shareholder Information" which forms part of this Annual Report.

14) CEO / CFO Certificate:

The CEO / CFO Certificate, as required under clause 49, is enclosed with this report.

15) Compliance Certificate of the Auditors :

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, and the same is annexed to this report.

The certificate from the Statutory Auditors will be sent to the listed stock exchanges along with the Annual Return of the Company.

SHAREHOLDERS INFORMATION

1. Annual General Meeting

- Date and Time : 10th September'2011 at 11:00 A.M.
- Venue : 26, Industrial Area,
Gandhi Nagar
Bhilwara - 311001 (Rajasthan)

2. Financial Calendar & Publication of Results :

The financial year of the company is April to March.

- Financial reporting for the quarter ending June 30, 2011 : End July'2011
- Financial reporting for the half year ending September 30,2011 : End October'2011
- Financial reporting for the quarter ending December 31,2011 : End January'2012
- Financial reporting for the year ending March 31, 2012 : End April'2012
- Annual General meeting for the year ended March 31, 2012. : September' 2012.

3. Dates of Book Closure

: 01st September'2011 to 10th September'2011

4. Registered Office

: 26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)
Tel : (01482) 246801, Fax : (01482) 246807
E-mail : accounts@bslsuitings.com

5. Listing of Equity shares on Stock Exchanges at :

- 1) National Stock Exchange of India Limited, Trade World, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
- 2) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023

Note : Listing fee for the year 2011-2012 has been paid to NSE & BSE.

REPORT ON CORPORATE GOVERNANCE

6. Stock Code :-

ISIN No.	:	INE 594B01012
BSE, Mumbai	:	514045
National Stock Exchange	:	BSL

7. Stock market data : Monthly high low values (in Rs.) at BSE and NSE of Company's share and BSE Sensex are as follows :

	High(Rs.)		Low(Rs.)		BSE Sensex
	BSE	NSE	BSE	NSE	
April-2010	37.75	39.60	30.40	28.70	17558.71
May-2010	32.90	33.65	26.00	24.70	16944.63
June-2010	36.45	40.60	25.30	24.00	17700.90
July-2010	47.00	48.80	34.20	34.10	17868.29
August-2010	39.80	41.00	34.80	34.35	17971.12
September-2010	36.60	37.50	33.45	30.10	20069.12
October-2010	38.45	39.00	33.70	32.60	20032.34
November-2010	37.25	39.50	28.85	26.50	19521.25
December-2010	31.50	34.10	27.60	26.00	20509.09
January-2011	29.90	31.30	25.95	25.05	18327.76
February-2011	28.00	29.00	24.30	23.60	17823.40
March-2011	24.05	26.00	21.75	20.05	19445.22

8. Registrars and Share Transfer Agents & Depository Registrar

: MCS Ltd.
Sri Venkatesh Bhawan
F-65, Okhla Industrial Area, Phase-I
New Delhi-110 020
Tel : 011-41406148
Fax : 011-41709881
E-mail : mcsdel@vsnl.com

9. Share Transfer System :

Share transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The Share Transfer Committee meets at least 1 or 2 times in a month.

10. i) Distribution of shareholding as on 31st March, 2011 :

No. of shares	2010-2011			
	No. of share holders	% of share holders	No. of shares held	% of share holding
1-100	5840	55.77	394713	3.83
101-200	2522	24.09	421552	4.09
201-500	1238	11.82	448308	4.36
501-1000	462	4.41	371146	3.61
1001-5000	290	2.77	648079	6.30
5001-10000	32	0.31	224109	2.18
10001 and above	87	0.83	7784261	75.63
Total :	10471	100.00	10292168	100.00

REPORT ON CORPORATE GOVERNANCE

ii) Shareholding pattern as at 31st March, 2011 :

	Category	No. of shares held	Percentage of holding
A.	Promoter's Holding		
	1. Indian Promoters including corporates	5522072	53.65%
	2. Persons acting in concert – OCB's	287000	2.79%
	Sub Total	5809072	56.44%
B.	Non-promoters Holding		
	(i) Institutional Investors		
	1. Mutual Funds & UTI	450	0.00%
	2. Banks/ Financial Institutions	1138472	11.07%
	Sub Total (i)	1138922	11.07 %
	(ii) Others		
	3. Private Corporate Bodies	645103	6.27%
	4. Indian Public	2624591	25.50%
	5. NRI's / OCB's	74480	0.72%
	Sub Total (ii)	3344174	32.49 %
	Grand Total (A + B)	102,92,168	100%

11. **Dematerialisation of shares and liquidity** : 5188563 shares were dematerialised till 31/03/2011 which is 50.41 % of the total paid up Equity share capital of the Company.
There are no outstanding GDRS / ADRS / Warrants or any convertible instruments.
12. **Plant Location** : Mandpam, Bhilwara (Rajasthan)
Tel : (01482) 249101
Fax : (01482) 249110
13. **Address for correspondence :**
Investor Correspondence should be addressed to : Company Secretary
BSL Limited
26, Industrial Area
Gandhi Nagar, Bhilwara - 311001 (Rajasthan)
Tel : (01482) (246801)
Fax : (01482) (246807)
E-mail : accounts@bslsuitings.com
14. **Secretarial Audit for Reconciliation of Capital Compliance :**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Secretarial Audit, to reconcile the total admitted capital with NSDL and CDSL and the total paid up and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total no. of Equity shares in dematerialized form (held with NSDL & CDSL) and total number of Equity shares in physical form.

REPORT ON CORPORATE GOVERNANCE

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF BSL LTD.

We have examined the compliance of conditions of Corporate Governance by BSL Ltd. for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company, as per the records maintained by the Shareholders / Investors Grievance Committee.

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

For **A. L. Chechani & Co.**
Chartered Accountants

Place : Noida
Date : 28th April, 2011

(SUNIL SURANA)
Partner
Membership No.: 036093
Firm No.: 05341C

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

To the Board of Directors
BSL Limited

We, the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer of BSL Limited ("the Company"), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and based on our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading ;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of 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, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee :
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statement; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **BSL Limited**

Place : Noida
Date : 28th April, 2011

(PRAVEEN JAIN)
CFO & Company Secretary

(ARUN CHURIWAL)
Chairman & Managing Director
DIN : 00001718

AUDITORS' REPORT

The Member of **BSL Limited**, Bhilwara

1. We have audited the attached balance sheet of **BSL Limited, Bhilwara** as at **31st March 2011**, the profit & loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on **31st March 2011** and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31st March 2011** from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the

said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India;

- (a) in the case of the Balance sheet, of the state of affairs of the company as at **31st March 2011**;
- (b) In the case of the profit and loss account, of the profit for the year ended on that date; and
- (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For **A. L. CHECHANI & CO.**
Chartered Accountants

(SUNIL SURANA)

Partner

Place : Noida
Date : 28th April, 2011

Membership No. 036093

Firm No.: 05341C

ANNEXURE TO AUDITORS REPORT

Annexure referred to in paragraph (3) of the report of even date of the auditors to the members of **BSL Limited** for the year ended 31st March 2011.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any major part of the fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material.
- (iii) (a) The Company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956.
- (b) As the company has not granted any loan to companies,

AUDITORS' REPORT

- firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4 (iii) (b) to clause 4 (iii) (d) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (c) The Company has not taken any loans from the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (d) As the company has not taken any loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4 (iii) (f) & clause 4 (iii) (g) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs, in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits during the year from the public within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules made there under. Hence, the provisions of clause 4 (vi) of the Companies (Auditors report) Order, 2003 are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the records of the company, the dues of sales tax, income-tax, customs, wealth-tax, service tax, excise duty, cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:-

Name of the statute	Nature of the dues	Amount (Rs. in lacs)	Forum where dispute is pending
A. Fabric Division			
Central Excise Act	Duty Penalty	10.01	CESTAT, New Delhi
Sales Tax Act	Penalty	5.19	High Court of Rajasthan
B. Processing Division			
Textile committee	Cess	63.54	Appellate Tribunal Textile Committee, Mumbai

Note:- As the Processing Division is working on job basis, in case of any demand, entire amount recoverable from customers, hence the company is not having any liabilities against above issue.

- (x) There are no accumulated losses of the company as on 31st March, 2011. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial Institutions, banks or debenture holders.
- (xii) Based on our examination of the records and the information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.

AUDITORS' REPORT

- (xv) In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **A. L. CHECHANI & CO.**
Chartered Accountants

(SUNIL SURANA)

Partner

Membership No. 036093

Firm No.: 05341C

Place : Noida

Date : 28th April, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

(Rs.in lac)

	SCHEDULE	As at 31/3/2011	As at 31/3/2010
SOURCE OF FUNDS			
1) SHAREHOLDERS FUNDS			
Share Capital	A	1029.22	1029.22
Reserves and Surplus	B	5285.75	6314.97
			4899.45
			5928.67
2) LOANS			
	C		
Secured		14327.31	11142.66
3) DEFERRED TAX LIABILITY			
	D	1032.39	854.02
Total		21674.67	17925.35
APPLICATION OF FUNDS			
4) FIXED ASSETS			
	E		
Gross Block		28108.83	25703.19
Less : Depreciation and Amortisation		16884.64	16016.84
Net Block		11224.19	9686.35
Capital Work in Progress		147.83	11372.02
			69.46
			9755.81
5) INVESTMENTS			
			-
			0.03
6) CURRENT ASSETS, LOANS & ADVANCES			
	F		
Inventories		7644.53	5726.02
Sundry Debtors		4592.37	3099.59
Cash and Bank Balances		32.36	33.11
Other Current Assets		1953.38	1640.69
Loans and Advances		203.81	219.09
		14426.45	10718.50
Less : Current Liabilities & Provisions	G		
a) Liabilities		3684.91	2287.61
b) Provisions		438.89	261.38
		4123.80	2548.99
NET CURRENT ASSETS		10302.65	8169.51
Total		21674.67	17925.35
7) ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			
	N		

As per our Report of even date

For A. L. CHECHANI & CO.
Chartered Accountants(SUNIL SURANA)
Partner
Membership No. 036093
Firm No.: 05341CPlace : Noida
Date : 28th April, 2011

For and on behalf of the Board

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718SUSHIL JHUNJHUNWALA
Director
DIN: 00082461NIVEDAN CHURIWAL
Executive Director
DIN: 00001749PRAVEEN JAIN
CFO & Company Secretary



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs.in lac)

	SCHEDULE	This Year		Previous Year	
1) INCOME					
Gross Sales	H	27177.58		21801.99	
Less: Excise Duty		85.24		27.21	
Net Sales		27092.34		21774.78	
Other Income	I	10.12		7.12	
Increase/(Decrease) in stocks		432.56	27535.02	(103.72)	21678.18
2) EXPENDITURE					
Materials	J	13186.87		9051.35	
Payment to and Provision for Employees	K	3141.45		2596.10	
Operational and other Expenses	L	7722.27		7076.21	
Financial Expenses	M	1262.95	25313.54	1102.67	19826.33
3) PROFIT BEFORE DEPRECIATION AND TAX			2221.48		1851.85
Depreciation and Amortisation			1270.05		1237.55
4) PROFIT BEFORE TAX			951.43		614.30
Taxation – Current			207.00		121.09
– Deferred			178.37		123.13
– Earlier year's			0.04		(8.78)
5) NET PROFIT AFTER TAX			566.02		378.86
Add : Surplus of previous year			408.14		105.79
Add : Balance Brought from amalgamating company			–		13.50
Surplus available for appropriation			974.16		498.15
6) APPROPRIATIONS					
Transfer to General Reserve			28.35		–
Interim Dividend			77.19		–
Dividend Tax on Interim Dividend			12.82		–
Proposed Equity Share Dividend			77.19		77.19
Provision for Dividend Tax			12.52		12.82
Surplus carried to Balance Sheet			766.09		408.14
			974.16		498.15
Basic & Diluted Earning Per Share (In Rs.)			5.50		3.68
Nominal Value of Share Rs.10 (Previous Year Rs.10)					
7) ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	N				

As per our Report of even date

For A. L. CHECHANI & CO.
Chartered Accountants

(SUNIL SURANA)
Partner
Membership No. 036093
Firm No.: 05341C

Place : Noida
Date : 28th April, 2011

For and on behalf of the Board

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718

SUSHIL JHUNJHUNWALA
Director
DIN: 00082461

NIVEDAN CHURIWAL
Executive Director
DIN: 00001749

PRAVEEN JAIN
CFO & Company Secretary

SCHEDULES

Schedule "A" to "G" and "N" annexed to and forming part of the Balance Sheet as at 31/03/2011

SCHEDULE 'A' : SHARE CAPITAL

(Rs. in lac)

	As at 31/3/2011	As at 31/3/2010
AUTHORISED		
2,90,00,000 Equity Shares of Rs.10/- each	2900.00	2900.00
5,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	500.00	500.00
	3400.00	3400.00
ISSUED, SUBSCRIBED & PAID-UP		
1,02,92,168 Equity Shares of Rs.10/- each	1029.22	1029.22
	1029.22	1029.22

NOTE:

- i) 2920 Equity Shares have been issued at par pursuant to a contract without payment being received in cash.
- ii) Equity share capital includes 29,57,469 Shares issued for consideration other than cash, pursuant to Scheme of Amalgamation of erstwhile Bhilwara Processors Limited with the Company as approved by the Hon'ble High Court Rajasthan at Jodhpur.

SCHEDULE 'B' : RESERVES AND SURPLUS

(Rs. in lac)

	As at 31/3/2010	Additions	Deductions	As at 31/3/2011
General Reserve	1519.65	28.35	-	1548.00
Capital Redemption Reserve	30.00	-	-	30.00
Share Premium	1925.69	-	-	1925.69
Capital Reserve	1015.97	-	-	1015.97
Profit and Loss Account	408.14	566.02	208.07	766.09
	4899.45	594.37	208.07	5285.75

SCHEDULES

SCHEDULE 'C' : LOANS

(Rs.in lac)

	As at 31/3/2011	As at 31/3/2010
SECURED		
Rupee Term Loans	7509.25	5824.02
Working Capital Loans	6812.82	5318.64
Other Loans	5.24	–
	14327.31	11142.66

NOTE :

- 1) The Term Loans from Banks are secured by way of joint equitable mortgage / hypothecation of all immovable and movable existing and future assets of the Company except book debts ranking pari passu subject to prior charge created / to be created in favour of the Company's bankers on stocks of raw materials, semi-finished, finished goods for working capital.
- 2) Term loans aggregating Rs.891.15 lacs repayable within one year.
- 3) Bank loans for working capital are secured against hypothecation of stocks of raw materials, finished goods and goods in process. The same is also secured by second charge created/to be created in favour of Company's Bankers by way of joint equitable mortgage on immovable properties of the Company which is ranking pari passu.

SCHEDULE 'D' : DEFERRED TAX LIABILITY

(Rs. in lac)

	As at 31/3/2011	As at 31/3/2010
Accumulated Deferred Tax Liability at the beginning	854.02	501.49
Add : Balance Brought forward from amalgamating Company	–	229.40
Add : Provision for the year	178.37	123.13
	1032.39	854.02

SCHEDULES

SCHEDULE 'E' : FIXED ASSETS

(Rs. in Lac)

PARTICULARS	GROSS BLOCK			DEPRECIATION & AMORTISATION				NET BLOCK		
	As at 31/3/2010	Additions	Deductions	As at 31/3/2011	Upto 31/3/2010	Deductions	For the year 2010-11	Upto 31/3/2011	As at 31/3/2011	As at 31/3/2010
Land	218.19	–	–	218.19	9.24	–	2.56	11.80	206.39	208.95
Building	3200.57	273.07	–	3473.64	879.65	–	92.15	971.80	2501.84	2320.92
Plant & Machinery	21082.20	2522.23	504.60	23099.83	14503.42	386.53	1090.98	15207.87	7891.96	6578.78
Electrical Installations	98.75	15.39	–	114.14	30.15	–	2.98	33.13	81.01	68.60
Water Supply Installation	36.43	–	–	36.43	30.91	–	1.43	32.34	4.09	5.52
Furniture & Fixture	365.35	17.30	0.71	381.94	227.28	0.65	19.13	245.76	136.18	138.07
Vehicles	205.44	95.88	32.05	269.27	61.90	10.20	24.11	75.81	193.46	143.54
Office and other equipments	387.43	24.04	5.97	405.50	236.48	4.87	21.73	253.34	152.16	150.95
Intangible Assets (Acquired)										
– Computer Software	96.57	1.06	–	97.63	36.60	–	14.98	51.58	46.05	59.97
– Enabling assets	12.26	–	–	12.26	1.21	–	–	1.21	11.05	11.05
Total (A)	25703.19	2948.97	543.33	28108.83	16016.84	402.25	1270.05	16884.64	11224.19	9686.35
CAPITAL WORK IN PROGRESS										
Building under construction									2.19	7.18
Plant & Machinery under Installation									65.09	16.85
Advance to Suppliers									80.45	45.43
Pre-Operative Expenses									0.10	–
Total (B)	–	–	–	–	–	–	–	–	147.83	69.46
Grand Total (A + B)	25703.19	2948.97	543.33	28108.83	16016.84	402.25	1270.05	16884.64	11372.02	9755.81
Previous Year	25502.88	390.50	190.19	25703.19	14905.56	126.28	1237.56	16016.84	9755.81	8162.97

NOTE :

1. Land includes lease hold land for Rs 178.31 lacs.
2. Deduction from Gross Block represents sale/transfer of fixed assets and adjustment of Lease Rent.
3. Deduction in depreciation is on account of Sale/Transfer of Fixed Assets.

SCHEDULES

SCHEDULE 'F' : CURRENT ASSETS, LOANS & ADVANCES

(Rs.in lac)

	As at 31/3/2011	As at 31/3/2010
A CURRENT ASSETS		
a) INVENTORIES		
Raw Materials	2614.63	1587.19
Work in process	2024.49	1562.48
Finished Goods	2629.13	2196.57
Stores and Spare parts	376.28	379.78
	7644.53	5726.02
b) SUNDRY DEBTORS(Unsecured)		
Over six months - Considered Good	423.33	228.93
Others - Considered Good	4169.04	2870.66
	4592.37	3099.59
c) CASH AND BANK BALANCES		
Cash in Hand	3.80	4.83
With Scheduled Banks(In Current Accounts, Margin Money Deposits)	9.09	18.15
Dividend Accounts	18.67	9.33
Fixed deposits	0.80	0.80
	32.36	33.11
d) OTHER CURRENT ASSETS		
i) Deposits with Government Departments and others	126.77	174.17
ii) Sundry Claims & other Receivables	969.64	852.37
iii) Export Incentive Receivables	492.82	380.35
iv) Advance Tax	364.15	233.80
	1953.38	1640.69
B LOANS & ADVANCES		
(Unsecured, Considered Good)		
(i) Advance recoverable in cash or in kind or for value to be received or pending adjustment	146.98	163.56
(ii) Prepaid Expenses	56.83	55.53
	203.81	219.09
	14426.45	10718.50

NOTE:

Advance recoverable in cash or in kind include :-

Due from officers Rs.Nil (Previous year - Nil) maximum balance due from officers at any time during the year Rs.Nil (Previous year - Nil).

SCHEDULES

SCHEDULE 'G' : CURRENT LIABILITIES AND PROVISIONS

(Rs.in lac)

	As at 31/3/2011	As at 31/3/2010
A CURRENT LIABILITIES		
Sundry Creditors	2355.71	1082.98
Sundry Creditors for capital goods	22.28	–
Interest Accrued but not Due	0.20	0.24
Unclaimed Dividends	18.67	9.33
Agents & Dealers Deposit	132.23	135.93
Other Liabilities	1155.82	1059.13
	3684.91	2287.61
B PROVISIONS		
Provision for Tax	328.53	125.86
Provision for Fringe Benefit Tax	20.65	45.51
Proposed Equity Share Dividend	77.19	77.19
Provision for Dividend Tax	12.52	12.82
	438.89	261.38
	4123.80	2548.99

NOTE: Sundry Creditors include amount due to SSI undertakings Rs. 56.26 Lac (Previous year Rs 32.80 Lac)

Schedules "H" to "N" annexed to and forming part of the Profit & Loss account for the year ended 31st March, 2011

SCHEDULE 'H' : SALES

(Rs.in lac)

	This Year	Previous Year
(a) Sales – Domestic	10476.14	8316.22
– Export	15394.12	12187.23
(b) Job Receipts	1118.91	1194.53
(c) Export Growth Incentives	188.41	104.01
	27177.58	21801.99

SCHEDULE 'I' : OTHER INCOME

(Rs.in lac)

	This Year	Previous Year
Rent	4.37	4.28
Profit on sale of Fixed Assets	5.39	0.45
Miscellaneous Receipts	0.36	2.39
	10.12	7.12

SCHEDULES

SCHEDULE 'J' : MATERIALS

(Rs.in lac)

	This Year	Previous Year
OPENING STOCK		
– Raw Materials	1587.19	1238.68
– In Process	1562.48	967.25
	3149.67	2205.93
Add: Purchases	13958.05	9227.61
	17107.72	11433.54
LESS: CLOSING STOCK		
– Raw Materials	2614.63	1587.19
– In Process	2024.49	1562.48
	4639.12	3149.67
	12468.60	8283.87
Add: Dyes & Chemicals	718.27	767.48
Material Consumed	13186.87	9051.35

SCHEDULE 'K' : PAYMENT TO AND PROVISION FOR EMPLOYEES

(Rs.in lac)

	This Year	Previous Year
Salaries, Wages and Bonus etc.	2669.15	2248.68
Workmen and Staff Welfare	60.45	45.98
Contribution to Provident, Gratuity and other funds	411.85	301.44
	3141.45	2596.10

SCHEDULE 'L' : OPERATIONAL AND OTHER EXPENSES

(Rs.in lac)

	This Year	Previous Year
MANUFACTURING		
Weaving Charges	857.80	795.73
Processing Charges	0.10	39.45
Combing Charges	162.75	121.43
Garment making expenses	63.11	27.90
Embroidery Charges	3.42	2.05
Top & Fibre Dyeing Charges	2.04	1.28
Stores & Spare parts(Net of scrap sale)	667.15	655.62
Power, Fuel & Water	2225.43	2169.71
Freight, Cartage etc.	39.71	42.04
Repairs to : Plant & Machinery	96.51	90.13
Building	46.56	52.49
Others	24.98	17.35
	4189.56	4015.18

SCHEDULES

	This Year		Previous Year	
ADMINISTRATIVE				
Rent		98.33		48.52
Rates & Taxes		4.91		4.99
Insurance Paid	44.77		39.48	
Less: Collected	20.49	24.28	17.30	22.18
Directors' Fees		1.32		1.44
Audit Fees		2.87		2.87
Directors' Travelling		2.92		3.55
MISCELLANEOUS EXPENSES				
(Printing & Stationery, Travelling, Conveyance, Telephone, Consultancy, Legal & Professional Expenses etc.)		518.16		436.50
		652.79		520.05
SELLING				
Commission		202.07		158.09
Sales Incentives & Claims		508.43		505.08
Packing		626.65		519.57
Advertisement & Sales Promotion		192.54		262.37
Others		34.77		39.05
Foreign Travelling expenses		132.29		128.07
EXPENSES ON EXPORT SALES				
Commission		504.23		385.73
Overseas Freight		293.71		215.48
Others		314.97		290.09
		2809.66		2503.53
OTHERS				
Loss on sale of Fixed Assets		70.26		37.45
		70.26		37.45
Grand Total		7722.27		7076.21

SCHEDULE 'M' : FINANCIAL EXPENSES

(Rs.in lac)

	This Year		Previous Year	
Interest				
Term Loans		375.48		385.06
Others	729.30		540.35	
Less : Interest Income	69.32	659.98	44.43	495.92
Cash and Prompt Payment Discount		134.75		138.89
Bank charges		92.74		82.80
		1262.95		1102.67

SCHEDULES

SCHEDULE 'N' ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A) ACCOUNTING POLICIES

1) General

- a) These accounts are prepared on historical cost basis and on the accounting principles of the going concern.
- b) Accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles (GAAP) comprising of mandatory Accounting Standards, Guidance notes etc. issued by ICAI.

2) Revenue recognition

- a) Sales comprise, sale of goods and is inclusive of excise duty and export incentives and after deduction of usual trade discount.
- b) Income, Expenditure and Export Incentives/Benefits are accounted for on accrual basis.
- c) Claims lodged with insurance companies are recognised as income on recognition by the Insurance Company.

3) Inventory Valuation

- a) Inventories are valued at cost or net realisable value whichever is lower.
- b) Cost is determined on FIFO / weighted average method as considered to the relevant stage of production.
- c) Cost of raw materials includes duties, net of cenvat claims wherever applicable.
- d) Processed value of goods on job is valued at contract rate.

4) Fixed Assets, Intangible Assets and Capital Work-in progress.

- a) Fixed assets are valued at cost with subsequent improvements thereto. Fixed assets of Processing division are stated at revalued amount. Cost of acquisition includes taxes, duties (Net of Cenvat), inward freight and installation expenses.
- b) Expenditure incurred on intangible assets, on or after 1st April, '2003, being the date when AS-26 became mandatory, has been accounted for as intangible assets, at their acquisition cost.

5) Preoperative Expenses

Trial run costs and other preoperative expenses incurred during construction / implementation period, including interest on borrowings (Net of subsidy) to finance qualifying assets as per AS-16, are capitalised upto the date of commissioning of the respective asset.

6) Depreciation and Amortisation

- a) Depreciation for the year on fixed assets other than revalued assets has been provided in the manner specified in Schedule XIV to the Companies Act, 1956 as amended vide Notification No. GSR 756(E) dated 16th December, 1993 issued by the Department of Company Affairs.
- b) Depreciation for the year on revalued assets of processing division has been provided on revalued amount on the basis of remaining useful life of the assets considered by the valuer.
- c) Incremental carrying amounts on account of exchange fluctuation on foreign currency loans for acquisition of fixed assets is depreciated over the residual life of the related fixed asset.
- d) Assets costing upto Rs.5,000/- are fully depreciated in the year of purchase.
- e) Acquired Intangible assets are amortised over their estimated useful life as determined by the management at following rates on straight-line basis.
 - i) Computer Software : 16.21%
 - ii) Enabling assets : 4.75%

7) Foreign Exchange Transaction/Translation

- a) Assets and liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet or at the contracted rates in case of forward contracts. The resulting difference arising out of said translations are adjusted as under :-
 - i) To the cost of assets where liabilities are in respect of acquisition of Fixed Assets.
 - ii) To Profit & Loss Account in respect of other transactions.
 - iii) In case of forward contracts other than for acquisition of fixed assets, the difference between the forward rate and the exchange rate on the date of the transaction is recognised as income or expense over the life of the contract.
- b) Export sales are accounted for at the conversion rates as negotiated by banks and balance on actual realisation.

8) Research and Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure is shown as addition to fixed assets.

SCHEDULES

9) Employee Benefits

- a) Defined Contribution Plan :The Company makes defined contribution to Provident Fund and Superannuation schemes in the Profit & Loss Account on accrual basis, based on actual liability.
- b) Defined Benefit Plan :The Company's Liabilities on account of Gratuity fund and Leave encashment fund for benefit on retirement of employees are determined at the end of each Financial Year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per revised AS-15. These liabilities are funded on year-to-year basis by contribution to respective funds.

10) Prior year Adjustments

Besides the debit/credit in previous year adjustment account, amounts related to previous year, arised / settled during the year have been debited/credited to respective heads of accounts.

11) Replenishment

In respect of exports, indigenous raw material had to be used on occasions to be replenished subsequently by quantities allowed to be imported, under Duty Exemption scheme of the Government of India. Therefore, the cost of indigenous raw material consumed for export has been computed at its estimated import duty free prices.

12) Repairs and Maintenance

Repairs of Plant & Machinery and Building do not include salaries and wages as these are debited under respective heads.

13) Impairment of Assets

Impairment of assets is being measured on factors giving rise to any indication of impairment, by comparing the recoverable amount, higher of value in use and net selling price of an asset, with carrying amount of an asset as per the Accounting Standard 28 "Impairment of Assets" issued by ICAI.

14) Taxes on Income

- a) The Tax payable method is followed for providing current tax liability. The difference between provision and payments, if any, are recognised in the year in which assessment is completed.
- b) Credit available for Minimum Alternative Tax (MAT) of earlier years are adjusted against Income Tax payable for current year as per provisions of the Income Tax Act, 1961.
- c) Deferred taxation liabilities are measured in respect of taxable temporary differences, calculated at prevailing enacted or substantially enacted regulations at the Balance Sheet date. Deferred tax assets are recognised subject to prudence only, if there is reasonable certainty that they will be realized.

15) Contingent Liabilities/Assets

- a) Provisions are recognized when the present obligation of or past event gives rise to a probable outflow embodying economic benefits on settlement and the amount of obligation can be reliably estimated.
- b) Contingent liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- c) Provisions and contingent liabilities/assets are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

(B) NOTES ON ACCOUNTS

- 1) Contingent Liabilities not provided for :

(Rs. in lac)

	This Year	Previous Year
(a) Bills discounted with Banks	1229.78	1157.55
(b) Guarantees given by the Company's Bankers	159.38	79.22
(c) Claims against the Company not acknowledged as debts	15.52	15.52
(d) Excise duty demand disputed by the Company	23.88	23.88
(e) Sales Tax demand of Erstwhile BSL Wulfing Ltd., disputed by the company	31.64	31.64
(f) Estimated value of contracts remaining to be executed on Capital Accounts	617.97	569.42

- 2) Gross block and Net Block of fixed assets includes Rs.1096.31Lac (P.Y. Rs. 1218.85 Lac) and Rs.728.21 Lac (P.Y. Rs. 889.70 Lac) respectively on account of revaluation of fixed assets carried out in past by erstwhile Bhilwara Processors Limited. Depreciation of Rs. 87.20 Lac (P.Y. Rs. 98.19 Lac) has been charged to Profit & Loss account on these revalued assets.

- 3) There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than

SCHEDULES

45 days as at 31st March, 2011. This information as required to be disclosed under the Micro-small and medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

- 4) The commercial production of 12 Nos. Picanol weaving machines and 5 Nos. MVS machines (400 positions) of Vortex Spinning have commenced during the year w.e.f. 01st September, 2010 and w.e.f. 01st March, 2011 respectively. Preoperative expenditure incurred up to the date of commencement of commercial production are detailed hereunder:

(Rs. in Lac)		
(i)	Financial Expenses (Net of TUFS Subsidy)	68.91
(ii)	Administrative & Miscellaneous Expenses	93.26
	Total	162.17

- 5) In view of legal opinion and various reliefs available under Income Tax Act, 1961 provision for taxation has been considered adequate.
- 6) The loans & advances, debtors and other current assets are reviewed annually and their value in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet as assessed by the management, however balance confirmation from parties are under process.
- 7) The figures for the previous year have been re-grouped and re-arranged wherever found necessary.
- 8) Payment to Auditors in other capacity : (Rs. in Lac)

	This Year	Previous Year
– Taxation matters	0.44	0.51
– Tax & Vat Audit	0.88	0.89
– Certification	1.16	1.73
– Reimbursement of expenses	0.35	0.50
Total	2.83	3.63

- 9) a) Computation of Profit in accordance with Section 349 of the Companies Act, 1956 for the purpose of section 198 of the said Act and the commission payable to Managerial personnel:-

(Rs. in lac)		
	This Year	Previous Year
Profit Before Tax	951.43	614.30
Add : Loss on sale of fixed assets	70.26	37.45
Director's Remuneration	81.07	51.40
	1102.76	703.15
Less : Profit on sale of Fixed Assets	5.39	0.45
Net Profit for section 198 of the Companies Act, 1956	1097.37	702.70
Commission i) Amount	21.95	7.03
ii) Percentage of Net Profit	2%	1%

- b) Details of remuneration and perquisites of the Managerial personnel: (Rs. in lac)

	This Year	Previous Year
Salary & Allowances	50.88	38.18
Contribution to Provident Fund and Superannuation fund	8.24	6.19
Commission	21.95	7.03
	81.07	51.40

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C. DISCLOSURES

1) Employee Benefits

The Company has complied with Accounting Standard 15 (Revised 2005) and the required disclosure are given here under:

(a) Defined Benefit Plans :

(Rs. in lac)

	This Year		Previous Year	
	Gratuity (Funded)	Earned Leave (Funded)	Gratuity (Funded)	Earned Leave (Funded)
i) Reconciliation of opening and closing balances of defined benefit obligation				
a) At the beginning of the year	476.47	117.24	268.56	78.48
b) Of Amalgamating Company	–	–	138.16	27.81
c) Current Service Cost	47.75	27.73	37.09	22.77
d) Interest Cost	38.12	9.38	21.48	6.28
e) Actuarial (Gain) Loss	43.60	(6.71)	41.78	(8.14)
f) Benefits paid	(34.77)	(9.14)	(30.60)	(9.96)
g) Defined Benefits Obligation at year end	571.17	138.50	476.47	117.24
ii) Reconciliation of opening and closing balances of fair value of plan assets				
a) At beginning of the year	476.47	117.24	268.56	78.48
b) Of Amalgamating Company	–	–	138.16	27.81
c) Expected Return on plan assets	41.69	10.26	36.60	9.83
d) Actuarial Gain / (Loss)	(1.32)	–	0.59	–
e) Employer Contributions	85.90	11.00	56.65	1.12
f) Benefits paid	(31.57)	–	(24.09)	–
g) Fair Value of the plan assets at the year end	571.17	138.50	476.47	117.24
iii) Reconciliation of fair value of obligation and Assets				
a) Present value of obligation as at year end	571.17	138.50	476.47	117.24
b) Fair value of plan assets as at year end	571.17	138.50	476.47	117.24
c) Amount recognized in Balance Sheet (a-b)	–	–	–	–
iv) Expense recognized during the year:				
a) Current Service Cost	47.75	27.73	37.09	22.77
b) Interest Cost	38.12	9.38	21.48	6.28
c) Expected return on plan assets	(41.69)	(10.26)	(36.60)	(9.83)
d) Actuarial (gain) / loss	44.92	(6.71)	41.19	(8.14)
e) Net Cost (a + b + c + d)	89.10	20.14	63.16	11.08

v) Investment Details of Plan Assets :

Sr. No.	Name of Retirement Benefit	Name of Trust	Policy No.	Investment with
1)	Gratuity	Bhilwara Synthetics Ltd. Officers Gratuity Trust Fund	GG(CA) 303366 GG(CA) 47848	LIC of India
2)	Earned Leave	–	GLES 311744 GLES 311724	LIC of India

vi) There are no amount included in the fair value of plan assets for

- Company's own financial instruments.
- Property occupied by or other assets used by the Company.

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vii) Principal Actuarial Assumptions at the Balance Sheet date

	This Year	Previous Year
i) Discount Rate	8% per annum	8% per annum
ii) Expected Rate of return on plan assets		
– Gratuity Plan	8.75% per annum	9% per annum
– Earned Leave Plan	8.75% per annum	9.25% per annum
iii) Future Salary Increase	4.50% per annum	4.50% per annum

The estimation of future salary increase considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market etc. The above information is certified by the Actuary. The estimate of contribution for the next year as per actuarial valuation is as under:-

a) Gratuity - Rs. 53.62 lac

b) Earned Leave - Rs. 19.00 lac

viii) The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.

ix) Experience Adjustment :

Gratuity	March'11	March'10	March'09	March'08
Defined Benefits Obligation	571.17	476.47	268.56	248.97
Plan assets	571.17	476.47	268.56	269.70
Surplus/(deficit)	–	–	–	20.73
Experience adjustment on plan Liabilities (loss)/ gain	(43.60)	(41.78)	(10.17)	8.73
Experience adjustment on plan Assets (loss)/ gain	(1.32)	0.59	(6.94)	(7.35)
Earned Leave	March'11	March'10	March'09	March'08
Defined Benefits Obligation	138.50	117.24	78.48	68.46
Plan assets	138.50	117.24	78.48	69.19
Surplus/(deficit)	–	–	–	0.73
Experience adjustment on plan Liabilities (loss)/ gain	6.71	8.14	(5.56)	1.40
Experience adjustment on plan Assets (loss)/ gain	–	–	(0.52)	(0.19)

(b) Defined Contribution Plans

Amount recognized as an expense and included in the Schedule "L"

	This Year	Previous Year
i) Employers Contribution to Provident Fund	184.53	148.80
ii) Employers Contribution to Superannuation Fund	45.06	21.51

2) Segment Reporting

The Company's operation predominantly relates to Textile & generation of Wind power. On the basis of assessment of the risk and return differential in terms of AS-17, the Company has identified Textile and Wind Power as primary reportable segments. Further the geographical segment have been considered as secondary segment and bifurcated into Domestic & Export segments.

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The revenue and expenditure in relation to the respective segment have been identified and allocated to the extent possible. Other items i.e. interest expenses, income tax etc. not allocable to specific segments are disclosed separately as unallocated and adjusted directly against the total income of the Company.

A. Business Segments

(Rs. in lac)

	2010-2011			2009-2010		
	Textile	Wind Power	Total	Textile	Wind Power	Total
(i) Segment Revenue						
External Sales / Other Income	26985.34	117.12	27102.46	21651.55	130.35	21781.90
Inter Segment Transfer	-	-	-	-	-	-
Total Revenue	26985.34	117.12	27102.46	21651.55	130.35	21781.90
(ii) Segment Result						
Segment Result	2167.17	47.21	2214.38	1644.08	72.89	1716.97
Less: Financial Expenses (Net)			1262.95			1102.67
Profit Before Tax			951.43			614.30
Less : Taxation						
– Income Tax			207.00			121.09
– Deferred Tax liability			178.37			123.13
– Earlier Year's			0.04			(8.78)
Net Profit for the year			566.02			378.86
(iii) Other Information						
Segment Assets	24996.23	802.24	25798.47	19611.98	862.36	20474.34
Segment Liabilities	18282.36	168.75	18451.11	13391.65	300.00	13691.65
Capital Employed	20903.46	793.49	21696.95	17062.99	862.36	17925.35
Capital Exp. Incurred during the year	3027.34	-	3027.34	369.04	-	369.04
Depreciation	1213.64	56.41	1270.05	1181.14	56.41	1237.55
Other Non Cash Expenses	-	-	-	-	-	-

B. Geographical Segment

(Rs. in lac)

Particulars	2010-2011			2009-2010		
	Domestic	Export	Total	Domestic	Export	Total
Segments Revenue (Based on location of the customers)						
– Textiles	11591.22	15394.12	26985.34	9464.32	12187.23	21651.55
– Wind Power	117.12	-	117.12	130.35	-	130.35
	In India	Outside India	Total	In India	Outside India	Total
Segment Assets (Based on location of the assets)	22084.74	3713.73	25798.47	17883.53	2590.81	20474.34

3) Related Party Transactions

- a) Enterprises that directly, or indirectly through one or more intermediaries, control or are controlled by or are under common control with the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries) - None
- b) Associates and joint ventures - None

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- c) Individuals owning directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual. - None
- d) Key management Personnel and their relatives - Shri Arun Churiwal
Shri Nivedan Churiwal
- e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence. -RSWM Limited

f) Transactions with Related Parties

The following transactions were carried out with the related parties in the ordinary course of business : (Rs. in lacs)

	This Year	Previous Year
1) With the parties referred in (d) above		
Directors remunerations	81.07	51.40
2) With the parties referred in (e) above		
Purchases of Raw Material	1835.42	1867.97
Sales	324.82	107.68
Services received	97.53	217.54
Services rendered	12.58	9.38
Sale of Stores & Consumables	0.40	9.47
Purchase of Stores & Consumables	5.43	9.66
Rent Paid	61.02	11.39
Interest Paid (Net)	1.22	-
Outstanding Payable	79.70	9.98

- 4) **Earning per share** The basic and diluted earnings per share have been calculated as per AS-20 by dividing net profit for the year attributable to Equity shareholders by the weighted average number of Equity shares as under :

(Rs. in lac)

S. No.	Particulars	This Year	Previous Year
a)	Net Profit after tax	566.02	378.86
b)	Net profit available to Equity shareholders	566.02	378.86
c)	Average No. of Equity shares outstanding during the year (Nos).	10292168	10292168
d)	Basic & Dilutive earnings per share (b)/(c) (Rupees per share)	5.50	3.68

- 5) **Taxes on Income** The company has recognized deferred tax liability of Rs. 178.37 Lac (P.Y. Rs.123.13 lac) determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

(Rs. in lac)

Particulars	As at 31/3/2011	As at 31/3/2010
Deferred Tax Liability		
Fixed Assets	1164.85	1109.55
	1164.85	1109.55
Deferred Tax Assets		
Unabsorbed depreciation	-	82.58
Disallowed u/s 43B	48.64	47.47
	48.64	130.05
Deferred Tax Liability	1116.21	979.50
Less: Mat Credit	83.82	125.48
Net Deferred Tax Liability	1032.39	854.02

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- 6) No provision is required for impairment of assets according to AS-28 'Impairment of Assets' as the value in use as estimated by the management, is higher than the carrying amount of the assets as on Balance Sheet date. In order to arrive at the value in use, the company has reviewed the future earnings of the remaining useful life of all its cash generating units as at Balance Sheet date which has been discounted at the average long term lending rate of the Company.
- 7) The Company hedges its export realisations through foreign exchange forward contracts in the normal course of business so as to reduce the risk of exchange fluctuation. These hedging transactions are part and parcel of normal business transactions.

The Company has outstanding foreign exchange forward contract of USD 13.38 Million and EURO 0.70 Million (Previous year USD 9.19 Millions) as on 31st March 2011, which has been booked for hedging of export realisations.

D) THE ADDITIONAL INFORMATION REQUIRED AS PER SCHEDULE VI OF THE COMPANIES ACT, 1956.

1) CAPACITY (As certified by the Management)

Particulars	Installed Capacity	
	This Year	Previous Year
Looms	148	136
Worsted Spinning Spindles	8768	8768
Synthetic Spinning Spindles	17136	17136
Vortex Spinning Positions	400	–
Fabrics Processing (Mtrs. In lac)	264	264
Top, Fibre & Yarn Dyeing (MT)	1382	1382

2) SALES, PRODUCTION & STOCKS

Particulars	Production		Purchase		Opening Stock		Closing Stock		Sale / Transfer	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
A. Own Manufacturing										
i) Worsted Yarn										
Qty. - Lac Kgs.	8.26	7.43	–	0.05	0.23	0.16	0.27	0.23	8.22	7.41
Value - Lac Rs.	–	–	–	18.28	85.97	54.05	117.90	85.97	3465.40	2674.15
ii) PV Yarn										
Qty. - Lac Kgs.	30.04	27.73	0.35	0.52	1.05	0.74	2.73	1.05	28.71	27.94
Value - Lac Rs.	–	–	59.84	74.57	182.91	107.63	545.11	182.91	5238.32	4342.19
iii) Vortex Yarn										
Qty. - Lac Kgs.	3.25	–	–	–	–	–	0.71	–	2.54	–
Value - Lac Rs.	–	–	–	–	–	–	138.49	–	537.01	–
iv) Fabrics										
Qty. - Lac Mtrs.	161.80	153.61	14.46	10.64	29.81	23.98	28.29	29.81	177.78	158.42
Value - Lac Rs.	–	–	755.10	481.56	2581.67	2563.18	2612.64	2581.67	22472.73	18693.35
v) Garments										
Qty. - Lac Nos.	0.61	0.40	–	–	0.11	0.13	0.30	0.11	0.42	0.42
Value - Lac Rs.	–	–	–	–	15.42	22.44	58.73	15.42	122.49	120.72
vi) Wind Power										
Qty. - Lac units	30.94	35.06	–	–	–	–	–	–	30.94	35.06
Value - Lac Rs.	–	–	–	–	–	–	–	–	117.12	130.35
vii) Others										
Value - Lac Rs.	–	–	6.29	11.44	6.74	5.20	4.56	6.74	11.36	15.01

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Particulars	Production		Purchase		Opening Stock		Closing Stock		Sale / Transfer	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
B. Job work										
i) Fabrics Processing										
Qty. - Lac Mtrs.	243.89	241.30	-	-	4.58	6.56	4.35	4.58	244.03	243.28
Value - Lac Rs.	-	-	-	-	37.57	71.10	45.19	37.57	2834.74	2754.09
ii) Dying Charges										
Qty. - Lac Kgs.	18.44	18.51	-	-	0.02	-	0.02	0.02	18.47	18.49
Value - Lac Rs.	-	-	-	-	0.78	-	0.67	0.78	316.03	276.97
iii) Yarn Spinning										
Qty. - Lac Kgs.	1.74	0.99	-	-	0.06	-	0.03	0.06	1.77	0.93
Value - Lac Rs.	-	-	-	-	5.99	-	4.15	5.99	159.96	101.81
iv) Others										
Value - Lac Rs.	-	-	-	-	-	-	-	-	1.28	2.63

NOTE:-

2010-11 2009-10

Sale/ Transfer include Inter division transfer for Captive Consumption:

i) Worsted Yarn										
Qty. - Lac Kgs.									7.63	7.02
Value - Lac Rs.									3231.83	2537.22
ii) PV Yarn										
Qty. - Lac Kgs.									16.18	18.86
Value - Lac Rs.									2862.35	2935.09
Inter Division job charges :										
i) Fabrics Processing										
Qty. - Lac Mtrs.									163.29	148.93
Value - Lac Rs.									1925.08	1689.62
ii) Dying Charges										
Qty. - Lac Kgs.									16.70	17.41
Value - Lac Rs.									268.03	251.35

3) RAW MATERIAL CONSUMED

	2010-2011		2009-2010	
	Quantity (in lac)	Value (in lac)	Quantity (in lac)	Value (in lac)
i) Wool (Kgs.)	3.88	1611.17	3.63	1101.12
ii) Polyester & other Synthetic fibre (Kgs.)	26.71	2405.99	24.04	1727.65
iii) Viscose (Kgs.)	13.81	2044.17	10.50	1313.83
iv) Fabrics(Mtrs.)	14.46	755.10	10.64	482.73
v) Yarn (Kgs.)	33.70	5704.15	29.08	3833.95
vi) Dyes & Chemicals		718.27		767.48
vii) Job Spinning		126.67		14.37
viii) Process Stock Adjustment		(184.94)		(199.69)
ix) Others		6.29		9.91
		13186.87		9051.35

SCHEDULES

4) VALUE OF IMPORTS CALCULATED ON CIF BASIS IN RESPECT OF

(Rs. in lac)

Particulars	This Year	Previous Year
i) Capital Goods	1305.02	24.86
ii) Spare Parts	142.53	135.11
iii) Raw Material (Wool)	1760.05	1247.00
(Fibre)	126.15	65.48
(Silk Yarn)	646.13	324.21
	3979.88	1796.66

5) VALUE OF RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED (Imported & Indigenous)

	2010-2011		2009-2010	
	(Rs. in lac)	%	(Rs.in lac)	%
(i) Raw materials				
– Imported	2185.90	16.58	1218.38	13.46
– Indigenous	11000.97	83.42	7832.97	86.54
	13186.87	100.00	9051.35	100.00
(ii) Components & Spare Parts				
– Imported	182.43	27.34	186.57	28.46
– Indigenous	484.72	72.66	469.05	71.54
	667.15	100.00	655.62	100.00

6) EXPENDITURE INCURRED IN FOREIGN CURRENCY

(Rs. in lac)

Particulars	This Year	Previous Year
(1) Travelling Expenses	74.73	76.78
(2) Commission on Export	504.23	385.73
(3) Other Expenses	53.25	75.12
Total	632.21	537.63

7) EARNING IN FOREIGN EXCHANGE

(Rs. in lac)

	This Year	Previous Year
Export on FOB value	15066.52	11939.99



SCHEDULES

8) REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS

	This Year	Previous Year
a) Year to which Dividend relates		
(i) Final Dividend	2009-10	–
(ii) Interim Dividend	2010-11	–
b) No. of non resident Shareholders to whom dividend remitted		
(i) Final Dividend	114	–
(ii) Interim Dividend	117	–
c) No. of shares on which remittance was made (Lac)		
(i) Final Dividend	3.50	–
(ii) Interim Dividend	3.56	–
d) Amount remitted:		
(i) Through NRE A/cs (Rs.in lac)	0.94	–
(ii) Remitted abroad in foreign Currency (Rs. in lac)	4.36	–

As per our Report of even date

For A. L. CHECHANI & CO.
Chartered Accountants

(SUNIL SURANA)

Partner
Membership No. 036093
Firm No.: 05341C
Place : Noida
Date : 28th April, 2011

For and on behalf of the Board

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718

SUSHIL JHUNJHUNWALA
Director
DIN: 00082461

NIVEDAN CHURIWAL
Executive Director
DIN: 00001749

PRAVEEN JAIN
CFO & Company Secretary

CASH FLOW STATEMENT

	(Rs. in lac)	
	2010-11	2009-10
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	951.43	614.30
Adjustments for :		
1. Depreciation	1270.05	1237.55
2. Interest	1035.46	880.98
3. Profit / Loss on sale of Fixed Assets	64.87	37.00
Operating profit before working capital change	3321.81	2769.83
Adjustments for :		
1. Trade and other receivable	(1659.84)	69.39
2. Inventories	(1918.51)	(858.40)
3. Trade Payables	1397.30	496.54
	(2181.05)	(292.47)
Cash Generated from operations	1140.76	2477.36
1. Direct Taxes paid	(159.58)	(100.39)
Net cash from operating activities	(A) 981.18	2376.97
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(3027.34)	(369.04)
Sale/Decrease of Fixed Assets	76.21	26.91
Proceed from Investment	0.03	-
Net Cash From Investing Activities	(B) (2951.10)	(342.13)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	2467.28	124.17
Repayment of long term borrowings	(782.05)	(930.97)
Proceeds from bank borrowings & short term borrowings	1499.42	(355.60)
Dividend Paid (with Tax)	(180.02)	-
Interest paid	(1035.46)	(880.98)
Net cash from financing activities	(C) 1969.17	(2043.38)
Net increase in cash and cash equivalents	(A + B + C) (0.75)	(8.54)
Opening Cash and Cash equivalents	33.11	40.18
Opening Balance from Amalgamating Company	-	1.47
Closing Cash and Cash equivalents	32.36	33.11

As per our Report of even date

For A. L. CHECHANI & CO.
Chartered Accountants

(SUNIL SURANA)
Partner
Membership No. 036093
Firm No.: 05341C

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Executive Director
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PRAVEEN JAIN
CFO & Company Secretary



BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.

0	0	0	0	2	2	6	6
---	---	---	---	---	---	---	---

 State Code

1	7
---	---

 Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

2. Capital Raised during the year (Amount in Rupees Thousands)

Public Issue

				N	I	L
--	--	--	--	---	---	---

 Right Issue

				N	I	L
--	--	--	--	---	---	---

 Bonus Issue

				N	I	L
--	--	--	--	---	---	---

 Private Placement

				N	I	L
--	--	--	--	---	---	---

3. Position of Mobilisation and Deployment of Funds (Amount in Rupees Thousands)

Total Liabilities

2	5	7	9	8	4	7
---	---	---	---	---	---	---

 Total Assets

2	5	7	9	8	4	7
---	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

	1	0	2	9	2	2
--	---	---	---	---	---	---

 Reserves & Surplus

	5	2	8	5	7	5
--	---	---	---	---	---	---

 Secured Loans

1	4	3	2	7	3	1
---	---	---	---	---	---	---

 Unsecured Loans

				N	I	L
--	--	--	--	---	---	---

 Deferred Tax Liability

	1	0	3	2	3	9
--	---	---	---	---	---	---

Application of Funds

Net Fixed Assets

1	1	3	7	2	0	2
---	---	---	---	---	---	---

 Investments

				N	I	L
--	--	--	--	---	---	---

 Net Current Assets

1	0	3	0	2	6	5
---	---	---	---	---	---	---

 Miscellaneous Expenditure

				N	I	L
--	--	--	--	---	---	---

 Accumulated Losses

				N	I	L
--	--	--	--	---	---	---

4. Performance of Company (Amount in Rupees Thousands)

Turnover

2	7	1	7	7	5	8
---	---	---	---	---	---	---

 Total Expenditure

2	6	2	2	6	1	5
---	---	---	---	---	---	---

 Profit/(Loss) before tax

		9	5	1	4	3
--	--	---	---	---	---	---

 Profit/(Loss) After Tax

		5	6	6	0	2
--	--	---	---	---	---	---

 Earning per share (in Rs.)

			5	.	5	0
--	--	--	---	---	---	---

 Dividend Rate (%)

		1	5	.	0	0
--	--	---	---	---	---	---

5. Generic Names of Three Principal Products / Services of Company

(a) Item Code No. (ITC Code)

5	5	1	5																
---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 Product Description

F	A	B	R	I	C	S		M	A	D	E		O	F		M	A	N	
M	A	D	E		F	I	B	R	E	S									

(b) Item Code No. (ITC Code)

5	1	1	2																
---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 Product Description

W	O	O	L	L	E	N	/	W	O	R	S	T	E	D					
B	L	E	N	D	E	D		F	A	B	R	I	C	S					

(c) Item Code No. (ITC Code)

5	1	0	7																
---	---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 Product Description

W	O	O	L	L	E	N	/	W	O	R	S	T	E	D					
B	L	E	N	D	E	D		Y	A	R	N								

STATISTICS

TABLE1 : BALANCE SHEET ANALYSIS

(Rs. in lac)

Year Ended	31st March 2011	31st March 2010	31st March 2009	31st March 2008	31st March 2007
A) SOURCES					
1 Net Worth					
Equity Share Capital	1029.22	1029.22	733.47	733.47	733.47
Reserves	5285.75	4899.45	3283.83	3278.81	3934.91
	6314.97	5928.67	4017.30	4012.28	4668.38
2 Term Loans					
Secured	7514.49	5824.02	6078.45	7021.95	6524.67
Unsecured	—	—	—	—	775.00
	7514.49	5824.02	6078.45	7021.95	7299.67
3 Deferred Tax Liability					
	1032.39	854.02	501.49	494.46	745.13
Total (1 + 2 + 3)	14861.85	12606.71	10597.24	11528.69	12713.18
B) APPLICATION OF FUNDS					
1 Assets					
Gross Block	28108.83	25703.19	20546.23	20541.43	18826.16
Less : Depreciation	16884.64	16016.84	12439.54	11590.89	10635.37
Net Block	11224.19	9686.35	8106.69	8950.54	8190.79
Capital Work in progress	147.83	69.46	56.28	—	1414.71
Investments	—	0.03	0.03	0.03	0.08
	11372.02	9755.84	8163.00	8950.57	9605.58
2 Working Capital					
Current Assets	15656.23	11876.05	10271.88	11548.78	10827.94
Less: Current Liabilities	4123.80	2548.99	1464.05	2281.99	2245.31
Bank Borrowings	8042.60	6476.19	6373.59	6688.67	5475.03
	12166.40	9025.18	7837.64	8970.66	7720.34
Net Working Capital	3489.83	2850.87	2434.24	2578.12	3107.60
Total (1 + 2)	14861.85	12606.71	10597.24	11528.69	12713.18

STATISTICS

TABLE 2 : LONG TERM LOANS, RECEIPTS AND REPAYMENTS

(Rs. in lac)

LOANS FROM	TOTAL LOANS			TOTAL REPAYMENTS			Outstanding as at 31/3/2011
	Till 31/3/2010	New Loans	Total 31/3/2011	Till 31/3/2010	Repayment 2010-2011	Total 31/3/2011	
ICICI Bank Ltd.	38.00	–	38.00	19.04	4.76	23.80	14.20
IDBI Bank Ltd.	487.00	–	487.00	95.84	83.38	179.22	307.78
Uco Bank	941.91	1756.46	2698.37	728.00	139.65	867.65	1830.72
Oriental Bank of Commerce	5183.82	688.99	5872.81	510.00	380.20	890.20	4982.61
Allahabad Bank	900.00	–	900.00	600.00	140.00	740.00	160.00
Union Bank of India	286.28	21.83	308.11	60.11	34.06	94.17	213.94
Grand Total	7837.01	2467.28	10304.29	2012.99	782.05	2795.04	7509.25

TABLE 3 : RETURN OF NET WORTH

(Rs. in lac)

Year Ended	31st March 2011	31st March 2010	31st March 2009	31st March 2008	31st March 2007
Net Worth	6314.97	5928.67	4017.30	4012.28	4668.38
Pre-tax Profit	951.43	614.30	24.92	(885.81)	76.95
Ratio%	15.07	10.36	0.62	(22.08)	1.65

TABLE 4 : RETURN ON TURNOVER

(Rs. in lac)

Year Ended	31st March 2011	31st March 2010	31st March 2009	31st March 2008	31st March 2007
Sales	27177.59	21801.99	18816.59	17888.49	18209.11
Pre-depreciation Profit	2221.48	1851.85	988.85	109.98	834.76
Ratio %	8.17	8.49	5.26	0.61	4.58

