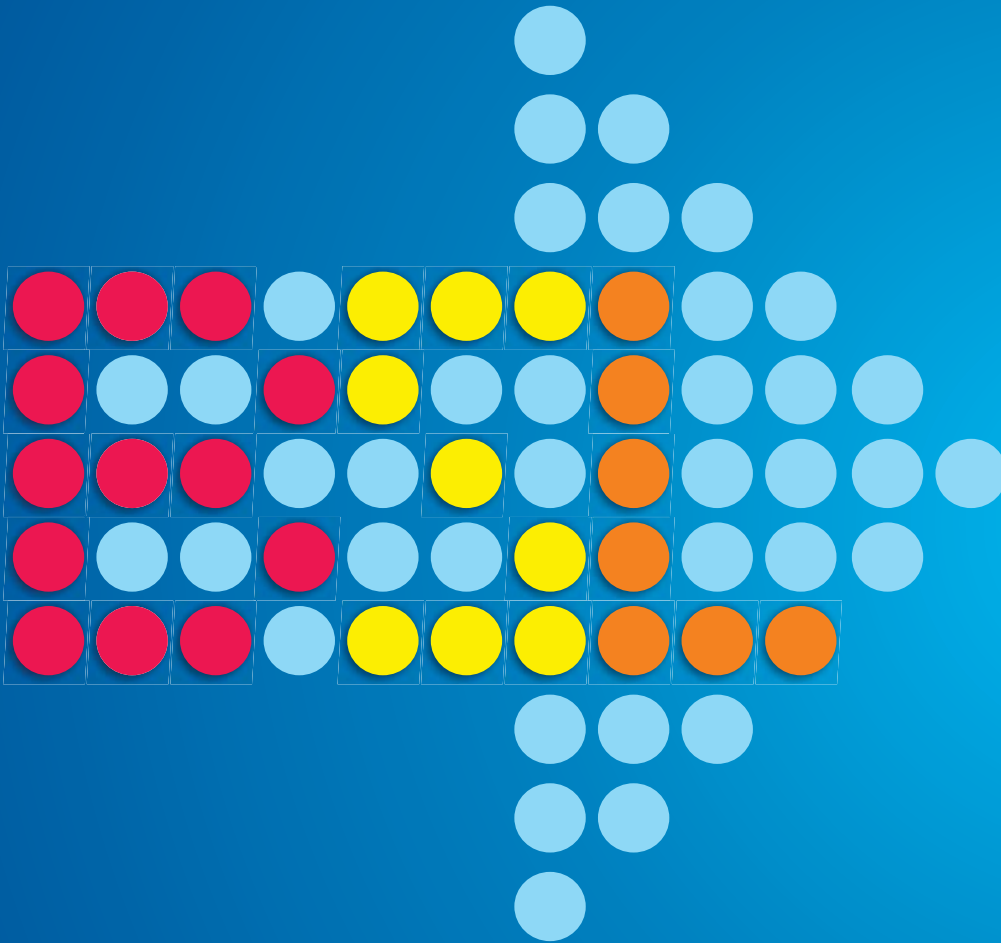




**Brighter**  
**TOMORROW**



**BSL Limited**  
Annual Report 2011-12



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Arun Churiwal	Chairman & Managing Director
Ravi Jhunjhunwala	Director
Shekhar Agarwal	Director
Salil Bhandari	Director
Sushil Jhunjhunwala	Director
A. N. Choudhary	Director
M. K. Doogar	Director (w.e.f. 4 <sup>th</sup> May, 2012)
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 Marketing)
S. Sen Gupta	Vice President (Spinning)
A. K. Mehta	Vice President (Processing & Silk)
Manoj Gupta	Vice President (Weaving)

### BANKERS

State Bank of India  
Oriental Bank of Commerce  
IDBI Bank Ltd.  
Union Bank of India  
State Bank of Bikaner & Jaipur

### AUDITORS

M/s A. L. Chechani & Co.

### REGISTERED OFFICE

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

### WORKS

Mandpam, Distt. Bhilwara - 311 001 (Rajasthan)

### WIND ENERGY PLANT

Village Gorera, Jaisalmer - 345 001 (Rajasthan)

## FINANCIAL HIGHLIGHTS

## BSL LIMITED

(₹ in Crore)

<b>PARTICULARS</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
Turnover	218.02	271.78	<b>305.53</b>
Exports	122.91	155.83	<b>169.43</b>
PBIDT	29.99	35.53	<b>32.99</b>
Financial Expenses	11.47	13.32	<b>18.60</b>
PBDT	18.52	22.21	<b>14.39</b>
Depreciation & Amortisation Expense	12.38	12.70	<b>13.75</b>
PBT	6.14	9.51	<b>0.64</b>
Taxation	2.35	3.85	<b>0.51</b>
PAT	3.79	5.66	<b>0.13</b>
Gross Block	257.27	281.77	<b>298.15</b>
Less : Depreciation	160.17	168.85	<b>180.30</b>
Net Block	97.10	112.92	<b>117.85</b>
Net Worth	59.29	63.15	<b>61.77</b>



## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW :

The Textile industry is one of the major sectors of Indian economy and largely contributes in the growth of the country's industrial sector. Textiles sector contributes to 14 percent of industrial production, 4 percent of National GDP and 10.63 percent of country's export earnings. The opening up of the sector through liberalisation policies set up by the Indian Government have given the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world. Textile sector in India provides direct employment to over 35 million people and holds the second position after the agriculture sector in providing employment to the masses.

Growing at a rapid pace, the Indian Market is being flocked by foreign investors exploring investment avenues and with an increasing trend in the demand for the textile products in the country, a number of new companies and joint ventures are being set up in the country to capture new opportunities in the market.

### GOVERNMENT INITIATIVES :

The Government of India has promoted a number of export promotion policies for the Textile sector in the Union Budget 2011-12 and the Foreign Trade Policy 2009-14. This also includes the various incentives under Focus Market Scheme and Focus Product Scheme; broad basing the coverage of Market Linked Focus Product Scheme for textile products and extension of Market Linked Focus Product Scheme etc. to increase the Indian shares in the global trade of textiles and clothing.

### BUSINESS OPERATIONS :

Financial Year 2011-12 was a challenging year. The global economy, barely a year after recession, witnessed lower economic growth. The global events had negative impact on the demand. Despite the challenging environment, BSL Limited performed well & grew its turnover from 270.92 Crore to 303.63 Crore which reflects a growth of 12.07%.

### PERFORMANCE, 2011-12 :

- Implemented various energy-saving initiatives.
- Increased domestic focus yielded higher realizations.
- Introduced new, high-value fabric collections in the market.
- Appointed designer from Italy for helping in introducing new designs for all segment & quality improvement.
- The Company has installed 20 Toyota Airjet Weaving Machines imported from Japan. The Machines have started commercial production from 1<sup>st</sup> January, 2012. The installation of these looms will increase own production resulting lower dependence on outside job weaving with improved quality.

### STRATEGIES :

- Continuous upgradation of manufacturing technology and ability to provide complete range of products.
- Product development will be key, the team will invest in developing new fabrics.

- Strengthen the distribution network to penetrate deeper.
- The Company expects to increase its yarn making capacity, generating significant economies of scale & protecting margins.
- Company is focusing more on exploring new markets and enhancing the volumes in existing markets. The Company is also exploring new markets for Vortex yarn.

### PRODUCT & PERFORMANCE :

BSL is one of the leading manufacturers of Fashion Fabrics and Yarns in India. The Company produces a wide range of polyester viscose fabrics and premium range of Worsted suitings, including Cashmere, Mohair, Angora and Camelhair blends.

- The Company uses the finest Australian Merino Worsted for making woolen fabrics & the Low Pill Trevira polyester for making wool blends, which are imported from Australia and Germany. To produce special fabrics, the Company uses Silk imported from China.

The Product wise performance during the year is as under :

(₹ In Crore)

Particulars		This Year		Previous Year	
		Qty.	Value	Qty.	Value
a)	Fabrics (Lac Mtrs.)	155.80	232.40	177.78	224.73
b)	Yarn (MT)	2892.15	56.54	1585.53	31.47
c)	Readymade Garments (No. of Pcs.)	34318	0.91	40376	1.34
d)	Wind Power (Lac Units)	30.59	1.18	30.94	1.17
e)	Job Work		11.65		11.19
f)	Export Incentives		2.85		1.88
<b>Grand Total</b>			<b>305.53</b>		<b>271.78</b>

### QUALITY :

#### QUALITY CONSCIOUSNESS

The quality standards at BSL set the benchmark in textiles industry both in India and abroad. Quality consciousness is not limited merely to the department of quality control; it stretches over every product and the entire manufacturing process.

Only after the material fulfills the standard specifications, it is allowed to proceed to the production line.

#### CSIRO- FAST QUALITY CONTROL

- Fabric Assurance by Simple Testing - BSL is one of the few companies to use this latest Australian test- to ensure that the fabric is a truly world class product.
- Simple Finishing processes modify the surface of the fabric, which in turn influences the appearance and handle.
- Fabric assurance by Simple Testing gives information to the apparel manufacturers for improvising and taking corrective actions in various processes of garment making.

## ENVIRONMENT :

### ENVIRONMENTAL SAFETY

- BSL is an extremely eco-conscious organization. It has undertaken extensive process of greening the barren land around the plant and recycles over 70% of the water used in the plant.
- The company ensures that only Azo-free dyes are used in the dyeing processes. The company stringently adheres to all pollution controlling norms and procedures.

### CONTRIBUTING TOWARDS SOCIETY

- The Company firmly believes that true development can take place only if we can contribute to the society.
- The Company is in the process of implementing various schemes, which will help the people of the region to upgrade their vocational skills.

## SWOT :

### STRENGTHS

Our commitment to quality through technology and human ingenuity, has earned BSL numerous laurels and awards like ISO 9002 quality certification besides the National Certificate of Merit for outstanding export performance & Best Exporter award from Govt. of Rajasthan.

However, apart from it there are few other important factors which contributes to its strength like:

- Huge Domestic Market consumption (due to its own population).
- Tremendous Export Potential (Indian fabrics in great demand around the world).
- The new age creative and risk taking entrepreneurs.
- Use of latest technology which produces high quality multi-fiber raw material.
- Supportive government policies.

### WEAKNESS

- The increased global competition due to WTO policies.
- Inefficient supply chain management.
- Additionally, this sector is still unorganized at many levels and needs a lot of government reforms for further improvisation.

### OPPORTUNITIES

Due to recession in the overseas markets and lower demand of the products, 2011-12 was not the brighter year for BSL Limited. But despite of that company have the positive bottom line with increased turnover both in the Domestic as well as export market. Looking to the export market scenario & government policies, BSL expects the forthcoming years will be far better.

Further, The Company has already updated its technologies & introducing new designs in the market looking to the customer needs and expects to capitalize the opportunities.

## THREATS

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 Rupee value, Raw Material Prices of Polyester, Viscose & Wool 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.

## CODE OF CONDUCT :

**BSL LIMITED** is committed to maintain sound standards of Business Conduct as framed in terms of Clause 49 of the listing agreement with the stock exchanges. The Code is applicable to all the members of senior management of the Company who are members of its core management team.

## RISK MANAGEMENT :

The Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically.

The Company has identified the following aspects as the major risks for its Operations :-

### 1. COMPETITOR RISK

The market is highly competitive with no fiscal barriers and entry of large MNCs into the country with inorganic growth strategies. The Company continues to focus on increasing its market share and taking marketing initiatives that help create differentiation and provide optimum service to its customers.

### 2. FINANCIAL

Inflation continues to remain untamed, forcing the government to take monetary, fiscal and policy measures to tackle the challenge. These could enhance cost of borrowings for the Company.

### 3. FOREIGN EXCHANGE RISK

The Company's policy is to hedge all long term foreign exchange risk as well as short term exposures within the defined parameters. The long term foreign exchange liability is hedged and hedging reserve is maintained as per requirement of AS-30.

### 4. COMPLIANCE

The level of compliance is increasing by the day. The Company monitors its compliance mechanism so as to ensure that instances of non-compliance do not occur.

### 5. RAW MATERIAL PRICE 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.

#### **RESEARCH & DEVELOPMENT :**

Development of new designs, blends, yarns and experimenting with the latest finishing & chemical treatment, is imperative for growth of any textile company. For BSL, these are central to all its production activities.

- BSL has formed tie-ups with eminent research institutions and technical colleges for its continuous R & D initiatives.
- BSL is also developing specialised fabrics for defence forces.
- Our product development professionals work in close cooperation with global innovators like Lenzing of Austria, Dupont and Kurray of Japan, for keeping in step with the emerging trends.
- Our designers constantly participate in trade fair and exhibitions to explore newer avenues for increasing the product range.

#### **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :**

The Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes which consist of implementing and adopting appropriate management systems are followed.

A statutory Compliance audit team is constituted to check compliance and report to the management. This facilitates corrective measure to be taken wherever required.

#### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS :**

The company enjoys the support of committed and well satisfied human capital. Compensation packages offered by the company, best of class methods in recruitment, Training, motivation and performance appraisal, attract and retain the best in talent.

Based on our long-term business plans, the Company aim to identify, induct and train the most appropriate human resources with latest techniques. There is adequate management bandwidth commensurate with the size of the operations, with responsibilities shared appropriately and not dependent on a single person. The Company has a team of professionals who steer the operations and monitor the company's growth plans.

#### **CONCLUSION :**

With the increase in investments in the Indian textile sector, the subsequent increase in the industrial production, and the positivity observed by the Textile sector has resulted in progress and development of the sector. Integrating the sectoral needs and continued investments with technical advancements will completely modernize the industry chains across the country, and further assist in reaping benefits for the Indian Textile sector.

#### **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 affect 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 41<sup>st</sup> Annual Report and Statement of Accounts for the year ended 31<sup>st</sup> March, 2012.

## 1) FINANCIAL RESULTS

(₹ in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
Total Turnover –				
a) Domestic	136.10		115.95	
b) Exports	169.43	305.53	155.83	271.78
Profit before Interest and Depreciation		32.99		35.53
Less : Financial Expenses		18.60		13.32
Profit before Depreciation		14.39		22.21
Less : Depreciation & Amortisation Expense		13.75		12.70
Profit before Tax		0.64		9.51
Taxation – Current year		0.28		2.07
– Deferred Tax		0.23		1.78
Profit after Tax		0.13		5.66

## 2) OPERATIONS

The Division wise performance is as under :-

Value (₹ in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
<b>a) Fabrics (Lac Mtrs.)</b>				
- Domestic	57.18	72.85	65.38	75.05
- Exports	98.62	159.55	112.40	149.68
<b>Total</b>	<b>155.80</b>	<b>232.40</b>	177.78	224.73
<b>b) Yarn (MT)</b>				
- Domestic	2512.59	49.51	1381.61	27.23
- Exports	379.56	7.03	203.92	4.24
<b>Total</b>	<b>2892.15</b>	<b>56.54</b>	1585.53	31.47
<b>c) Job Work</b>				
Job Fabric Processing (Lac Mtrs.)	89.75	10.27	80.40	9.10
Top, Fibre and Yarn Dyeing (MT)	225	0.53	177	0.48
Job Spinning (MT)	45	0.85	177	1.61
<b>Total</b>		<b>11.65</b>		11.19

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
<b>d) Readymade Garments</b>				
- Domestic (No. of Pcs.)	34318	0.91	40376	1.31
- Exports	–	–	–	0.03
<b>Total</b>		<b>0.91</b>		1.34
<b>e) Wind Power</b>				
Generation (Lac Units)	30.59	1.18	30.94	1.17
<b>f) Export Incentives</b>		<b>2.85</b>		1.88
<b>Grand Total</b>		<b>305.53</b>		271.78

## 3) EXPORTS

The Company's Export turnover during the year was ₹ 169.43 Crores. Due to political disturbance in Middle East countries, the volumes in those areas have affected. However due to growth in other markets, overall Export volumes have been maintained.

## 4) EXPANSIONS

The Company has installed 20 Toyota Airjet Weaving Machines imported from Japan. The Machines have started commercial production from 1<sup>st</sup> January, 2012. The installation of these looms will increase own production resulting lower dependence on outside job weaving.

## 5) OUT LOOK FOR COMPANY'S ACTIVITIES

In Exports, Company is focusing more on exploring new markets and enhancing the volumes in existing markets. The Company is also exploring New markets for Vortex yarn. In Domestic market, company is focusing on RMG Sector and strengthening of Net work.

## 6) WIND POWER PROJECT

The Company's Wind Power Project at Jaisalmer had generated 30.59 Lac units during the year, as against 30.94 Lac units last year.

## 7) DIVIDEND

The Board of Directors have not recommend any dividend during the year.

## 8) DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors Confirm :-

- That in the preparation of the Annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- 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;



## DIRECTORS' REPORT

- 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.

### 9) 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.

### 10) 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.

### 11) 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.

### 12) CORPORATE SOCIAL RESPONSIBILITY

The Company has been organizing Blood donation camp of its employees since last Eight years. This year 151 units were collected and donated to Blood Bank at local Hospital.

The Company also organizes Annual Fair on the occasion of Janmashmi, in which about one lac residents of Bhilwara city and nearby villages participates with active interest. This function is being organized since last 20 years.

### 13) DIRECTORS

Shri Ravi Jhunjhunwala and Shri Shekhar Agarwal retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

Shri S. K. Churiwala resigned from the Board during the year. The Board expresses its sincere gratitude for his valuable contribution during his tenure as Director of the Company.

Shri M. K. Doogar was Co-opted as Additional Director w.e.f. 4<sup>th</sup> May, 2012 till conclusion of next Annual General Meeting.

### 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 reappointment.

### 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 : 4<sup>th</sup> May, 2012

**(ARUN CHURIWAL)**  
**CHAIRMAN & MANAGING DIRECTOR**  
DIN : 00001718

## निदेशकों का प्रतिवेदन

## उत्पादन

निदेशक मंडल आपके समक्ष 41वीं वार्षिक रिपोर्ट एवं 31, मार्च, 2012 को समाप्त हुए वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे हैं।

## 1. विदेशी निर्यात (₹ करोड़ में)

वर्ष	इस वर्ष		गत वर्ष	
	₹ करोड़	₹ करोड़	₹ करोड़	₹ करोड़
कुल बिक्री – घरेलू	136.10		115.95	
– निर्यात	169.43	305.53	155.83	271.78
ब्याज व मूल्यहास पूर्व लाभ	32.99		35.53	
घटाया: ब्याज	18.60		13.32	
मूल्यहास पूर्व लाभ	14.39		22.21	
घटाया: मूल्यहास	13.75		12.70	
आयकर पूर्व लाभ	0.64		9.51	
कराधान – आयकर	0.28		2.07	
– विलम्बित कर	0.23		1.78	
कर पश्चात् लाभ	0.13		5.66	

## 2. निर्यात

विभागानुसार विक्रय की स्थिति इस प्रकार है:-

वर्ष	इस वर्ष		गत वर्ष	
	₹ करोड़	₹ करोड़	₹ करोड़	₹ करोड़
(अ) घरेलू निर्यात (₹ करोड़ में)				
घरेलू	57.18	72.85	65.38	75.05
निर्यात	98.62	159.55	112.40	149.68
कुल	155.80	232.40	177.78	224.73
(ब) विदेशी निर्यात (₹ करोड़ में)				
घरेलू	2512.59	49.51	1381.61	27.23
निर्यात	379.56	7.03	203.92	4.24
कुल	2892.15	56.54	1585.53	31.47
(ग) निर्यात (₹ करोड़ में)				
वस्त्र प्रक्रियांकन उपकार्य (लाख मीटर में)	89.75	10.27	80.40	9.10
टोप, फाईबर और धागा डाईंग (टनों में)	225	0.53	177	0.48
स्पिनिंग उपकार्य (टनों में)	45	0.85	177	1.61
कुल		11.65		11.19

वर्ष	इस वर्ष		गत वर्ष	
	₹ करोड़	₹ करोड़	₹ करोड़	₹ करोड़
(अ) निर्यात (₹ करोड़ में)				
घरेलू	34318	0.91	40376	1.31
निर्यात	&	&	–	0.03
कुल		0.91		1.34
(ब) निर्यात (₹ करोड़ में)				
ऊर्जा उत्पादन (लाख इकाई)	30.59	1.18	30.94	1.17
(ग) निर्यात (₹ करोड़ में)				
कुल		2.85		1.88
कुल		305.53		271.78

## 3. निर्यात

कम्पनी का इस वर्ष ₹ 169.43 करोड़ का निर्यात रहा। मध्यपूर्वी देशों में राजनीतिक अनिश्चितता के परिणाम स्वरूप इन क्षेत्रों के परिमाणों पर असर पड़ा है। परन्तु अन्य भौगोलिक क्षेत्रों में विस्तार के परिणाम स्वरूप निर्यात का स्तर बनाये रखा है।

## 4. विस्तारीकरण

कम्पनी ने वर्ष के दौरान 20 टोयटा एयरजेट विविंग मशीन जापान से आयातित कर स्थापित की है। जिसका उत्पादन 1 जनवरी, 2012 से शुरू हुआ है इससे उत्पादन में बढ़ोतरी हुई है एवं बाहरी इकाईयों पर बुनाई की निर्भरता कम हुई है।

## 5. कम्पनी की गतिविधियों पर दृष्टिकोण

निर्यात क्षेत्र में कम्पनी नये बाजार के विकास एवं स्थापित बाजार में निर्यात बढ़ाने में ध्यान दे रही है। कम्पनी वोरटेक्स धागों के निर्यात के लिए नये बाजार प्रयास कर रही है। घरेलू बाजार में पोषाक निर्माताओं की ओर ध्यान केंद्रित करते हुए अपने नेटवर्क को मजबूत कर रही है।

## 6. पवन ऊर्जा परियोजना

इस वर्ष कम्पनी के जैसेलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 30.59 लाख इकाई रहा। गत वर्ष यह उत्पादन 30.94 लाख इकाई था।

## 7. लाभांश

निदेशक मण्डल इस वर्ष लाभांश घोषित करने की अनुशंसा नहीं करता है।

## 8. 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

## निदेशकों का प्रतिवेदन

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 लगायें, जो कि कम्पनी के वित्तीय वर्ष की समाप्ति पर स्थिति विवरण तथा 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 एवं पर्याप्त सावधानी का पालन किया।
4. निदेशकों ने वार्षिक खाते, व्यवसाय की निरन्तरता के सिद्धान्त को ध्यान में रखते हुए तैयार किये।

### 9. 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 वाला कोई भी कर्मचारी नहीं था।

### 10. 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।

### 11. 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 कराने का मुख्य लक्ष्य रखती है।

### 12. सामाजिक उत्तरदायित्व

कम्पनी निरन्तर अपने कर्मचारियों द्वारा रक्तदान शिविर का आयोजन कर रही है। इस वर्ष कम्पनी ने 151 यूनिट रक्त स्थानीय अस्पताल के रक्त बैंक में जमा कराया है।

कम्पनी गत 20 वर्षों से जन्माष्टमी के अवसर पर वार्षिक मेले का आयोजन करती है। जिनमें भीलवाड़ा एवं गावों से लगभग 1 लाख निवासी भाग लेते हैं।

### 13. निदेशक

श्री रवि झुंझुनवाला एवं श्री शेखर अग्रवाल आगामी वार्षिक साधारण सभा में क्रमानुसार अवकाश ग्रहण कर रहे हैं, व पुनः नियुक्ति के योग्य हैं।

श्री एस. के. चूड़ीवाला ने इस वर्ष निदेशक मण्डल से त्यागपत्र दे दिया है। निदेशक मण्डल उनकी मूल्यान्वित सेवाओं के प्रति आभार एवं कृतज्ञता अभिव्यक्त करता है।

दिनांक 04 मई 2012 से श्री एम. के. दुग्गड़ अतिरिक्त निदेशक के रूप में मनोनित किये गये हैं जिनका कार्यकाल आगामी वार्षिक साधारण सभा तक होगा।

### 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 (उ0 प्र0)

तारीख : 4 मई, 2012

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, 2012.

## A. POWER &amp; FUEL CONSUMPTION

	Current Year	Previous Year
<b>1) Electricity</b>		
a) Purchased		
Units (Lac)	413.77	361.68
Total Amount (Lac ₹)	1947.12	1462.99
Rate/Unit	4.71	4.05
b) Own Generation		
(i) Through Diesel Generator		
Units(Lac)	0.76	1.49
Units per litre of Diesel oil	2.73	3.08
Cost/Unit	14.33	11.72
(ii) Through HFO Generator		
Units (Lac)	5.71	5.03
Units per litre of HFO / Diesel	3.88	3.98
Cost/Unit	15.68	34.73
<b>2) Coal</b>		
Quantity (MT)	7651	7876
Total Amount (Lac ₹)	617.93	640.07
Average Rate (₹ /MT)	8076.33	8126.75
<b>3) Furnace Oil</b>		
Qty. in Kilo Literes	147	127
Total amount (Lac ₹)	36.43	28.11
Average Rate (₹ / Ltr.)	24.76	22.21
<b>4) Other/Integral Generation</b>	N.A.	N.A.
<b>B) CONSUMPTION PER UNIT OF PRODUCTION</b>		
<b>A. Weaving:-</b>		
Electricity Unit per Mtr.		
- Weaving	0.64	0.65
- Others	0.03	0.02
	0.67	0.67
<b>B. Spinning:-</b>		
Electricity Unit per Kg.	4.66	5.45

	Current Year	Previous Year
<b>C. Processing-</b>		
i) Electric Unit		
– Per Mtr. Of Fabric	0.28	0.26
– Per Kg. of Top, Fibre & Yarn Dyeing	0.65	0.62
ii) Coal		
– Per Mtr. Of Fabric	0.28	0.28
– Per Kg. of Top, Fibre & Yarn Dyeing	0.40	0.40

## 2. TECHNOLOGY ABSORPTION

Details of Expenditure incurred on Research and Development during the year is as follows :

	(₹ in lac)	
Capital	4.51	–
Recurring	167.45	143.72
Total Expenditure as % of total turnover	0.56	0.53

## 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earning and outgo during the year are as under :

	2011-2012		2010-2011	
Earning	16440.90		15066.52	
Outgo :				
(Revenue A/c)	4068.17		3307.07	
(Capital A/c)	1011.50	5079.67	1305.02	4612.09

## 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

The Company firmly believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholder's value and has consistently adopted the best recognized corporate governance practice. The Corporate Governance philosophy is based on the fair and transparent disclosure issues related with the company's business to ensure accountability, compliance of legal and regulatory requirement which generate company's credentials at all level and which upgrade interest of stakeholders, shareholders, customers, lenders, creditors, suppliers, employees and society as whole.

The Company is committed to the principles of good governance. 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, Four Board meetings were held, the dates being 28<sup>th</sup> April,2011, 28<sup>th</sup> July,2011, 2<sup>nd</sup> November,2011 and 4<sup>th</sup> February,2012. The last AGM was held on 10<sup>th</sup> September, 2011. Details of Attendance during 2011-2012 and other particulars are as given below:-

S. No.	Name	Title	Category	Directorship in Other Companies			No. of Board meetings for 2011-2012		Whether Attended Last AGM
				Member of Board *	Board Committees #		Total Held	Attended	
					Chairman	Member			
1.	Shri Arun Churiwal	Chairman & Managing Director	Promoter - Executive	3	-	-	4	4	Yes
2.	Shri Ravi Jhunjhunwala	Director	Promoter - Non Executive	12	2	1	4	4	No
3.	Shri Sushil Jhunjhunwala	Director	Independent Non-executive	3	-	-	4	4	Yes
4.	Shri Shekhar Agarwal	Director	Promoter - Non Executive	5	-	3	4	4	No
5.	Shri Nivedan Churiwal	Executive Director	Promoter Executive	-	-	-	4	4	Yes
6.	Shri Sushil Kumar Churiwala (Resigned w.e.f. 04/02/2012)	Director	Independent Non Executive	-	-	-	4	1	No
7.	Shri Salil Bhandari	Director	Independent Non Executive	6	-	4	4	1	No
8.	Shri Amar Nath Choudhary	Director	Independent Non Executive	2	-	1	4	4	Yes
9.	Shri M. K. Doogar (Appointed w.e.f. 04/05/2012)	Director	Independent Non Executive	5	3	-	N.A.	N.A.	N.A.

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 Four 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
4. Shri Amar Nath Choudhary

## REPORT ON CORPORATE GOVERNANCE

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 28<sup>th</sup> April' 2011, 28<sup>th</sup> July'2011, 2<sup>nd</sup> November'2011 and 4<sup>th</sup> February'2012.

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	1
2. Shri Shekhar Agarwal	4
3. Shri Sushil Jhunjunwala	4
4. Shri Amar Nath Choudhary	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 Salil Bhandari
- 3) Shri Amar Nath Choudhary

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 Audit Committee thereof. No meeting was held during the year.

Remuneration paid to Whole Time Directors during 2011-2012 :- (₹ in lac)

Name of executive	Salary & Allowances	Retiral Benefits	Total
i) Shri Arun Churiwal Chairman & Managing Director Service Contract – 1 <sup>st</sup> September, 2007 to 31 <sup>st</sup> August,2012 (Proposed for the period - 1 <sup>st</sup> September, 2012 to 31 <sup>st</sup> August,2017)	20.08	5.25	25.33
ii) Shri Nivedan Churiwal Executive Director Service Contract- 26 <sup>th</sup> July,2007 to 25 <sup>th</sup> July,2012 (Proposed for the period - 26 <sup>th</sup> July,2012 to 25 <sup>th</sup> July, 2017)	21.00	3.40	24.40

Remuneration paid to Non-Executive Directors during 2011-2012:- (₹ 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	0.04	0.04	0.08
4. Shri Sushil Kumar Churiwala	0.04	-	0.04
5. Shri Sushil Jhunjunwala	0.16	0.16	0.32
6. Shri Amar Nath Choudhary	0.16	0.16	0.32

There are no stock option plans of the Company. Shri Ravi Jhunjunwala, Director holds 84,236 Equity Shares of the Company. Other Non-Executive Directors are not holding any shares of the Company.

## REPORT ON CORPORATE GOVERNANCE

### 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 Jhunjhunwala, Member (Non-Executive)
- 3) Shri Arun Churiwal, Member (Chairman & Managing Director)

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 28/04/2011, 28/07/2011, 02/11/2011 and 04/02/2012. 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 Jhunjhunwala

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 13<sup>th</sup> times during the year. The meetings were held on 28/04/2011, 21/05/2011, 30/06/2011, 28/07/2011, 31/08/2011, 12/09/2011, 30/09/2011, 02/11/2011, 03/12/2011, 31/12/2011, 04/02/2012, 05/03/2012, and 31/03/2012.

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	13
2. Shri Nivedan Churiwal	13
3. Shri Sushil Jhunjhunwala	9

The details of complaints received & resolved during the year 2011-2012 are as under :-

No. of complaints / grievances received from shareholders / Stock Exchange / SEBI – 26.

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>
23 <sup>rd</sup> September'2009	2008-2009	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	10.30 A.M.
15 <sup>th</sup> September'2010	2009-2010	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	10.30 A.M.
10 <sup>th</sup> September'2011	2010-2011	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	11.00 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 2011-2012, there were no transactions of material nature with its



## REPORT ON CORPORATE GOVERNANCE

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. 29 of “Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2012, 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 disclosed in Note No. 1 “Accounting Policies” under the “Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2012, in the Annual Report.
- 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.
- 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](http://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.

## SHAREHOLDERS INFORMATION :

1. **Annual General Meeting**
  - Day, Date and Time : Tuesday, 18<sup>th</sup> September, 2012 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, 2012 : Upto 15<sup>th</sup> August, 2012
  - Financial reporting for the half year ending September 30, 2012 : Upto 15<sup>th</sup> November, 2012
  - Financial reporting for the quarter ending December 31, 2012 : Upto 15<sup>th</sup> February, 2013
  - Financial reporting for the year ending March 31, 2013 : Upto 15<sup>th</sup> May, 2013
  - Annual General meeting for the year ended March 31, 2013. : September, 2013.
3. **Dates of Book Closure** : 8<sup>th</sup> September, 2012 to 18<sup>th</sup> September, 2012
4. **Registered Office** : 26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan)  
Tel : (01482) 246801, Fax : (01482) 246807  
E-mail : [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com)

## REPORT ON CORPORATE GOVERNANCE

## 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 2012-13 has been paid to NSE & BSE.

## 6. Stock Code :

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

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

	High (₹)		Low (₹)		BSE Sensex
	BSE	NSE	BSE	NSE	
April-2011	28.80	30.30	24.40	22.80	19135.96
May-2011	28.50	29.70	24.25	22.00	18503.28
June-2011	26.85	28.50	23.10	21.00	18845.87
July-2011	27.90	29.90	24.30	22.25	18197.20
August-2011	24.35	28.00	21.00	20.00	16676.75
September-2011	24.10	25.30	21.35	19.50	16453.76
October-2011	23.15	24.40	20.35	19.30	17705.01
November-2011	23.30	23.45	19.00	18.25	16123.46
December-2011	21.00	21.35	17.15	15.50	15454.92
January-2012	21.25	21.70	16.10	16.10	17193.55
February-2012	21.00	21.90	20.05	19.25	17752.68
March-2012	21.50	22.50	16.00	15.50	17404.20

## 8. Registrars and Share Transfer Agents &amp; 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](mailto: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 31<sup>st</sup> March, 2012 :

No. of shares	2011-2012			
	No. of share holders	% of share holders	No. of share held	% of share holding
1-100	5735	55.97	387671	3.77
101-200	2461	24.02	411134	3.99
201-500	1218	11.89	439620	4.27
501-1000	447	4.36	359995	3.50
1001-5000	289	2.82	647891	6.29
5001-10000	33	0.32	230339	2.24
10001 and above	64	0.62	7815518	75.94
<b>Total :</b>	<b>10247</b>	<b>100.00</b>	<b>10292168</b>	<b>100.00</b>

## REPORT ON CORPORATE GOVERNANCE

### ii) Shareholding pattern as at 31st March, 2012 :

	Category	No. of shares held	Percentage of holding
A.	<b>Promoter's Holding</b>		
	1. Indian Promoters including corporates	5522072	53.65%
	2. Persons acting in concert – OCB's	287000	2.79%
	Sub Total	<b>5809072</b>	<b>56.44%</b>
B.	<b>Non-promoters Holding</b>		
	<b>(i) Institutional Investors</b>		
	1. Mutual Funds & UTI	450	0.01%
	2. Banks/ Financial Institutions	861781	8.37%
	Sub Total (i)	<b>862231</b>	<b>8.38 %</b>
	<b>(ii) Others</b>		
	3. Private Corporate Bodies	660135	6.41%
	4. Indian Public	2873639	27.92%
	5. NRI's / OCB's	87091	0.85%
	Sub Total (ii)	<b>3620865</b>	<b>35.18%</b>
	<b>Grand Total (A + B)</b>	<b>10292168</b>	<b>100%</b>

11. **Dematerialisation of shares and liquidity** : 9492200 shares were dematerialised till 31/03/2012 which is 92.22 % 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](mailto: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

### AUDITORS' 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 31<sup>st</sup> March, 2012 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

**(SUNIL SURANA)**

Partner

Membership No.:036093

Firm No.:05341C

Place : Noida

Date : 4<sup>th</sup> May, 2012

### 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 31<sup>st</sup> March, 2012 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 : 4<sup>th</sup> May, 2012

**(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 **31<sup>st</sup> March 2012**, the statement of profit & loss 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, statement of profit & loss and cash flow statement dealt with by this report are in agreement with the books of account.
  - (iv) In our opinion, the balance sheet, statement of profit & loss 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 **31<sup>st</sup> March 2012** and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31<sup>st</sup> March 2012** 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 **31<sup>st</sup> March 2012**;
  - (b) In the case of the statement of profit & loss, 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 : 4<sup>th</sup> May, 2012

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 31<sup>st</sup> March 2012.

- (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.

## AUDITORS' REPORT

- (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, 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 (₹ in lacs)	Forum where dispute is pending
Central Excise Act	Duty Penalty	10.01 5.19	CESTAT, (Appeal), New Delhi
Sales Tax Act	Penalty	17.79	High Court of Rajasthan

- (x) There are no accumulated losses of the Company as on 31<sup>st</sup> March 2012. 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.
- (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.



## AUDITORS' REPORT

- (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 : 4<sup>th</sup> May, 2012

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012

Particulars	NOTE	(₹ in Lac)	
		As at 31.03.2012	As at 31.03.2011
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	1029.22	1029.22
(b) Reserves and Surplus	3	5148.45	5285.75
(c) Money Received Against Share Warrants		-	-
		6177.67	6314.97
<b>(2) Share Application Money Pending Allotment</b>			
		-	-
<b>(3) Non-Current Liability</b>			
(a) Long-Term Borrowings	4	7190.16	6618.10
(b) Deferred Tax Liabilities (Net)	5	1055.06	1032.39
(c) Other Long Term Liabilities	6	296.37	272.86
(d) Long-Term Provisions		-	-
		8541.59	7923.35
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	7	6790.36	6818.06
(b) Trade Payables	8	2557.43	2355.71
(c) Other Current Liabilities	9	2050.64	1943.06
(d) Short-Term Provisions	10	171.91	296.71
		11570.34	11413.54
<b>TOTAL</b>		<b>26289.60</b>	<b>25651.86</b>
<b>II. ASSETS</b>			
<b>(1) Non -Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		11712.47	11167.09
(ii) Intangible Assets		47.06	57.10
(iii) Capital Work-In-Progress		25.43	67.38
(iv) Intangible Assets Under Development		-	-
		11784.96	11291.57
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets		-	-
(d) Long-Term Loans & Advances	12	201.17	258.93
(e) Other Non-Current Assets		-	-
		201.17	258.93
		11986.13	11550.50
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	13	7376.34	7644.53
(c) Trade Receivables	14	5151.65	4592.37
(d) Cash & Cash Equivalents	15	37.48	32.37
(e) Short-Term Loans & Advances	16	250.22	371.33
(f) Other Current Assets	17	1487.78	1460.76
		14303.47	14101.36
<b>TOTAL</b>		<b>26289.60</b>	<b>25651.86</b>

See accompanying notes no. 1 to 39 to the financial statements

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 : 4<sup>th</sup> May, 2012

For and on behalf of the Board

ARUN CHURIWAL  
Chairman & Managing Director  
DIN: 00001718SUSHIL JHUNJHUNWALA  
Director  
DIN: 00082461A. N. CHOUDHARY  
Director  
DIN: 00587814PRAVEEN JAIN  
CFO & Company Secretary





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

(₹ in Lac)

Particulars	NOTE	This Year	Previous Year
<b>I. Revenue from operations</b>	18	<b>30363.35</b>	27092.34
<b>II. Other Income</b>	19	<b>106.16</b>	74.05
<b>III. Total Revenue (I + II)</b>		<b>30469.51</b>	27166.39
<b>IV. Expenses:</b>			
Cost of materials consumed	20	<b>14349.72</b>	12841.98
Purchase of Stock-in-Trade	21	<b>533.63</b>	806.89
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	<b>486.40</b>	(894.57)
Employee benefit expense	23	<b>3644.86</b>	3141.45
Financial costs	24	<b>1860.14</b>	1332.27
Depreciation and amortization expense	25	<b>1375.07</b>	1270.05
Other expenses	26	<b>8156.20</b>	7716.89
<b>Total Expenses</b>		<b>30406.02</b>	26214.96
<b>V Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>63.49</b>	951.43
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>63.49</b>	951.43
<b>VIII. Extraordinary Items</b>		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>63.49</b>	951.43
<b>X. Tax expense:</b>			
(1) Current tax		<b>28.12</b>	207.00
(2) Deferred tax		<b>22.67</b>	178.37
(3) Earlier year's		-	0.04
<b>XI. Profit/(Loss) from the period from continuing operations (IX-X)</b>		<b>12.70</b>	566.02
<b>XII. Profit/(Loss) from discontinuing operations</b>		-	-
<b>XIII. Tax expense of discontinuing operations</b>		-	-
<b>XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)</b>		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>12.70</b>	566.02
<b>XVI. Earning per equity share (Basic and Diluted)</b>	30	<b>0.12</b>	5.50

See accompanying notes 1 to 39 to the financial statements

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 : 4<sup>th</sup> May, 2012

For and on behalf of the Board

**ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**SUSHIL JHUNJHUNWALA**  
Director  
DIN: 00082461

**A. N. CHOUDHARY**  
Director  
DIN: 00587814

**PRAVEEN JAIN**  
CFO & Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012

Particulars	(₹ in Lac)	
	2011-12	2010-11
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	63.49	951.43
<b>Adjustments for:</b>		
Depreciation and Amortisation	1375.07	1270.05
Interest	1629.95	1104.78
Foreign Exchange Fluctuation	(150.00)	–
Loss / (Profit) on sale of Fixed Assets	12.69	64.87
Operating profit before working capital change	2931.20	3391.13
<b>Adjustments for:</b>		
Increase/(Decrease) in Trade Payable	201.72	1272.73
Increase/(Decrease) in Other Current Liability	38.94	103.42
Increase/(Decrease) in Short Term Provisions	143.79	–
Increase/(Decrease) in other Long Term Liabilities	23.51	16.71
(Increase)/Decrease in Inventories	268.19	(1918.51)
(Increase)/Decrease in Trade Receivable	(559.28)	(1492.78)
(Increase)/Decrease in Short term Loan and Advances	(28.48)	18.01
(Increase)/Decrease in Other Current Assets	(27.02)	(228.04)
(Increase)/Decrease in Long Term Loan & advances	6.25	47.34
<b>Cash Generated from operations</b>	<b>2998.82</b>	<b>1210.01</b>
Direct Taxes paid	(57.41)	(159.58)
<b>Net cash from operating activities</b>	<b>2941.41</b>	<b>1050.43</b>
	(A)	
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(1884.63)	(3027.34)
Sale/Decrease of Fixed Assets	54.99	76.21
Sale of Investment	–	0.03
<b>Net cash from investing activities</b>	<b>(1829.64)</b>	<b>(2951.10)</b>
	(B)	
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	1557.83	2467.28
Repayment of Long Term Borrowings	(917.13)	(782.05)
Repayment of bank borrowings & short term borrowings	(27.70)	1499.42
Dividends paid (with tax)	(89.71)	(180.02)
Interest paid	(1629.95)	(1104.78)
<b>Net cash from financing activities</b>	<b>(1106.66)</b>	<b>1899.85</b>
	(C)	
Net increase in cash and cash equivalents	(A+B+C)	5.11
Cash and cash equivalents as at (Opening Balance)		32.37
Cash and cash equivalents as at (Closing Balance)		37.48

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 : 4<sup>th</sup> May, 2012

For and on behalf of the Board

**ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718**SUSHIL JHUNJHUNWALA**  
Director  
DIN: 00082461**A. N. CHOUDHARY**  
Director  
DIN: 00587814  
**PRAVEEN JAIN**  
CFO & Company Secretary

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

### 1. ACCOUNTING POLICIES

#### i) 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.

#### ii) 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.

#### iii) 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.

#### iv) Fixed Assets, Intangible Assets and Capital Work-in progress

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

#### v) 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.

#### vi) 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 16<sup>th</sup> 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 ₹ 5000/- 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.

Computer Software : 16.21%

Enabling Assets : 4.75%

#### vii) Foreign Exchange Transaction/Translation

- a) (i) Transactions in foreign currency are accounted for at the prevailing conversion rates, on the transaction date.
- (ii) Monetary items denominated in Foreign Currency (except financial instruments designated as Hedge Instruments) are translated at year end conversion rates, in financial statement.
- (iii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the statement of profit & loss.

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

- b) Pursuant to The Institute of Chartered Accountants of India (ICAI) announcement "Accounting for Derivatives" on the early adoption of Accounting Standard AS 30 "Financial Instruments: Recognition and Measurement", the Company had early adopted the AS-30 w.e.f 1<sup>st</sup> July, 2011 to the extent that such adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

The Company uses various financial instruments to hedge its exposure to movements in foreign exchange rates. A financial instrument is designated as an effective hedge after the management objectively evaluates at the inception of each contract as to whether the instrument is effective in offsetting the cash flows attributable to the hedged risk.

Hedge effectiveness of financial instruments designated as Hedging instruments is evaluated at the end of each financial reporting period.

In the absence of such hedge being identified or being continued to be identified as an effective hedge, the value thereof is taken to statement of Profit & Loss.

The effective portion of change in spot component of such forward contracts is taken into hedging reserve and ineffective portion, not designated as hedge is taken into statement of profit & Loss.

Amounts from hedging reserve account are transferred to Statement of Profit & Loss when.

- i) The forecast transaction materializes,
- ii) The hedging instrument expires or is sold, terminated or exercised (except for the replacement or rollover of a hedging instrument into another hedging instrument where such replacement or rollover is part of the Company's hedging strategy),
- iii) The hedge no longer meets the criteria for hedge accounting in AS 30,
- iv) The Company revokes the designation,

**viii) 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.

**ix) Employee Benefits**

- a) Defined Contribution Plan :

The Company makes defined contribution to Provident fund and Superannuation schemes in the statement of Profit & Loss 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.

**x) 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.

**xi) 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 stated at its estimated import/duty free prices.

**xii) 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.

**xiii) 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.

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

- 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.

### xiv) 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.

## 2. SHARE CAPITAL

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>Authorised:</b>		
2,90,00,000 (Previous year : 2,90,00,000) equity shares of ₹ 10 each	<b>2900.00</b>	2900.00
5,00,000 (Previous year: 5,00,000) redeemable Cumulative preference shares of ₹ 100 each	<b>500.00</b>	500.00
<b>Issued, Subscribed &amp; Paid-up:</b>		
1,02,92,168 (Previous year: 1,02,92,168) equity shares of ₹ 10 each	<b>1029.22</b>	1029.22
<b>Total</b>	<b>1029.22</b>	1029.22

### i) Term / Rights attached to Equity shares

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the year ended 31<sup>st</sup> March, 2012 the amount per share dividend recognized as distributed to equity shareholder is ₹ Nil (Previous year: ₹ 1.50 Per Share)

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

- 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 of Rajasthan at Jodhpur.
- iii) Detail of Shares held by Shareholders holding more than 5% shares of the company.

Name of Shareholders	As at			
	31.03.2012		31.03.2011	
	No. of Shares	%	No. of Shares	%
LNJ Financial Services Ltd.	<b>636741</b>	<b>6.19</b>	636741	6.19
Investors India Ltd.	<b>690814</b>	<b>6.71</b>	690814	6.71
Nivedan Vanijya Niyojan Ltd.	<b>620450</b>	<b>6.03</b>	620450	6.03
Raghav Commercial Ltd.	<b>668337</b>	<b>6.49</b>	668337	6.49

## 3. RESERVES & SURPLUS

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
i) Capital Reserve	<b>1015.97</b>	1015.97
ii) Capital Redemption Reserve	<b>30.00</b>	30.00
iii) Security Premium Account	<b>1925.69</b>	1925.69
iv) <b>General Reserve</b>		

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Balance at the beginning of the year	1548.00	1519.65
Additions during the year	–	28.35
Balance at the end of the year	1548.00	1548.00
<b>v) Hedging Reserve</b>		
Balance at the beginning of the year	–	–
Additions during the year	(150.00)	–
Deductions during the year	–	–
Balance at the end of the year	(150.00)	–
<b>vi) Profit &amp; Loss Account</b>		
Balance as at the beginning of the year	766.09	408.14
Profit for the year	12.70	566.02
<b>Less: Appropriations</b>		
Interim Dividend	–	77.19
Dividend distribution tax on Interim dividend on Equity Shares	–	12.82
Proposed dividend on Equity Shares for the year	–	77.19
Dividend distribution tax on Proposed dividend on Equity Shares	–	12.52
Transfer to General Reserve	–	28.35
<b>Balance as at the end of the year</b>	<b>778.79</b>	<b>766.09</b>
<b>Total</b>	<b>5148.45</b>	<b>5285.75</b>

## 4. LONG TERM BORROWING

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>Secured Borrowing</b>		
Term Loans from Banks	7190.16	6618.10
<b>Total</b>	<b>7190.16</b>	<b>6618.10</b>

- i) **Nature of Security:** 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.
- ii) **Terms of Repayment of Secured Borrowing:** Secured term loans from banks are repayable in quarterly/ monthly installments and having floating interest rates ranging from Base Rate + spread (2.25% to 2.75%). Period of maturity and installments outstanding as on 31.03.2012 are as under:-

(₹ in lac)

Name of Banks	Date of Maturity	No. of Installments Outstanding as on 31.03.2012	As at 31.03.2012			As at 31.03.2011		
			Total Outstanding	Current Maturities	Net Long Term Borrowings	Total Outstanding	Current Maturities	Net Long Term Borrowings
Oriental Bank of Commerce	31.12.2015	15	1007.76	240.00	767.76	1217.76	210.00	1007.76
Oriental Bank of Commerce	31.03.2017	20	1599.82	200.00	1399.82	1799.82	200.00	1599.82
Oriental Bank of Commerce	31.03.2017	20	1156.05	120.00	1036.05	1276.05	120.00	1156.05
Oriental Bank of Commerce	31.03.2020	32	845.69	106.00	739.69	688.99	–	688.99
Union Bank of India	31.03.2015	12	58.00	20.00	38.00	78.00	20.00	58.00
Union Bank of India	30.06.2018	25	117.19	18.76	98.43	135.94	18.75	117.19
UCO Bank	30.09.2011	–	–	–	–	74.26	74.26	–
UCO Bank	30.06.2020	32	1760.00	165.00	1595.00	1756.45	–	1756.45

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

Name of Banks	Date of Maturity	No. of Installments Outstanding as on 31.03.2012	As at 31.03.2012			As at 31.03.2011		
			Total Outstanding	Current Maturities	Net Long Term Borrowings	Total Outstanding	Current Maturities	Net Long Term Borrowings
IDBI Bank Ltd.	01.12.2017	23	134.40	23.35	111.05	157.78	23.38	134.40
IDBI Bank Ltd.	30.06.2013	5	75.00	60.00	15.00	150.00	60.00	90.00
IDBI Bank Ltd.	01.01.2018	20	1376.37	–	1376.37	–	–	–
Allahabad Bank	31.03.2012	–	–	–	–	160.00	160.00	–
ICICI Bank Ltd.	31.03.2014	–	–	–	–	14.20	4.76	9.44
HDFC Bank (Vehicle Loan)	05.11.2014	28	19.67	6.68	12.99	–	–	–
<b>TOTAL</b>			<b>8149.95</b>	<b>959.79</b>	<b>7190.16</b>	<b>7509.25</b>	<b>891.15</b>	<b>6618.10</b>

iii) None of loans are guaranteed by Directors or Others.

### 5. DEFERRED TAX LIABILITIES

i) The company has recognized deferred tax liability of ₹ 22.67 Lac (P.Y. ₹ 178.37 lac) determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>A. Deferred Tax Liability</b>		
Depreciation on Fixed Assets	1172.56	1164.85
<b>B. Deferred Tax Assets</b>		
Disallowed u/s 43B	55.49	48.64
Deferred Tax Liability (A-B)	1117.07	1116.21
Less: Mat Credit	62.01	83.82
<b>Net Deferred Tax Liability</b>	<b>1055.06</b>	<b>1032.39</b>

ii) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

### 6. OTHER LONG-TERM LIABILITIES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Agent & Dealer Deposits	133.79	132.23
Staff Deposits	76.75	66.10
Other Liabilities	85.83	74.53
<b>Total</b>	<b>296.37</b>	<b>272.86</b>

### 7. SHORT-TERM BORROWINGS

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>SECURED:</b>		
(a) Working Capital Loans from Banks Repayable on Demand	6784.84	6812.82
(b) Vehicle Loan	5.52	5.24
<b>Total</b>	<b>6790.36</b>	<b>6818.06</b>

i) 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 and having floating interest rate ranging from 10.60% to 13.50%

ii) None of Working Capital loans are guaranteed by Directors or Others

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

## 8. TRADE PAYABLES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Trade Payable	2557.43	2355.71
<b>Total</b>	<b>2557.43</b>	<b>2355.71</b>

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2012. 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.

## 9. OTHER CURRENT LIABILITIES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Current Maturities of Long-Term Debt (Refer Note no. 4)	959.79	891.15
Interest Accrued but not Due on Borrowing	–	0.20
Un-Paid Dividend	18.51	18.67
Statutory dues including Provident Fund and Tax deducted at Source	96.02	75.93
Liability Towards Staff & Worker	194.67	202.85
Sundry Creditors For Capital Goods	14.77	22.28
Other Deposits	18.16	19.44
Other Liabilities	748.72	712.54
<b>Total</b>	<b>2050.64</b>	<b>1943.06</b>

There is no amount of Un-paid dividend, due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end .

## 10. SHORT-TERM PROVISIONS

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Provision for mark-to-market losses on forex transaction	143.79	–
Provision for current tax	28.12	207.00
Provision for proposed dividend on equity shares	–	77.19
Provision for dividend distribution tax on proposed dividend on equity shares	–	12.52
<b>Total</b>	<b>171.91</b>	<b>296.71</b>

## 11. FIXED ASSETS

(₹ in lac)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET CARRYING VALUE	
	As at 31.03.11	Additions	Disposals	As at 31.03.12	Up to 31.03.11	Deductions	For the Year 11-12	Total Up to 31.03.12	As at 31.03.12	As at 31.03.11
<b>A) Tangible Assets</b>										
Free Hold Land	28.13	–	–	28.13	–	–	–	–	28.13	28.13
Lease Hold Land	190.06	–	–	190.06	11.80	–	2.56	14.36	175.70	178.26
Buildings (Including Roads )	3473.64	122.42	4.68	3591.38	971.80	1.23	100.22	1070.79	2520.59	2501.84
Plant and Machinery	23099.83	1683.37	132.34	24650.86	15207.87	121.25	1185.63	16272.25	8378.61	7891.96
Electrical Installation	114.14	–	–	114.14	33.13	–	3.45	36.58	77.56	81.01
Water Supply Installation	36.43	–	0.16	36.27	32.34	0.13	1.42	33.63	2.64	4.09
Furniture Fixture	381.94	7.79	33.56	356.17	245.76	29.19	16.86	233.43	122.74	136.18
Vehicles	269.27	122.09	82.48	308.88	75.81	43.18	26.82	59.45	249.43	193.46
Office Equipments	405.50	37.44	44.65	398.29	253.34	35.21	23.09	241.22	157.07	152.16
<b>Total (A)</b>	<b>27998.94</b>	<b>1973.11</b>	<b>297.87</b>	<b>29674.18</b>	<b>16831.85</b>	<b>230.19</b>	<b>1360.05</b>	<b>17961.71</b>	<b>11712.47</b>	<b>11167.09</b>



## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET CARRYING VALUE	
	As at 31.03.11	Additions	Disposals	As at 31.03.12	Up to 31.03.11	Deductions	For the Year 11-12	Total Up to 31.03.12	As at 31.03.12	As at 31.03.11
<b>B) Intangible Assets (Acquired)</b>										
Computer Software	97.63	0.29	-	97.92	51.58	-	13.76	65.34	32.58	46.05
Enabling Assets	12.26	4.69	-	16.95	1.21	-	1.26	2.47	14.48	11.05
<b>Total (B)</b>	<b>109.89</b>	<b>4.98</b>	<b>-</b>	<b>114.87</b>	<b>52.79</b>	<b>-</b>	<b>15.02</b>	<b>67.81</b>	<b>47.06</b>	<b>57.10</b>
<b>C) Capital Work in Progress :</b>										
Building Under Construction									-	2.19
Plant & Machinery Under Erection									25.43	65.09
Pre-Operative Expenses									-	0.10
<b>Total (C)</b>									<b>25.43</b>	<b>67.38</b>
<b>Grand Total (A + B + C)</b>	<b>28108.83</b>	<b>1978.09</b>	<b>297.87</b>	<b>29789.05</b>	<b>16884.64</b>	<b>230.19</b>	<b>1375.07</b>	<b>18029.52</b>	<b>11784.96</b>	<b>11291.57</b>
<b>Previous Year</b>	25703.19	2948.97	543.33	28108.83	16016.84	402.25	1270.05	16884.64	11291.57	9710.38

- Disposal from Gross Block represents sale / transfer / discard of fixed assets and adjustment of lease rent.
- Deduction in depreciation is on account of Sale / Transfer / discard of Fixed Assets.
- Gross block and Net Block of fixed assets includes ₹ 1096.26 Lac (P.Y. ₹ 1096.31 Lac) and ₹ 646.36 Lac (P.Y. ₹ 728.21 Lac) respectively on account of revaluation of fixed assets carried out in past by erstwhile Bhilwara Processors Limited. Depreciation of ₹ 81.82 Lac (P.Y. ₹ 87.20 Lac) has been charged to statement of Profit & Loss on these revalued assets.
- 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.
- The commercial production of 20 Nos. Toyota Airjet weaving machines have commenced during the year w.e.f. 01.01.2012. Preoperative expenditure incurred up to the date of commencement of commercial production is ₹ 43.26 Lacs.

### 12. LONG-TERM LOANS AND ADVANCES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>A. Capital Advances</b>		
Unsecured, Considered Good	28.94	80.45
<b>Total (A)</b>	<b>28.94</b>	<b>80.45</b>
<b>B. Security Deposit</b>		
Unsecured, Considered Good	115.41	126.76
<b>Total (B)</b>	<b>115.41</b>	<b>126.76</b>
<b>C. Other loans and Advances</b>		
Prepaid Expenses	7.25	4.71
Loan to Employees	19.62	9.79
Others	29.95	37.22
<b>Total (C)</b>	<b>56.82</b>	<b>51.72</b>
<b>Total</b>	<b>201.17</b>	<b>258.93</b>

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

## 13. INVENTORIES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Raw Materials (includes in transit: ₹ 249.66 Lacs (P.Y. ₹ 265.42 Lacs)	2762.10	2614.63
WIP (includes in transit: ₹ 19.41 Lacs (P.Y. ₹ 16.50 Lacs)	1667.86	2024.49
Finished Goods	2455.99	2550.72
Traded Goods	43.37	78.41
Stores & Spares	447.02	376.28
<b>Total</b>	<b>7376.34</b>	<b>7644.53</b>

## Details of Inventory

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>(i) Raw Material</b>		
Fibre	1309.69	1429.94
Yarn	1452.41	1184.69
<b>Total</b>	<b>2762.10</b>	<b>2614.63</b>
<b>(ii) Work in Progress</b>		
Fibre	146.09	188.93
Yarn	697.20	878.80
Fabrics	824.57	956.76
<b>Total</b>	<b>1667.86</b>	<b>2024.49</b>
<b>(iii) Finished Goods</b>		
Yarn	548.15	805.66
Fabrics	1907.84	1745.06
<b>Total</b>	<b>2455.99</b>	<b>2550.72</b>
<b>(iv) Traded Goods</b>		
Fabrics	39.21	74.22
Others	4.16	4.19
<b>Total</b>	<b>43.37</b>	<b>78.41</b>

## 14. TRADE RECEIVABLES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>UN SECURED, CONSIDERED GOOD:</b>		
(a) Outstanding for a period exceeding 6 months from the date they are due for payment	220.48	232.46
(b) Others	4931.17	4359.91
<b>Total</b>	<b>5151.65</b>	<b>4592.37</b>

Trade Receivable includes ₹ 39.64 Lacs (Previous year ₹ Nil) receivables from related parties.

## 15. CASH AND CASH EQUIVALENT

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
Balance with banks		
– Current account	15.50	9.09
– Unpaid dividend account	18.51	18.67
Cash in hand	2.67	3.81
Fixed Deposits	0.80	0.80
<b>Total</b>	<b>37.48</b>	<b>32.37</b>

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

### 16. SHORT-TERM LOANS AND ADVANCES

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>Unsecured, considered good</b>		
Advance Income Tax	72.38	221.97
Prepaid Expenses	70.08	53.14
Others	107.76	96.22
<b>Total</b>	<b>250.22</b>	<b>371.33</b>

Short term loans and advances includes ₹ Nil (Previous year ₹ Nil) receivables from Directors/ officers/ Companies and firms under same management.

### 17. OTHER CURRENT ASSETS

(₹ in lac)

Particulars	As at	
	31.03.2012	31.03.2011
<b>Unsecured, considered good</b>		
Interest Subsidy Receivable	274.62	260.68
Sundry Claim & Other Receivable	813.61	707.26
Export Incentives Receivable	399.55	492.82
<b>Total</b>	<b>1487.78</b>	<b>1460.76</b>

### 18. REVENUE

(₹ in lac)

Particulars	This Year	Previous Year
(a) Sale of Products – Domestic	12445.12	10476.14
– Export	16657.88	15394.12
(b) Sales of Services	1165.18	1118.91
(c) Other Operating Revenue	285.25	188.41
(d) Less: Excise Duty	190.08	85.24
<b>Total</b>	<b>30363.35</b>	<b>27092.34</b>

#### Details of Revenue :

(₹ in lac)

Particulars	This Year	Previous Year
<b>(a) Sale of Products</b>		
Fabrics	23239.87	22472.73
Yarn	5654.04	3146.56
Others	209.09	250.97
<b>Total</b>	<b>29103.00</b>	<b>25870.26</b>
<b>(b) Sale of Services</b>		
Job Receipt	1165.18	1118.91
<b>Total</b>	<b>1165.18</b>	<b>1118.91</b>
<b>(c) Other Operating Revenue</b>		
Export Incentives	285.25	188.41
<b>Total</b>	<b>285.25</b>	<b>188.41</b>

### 19. OTHER INCOME

(₹ in lac)

Particulars	This Year	Previous Year
(a) Interest Income	80.59	69.32
(b) Exchange Gain	21.25	0.36
(c) Rent Receipt	4.32	4.37
<b>Total</b>	<b>106.16</b>	<b>74.05</b>

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

## 20. COST OF RAW MATERIAL CONSUMED

(₹ in lac)

Particulars	This Year	Previous Year
Opening inventory	2614.63	1587.19
Add : Purchases (net)	13724.91	13151.15
Less : Inventory at the end of the year	2762.10	2614.63
	13577.44	12123.71
Add: Consumption of Dyes & Chemicals	772.28	718.27
<b>Total</b>	<b>14349.72</b>	<b>12841.98</b>

## Detail of Raw Materials Consumed

Particulars	2011-2012		2010-2011	
	Quantity (in lac)	₹ (in lac)	Quantity (in lac)	₹ (in lac)
i) Wool (Kgs.)	3.81	2384.63	3.93	1647.19
ii) Polyester & other Synthetic fibre (Kgs.)	29.85	3258.69	27.23	2526.15
iii) Viscose (Kgs.)	19.71	3004.57	14.09	2106.60
iv) Fabrics(Mtrs.)	0.28	22.17	0.12	14.36
v) Yarn (Kgs.)	25.12	4760.78	32.87	5702.75
vi) Dyes & Chemicals		772.28		718.27
vii) Job Spinning		146.60		126.66
<b>Total</b>		<b>14349.72</b>		<b>12841.98</b>

## 21. PURCHASE OF STOCK IN TRADE

(₹ in lac)

Particulars	This Year	Previous Year
Fabrics	473.10	740.76
Yarn	51.06	59.84
Others	9.47	6.29
<b>Total</b>	<b>533.63</b>	<b>806.89</b>

## 22. CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS &amp; STOCK IN TRADE

(₹ in lac)

Particulars	This Year	Previous Year
Stock at the end of the year:		
– Work-in progress	1667.86	2024.49
– Finished Goods	2455.99	2550.72
– Stock in trade	43.37	78.41
<b>Total (A)</b>	<b>4167.22</b>	<b>4653.62</b>
Less : Stock at the beginning of the year:		
– Work-in progress	2024.49	1562.48
– Finished Goods	2550.72	2165.11
– Stock in Trade	78.41	31.46
<b>Total (B)</b>	<b>4653.62</b>	<b>3759.05</b>
<b>(Increase) / Decrease in Stocks (A-B)</b>	<b>486.40</b>	<b>(894.57)</b>

## 23. EMPLOYEE BENEFITS EXPENSE

(₹ in lac)

Particulars	This Year	Previous Year
(a) Salaries, Wages and Bonus	3120.53	2669.15
(b) Contribution to Provident, Gratuity and Other Funds	465.60	411.85
(c) Workmen and Staff Welfare	58.73	60.45
<b>Total</b>	<b>3644.86</b>	<b>3141.45</b>

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

### 24. FINANCE COSTS

(₹ in lac)

Particulars	This Year	Previous Year
Interest on Term Loan	611.68	375.48
Interest on Others	1018.27	729.30
Cash and Prompt Discount	135.26	134.75
Bank Charges	94.93	92.74
<b>Total</b>	<b>1860.14</b>	<b>1332.27</b>

### 25. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lac)

Particulars	This Year	Previous Year
Depreciation on Tangible assets	1360.05	1255.07
Amortisation on Intangible assets	15.02	14.98
<b>Total</b>	<b>1375.07</b>	<b>1270.05</b>

### 26. OTHER EXPENSES

(₹ in lac)

Particulars	This Year	Previous Year
<b>A. MANUFACTURING</b>		
Weaving Charges	663.66	857.80
Processing Charges	5.66	0.10
Combing Charges	150.40	162.75
Garment Making Expenses	7.35	63.11
Embroidery Charges	5.03	3.42
Top & Fibre Dyeing Charges	11.44	2.04
Stores & Spare parts (Net)	751.70	667.15
Power, Fuel & Water	2570.32	2225.43
Freight, Cartage etc.	55.31	39.71
Repairs to : Plant & Machinery	134.89	96.51
Building	50.55	46.56
Others	24.05	24.98
<b>Total (A)</b>	<b>4430.36</b>	<b>4189.56</b>
<b>B. ADMINISTRATIVE</b>		
Rent	100.77	98.33
Rates & Taxes	7.26	4.91
Insurance	30.89	24.28
Directors' Fees	1.24	1.32
Audit Fees	3.44	2.87
Directors' Travelling	3.64	2.92
Miscellaneous Expenses (Printing & Stationery, Travelling, Conveyance Telephone, Consultancy, Legal & Professional Expenses etc.)	606.94	518.16
<b>Total (B)</b>	<b>754.18</b>	<b>652.79</b>
<b>C. SELLING</b>		
Commission	174.98	202.07
Sales Incentives & Claims	527.91	508.43
Packing	705.45	626.65
Advertisement & Sales Promotions	194.10	192.54
Others	56.19	34.77
Foreign Travelling Expenses	165.56	132.29
<b>EXPENSES ON EXPORT SALES</b>		
Commission	595.01	504.23
Overseas Freight	187.12	293.71

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

Particulars	This Year	Previous Year
Others	352.65	314.97
<b>Total (C)</b>	<b>2958.97</b>	2809.66
<b>D. OTHERS</b>		
Net Gain/ Loss on sale of Assets	12.69	64.88
<b>Total (D)</b>	<b>12.69</b>	64.88
<b>Grand Total</b>	<b>8156.20</b>	7716.89

**27. EMPLOYMENT BENEFIT PLANS**

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

**(a) Defined Benefit Plans:**

(₹ in lac)

Particulars	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	571.17	138.50	476.47	117.24
b) Current Service Cost	53.65	23.96	47.75	27.73
c) Interest Cost	48.55	11.77	38.12	9.38
d) Actuarial (Gain) Loss	49.27	(16.87)	43.60	(6.71)
e) Benefits paid	(68.33)	(15.63)	(34.77)	(9.14)
f) Defined Benefits Obligation at year end	654.31	141.73	571.17	138.50
ii) Reconciliation of opening and closing balances of fair value of plan assets				
a) At beginning of the year	571.17	138.50	476.47	117.24
b) Expected Return on plan assets	49.98	12.12	41.69	10.26
c) Actuarial Gain / (Loss)	(0.98)	(0.15)	(1.32)	-
d) Employer Contributions	49.45	-	85.90	11.00
e) Benefits paid	(13.41)	-	(31.57)	-
f) Fair Value of the plan assets at the year end	656.21	150.47	571.17	138.50
iii) Reconciliation of fair value of obligation and Assets				
a) Present value of obligation as at year end	654.31	141.73	571.17	138.50
b) Fair value of plan assets as at year end	656.21	150.47	571.17	138.50
c) Amount recognized in Balance Sheet (a-b)	(1.90)	(8.74)	-	-
iv) Expense recognized during the year:				
a) Current Service Cost	53.65	23.96	47.75	27.73
b) Interest Cost	48.55	11.77	38.12	9.38
c) Expected return on plan assets	(49.98)	(12.12)	(41.69)	(10.26)
d) Actuarial (gain) / loss	50.25	(16.72)	44.92	(6.71)
e) Net Cost (a + b + c + d)	102.47	6.89	89.10	20.14
v) <b>Investment Details of Plan Assets :</b>				
<b>Sr. No</b>	<b>Name of Retirement Benefit</b>	<b>Name of Trust</b>	<b>Policy No.</b>	<b>Investment with</b>
1)	Gratuity	Bhilwara Synthetics Ltd. Officers Gratuity Trust Fund	GG(CA) 303366	LIC of India
2)	Earned Leave	-	GLS 311744 GLS 311724	LIC of India
vi)	There are no amount included in the fair value of plan assets for			
i)	Company's own financial instruments.			
ii)	Property occupied by or other assets used by the Company.			

## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

vii)	Principal Actuarial Assumptions at the Balance Sheet date					
		<b>This Year</b>			Previous Year	
i)	Discount Rate	<b>8.50% per annum</b>			8% per annum	
ii)	Expected Rate of return on plan assets	<b>8.75% per annum</b>			8.75% per annum	
iii)	Future Salary Increase	<b>5.00% per annum</b>			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 - ₹ 51.29 lac						
b) Earned Leave - ₹ 12.01 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:					
	<b>Gratuity</b>	<b>March'12</b>	<b>March'11</b>	<b>March'10</b>	<b>March'09</b>	<b>March'08</b>
	Defined Benefits Obligation	<b>654.31</b>	571.17	476.47	268.56	248.97
	Plan assets	<b>656.21</b>	571.17	476.47	268.56	269.70
	Surplus/(deficit)	<b>1.90</b>	-	-	-	20.73
	Experience adjustment on plan Liabilities (loss)/ gain	<b>(49.27)</b>	(43.60)	(41.78)	(10.17)	8.73
	Experience adjustment on plan Assets (loss)/ gain	<b>(0.98)</b>	(1.32)	0.59	(6.94)	(7.35)
	<b>Earned Leave</b>					
	Defined Benefits Obligation	<b>141.73</b>	138.50	117.24	78.48	68.46
	Plan assets	<b>150.47</b>	138.50	117.24	78.48	69.19
	Surplus/(deficit)	<b>8.74</b>	-	-	-	0.73
	Experience adjustment on plan Liabilities (loss)/ gain	<b>16.87</b>	6.71	8.14	(5.56)	1.40
	Experience adjustment on plan Assets (loss)/ gain	<b>(0.15)</b>	-	-	(0.52)	(0.19)
<b>(b)</b>	<b>Defined Contribution Plans</b>					
Amount recognized as an expense and also included in the Note no. 23						
		<b>This Year</b>			Previous Year	
i)	Employers Contribution to Provident Fund	<b>213.56</b>			184.53	
ii)	Employers Contribution to Superannuation Fund	<b>49.51</b>			45.06	

### 28. 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.

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

(₹ in lac)

	Particular	2011-2012			2010-2011		
		Textile	Wind Power	Total	Textile	Wind Power	Total
(i)	<b>Segment Revenue</b>						
	External Sales / Other Income	<b>30271.11</b>	<b>117.81</b>	<b>30388.92</b>	26979.95	117.12	27097.07
	Inter Segment Transfer	-	-	-	-	-	-
	Total Revenue	<b>30271.11</b>	<b>117.81</b>	<b>30388.92</b>	26979.95	117.12	27097.07
(ii)	<b>Segment Result</b>						
	Segment Result	<b>1797.42</b>	<b>45.62</b>	<b>1843.04</b>	2167.17	47.21	2214.38
	Add: Interest Income			<b>80.59</b>			69.32
	Less: Financial Expenses			<b>1860.14</b>			1332.27
	Profit before Tax			<b>63.49</b>			951.43

Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

	Particular	2011-2012			2010-2011		
		Textile	Wind Power	Total	Textile	Wind Power	Total
	Less : Taxation						
	– Income Tax			28.12			207.00
	– Deferred Tax liability			22.67			178.37
	– Earlier Year's			–			0.04
	Net Profit for the year			12.70			566.02
(iii)	<b>Other Information</b>						
	Segment Assets	25532.72	756.88	26289.60	24849.62	802.24	25651.86
	Segment Liabilities	20111.93	–	20111.93	19168.14	168.75	19336.89
	Capital Employed	21430.93	756.88	22187.81	20903.46	793.49	21696.95
	Capital Exp. Incurred during the year	1884.63	–	1884.63	3027.34	–	3027.34
	Depreciation	1318.66	56.41	1375.07	1213.64	56.41	1270.05
	Other Non Cash Expenses	–	–	–	–	–	–

B. Geographical Segment

(₹ in lac)

Particulars	2011-2012			2010-2011		
	Domestic	Export	Total	Domestic	Export	Total
Segments Revenue (Based on location of the customers)						
– Textiles	13693.89	16657.81	30351.70	11655.15	15394.12	27049.27
– Wind Power	117.81	–	117.81	117.12	–	117.12
	<b>In India</b>	<b>Outside India</b>	<b>Total</b>	<b>In India</b>	<b>Outside India</b>	<b>Total</b>
Segment Assets (Based on location of the assets)	21786.89	4502.71	26289.60	21938.13	3713.73	25651.86

29. 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
- 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:

(₹ in lac)

S. No.	Particulars	This Year	Previous Year
1)	With the parties referred in (d) above		
	Directors remunerations	49.73	81.07
2)	With the parties referred in (e) above		
	Purchases of Raw Material	2024.32	1835.42
	Sales	1314.00	324.82
	Services received	66.41	97.53
	Services rendered	26.03	12.58
	Sale of Stores & Consumables	–	0.40
	Purchase of Stores & Consumables	–	5.43
	Rent Paid	61.02	61.02



## Notes to Financial Statements for the Year Ended 31<sup>st</sup> March, 2012

(₹ in lac)

S. No.	Particulars	This Year	Previous Year
1.	Interest Paid (Net)	7.68	1.22
2.	Outstanding Payable	–	79.70
3.	Outstanding Receivable	39.64	–

### 30. 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:

S.No.	Particulars	This Year	Previous Year
a)	Net Profit after tax	12.70	566.02
b)	Net profit available to equity shareholders	12.70	566.02
c)	Average No. of Equity shares outstanding during the year (Nos).	10292168	10292168
d)	Basic & Dilutive earnings per share (b)/(c) (Rupees per share)	0.12	5.50

### 31. FOREIGN CURRENCY EXPOSURE

- (a) The Company hedges its export realizations through Foreign Exchange Hedge Contracts in the normal course of business so as to reduce the risk of exchange fluctuations. No Foreign Exchange Hedge Contracts are taken /used for trading or speculative purpose.
- (b) During the year Company has early adopted AS 30 “Financial Instruments: Recognition and Measurement” and The effective portion of such forward contracts is taken into hedging reserve for ₹ 150.00 Lacs and profit on ineffective portion, not designated as hedge is taken into statement of profit & loss for ₹ 21.25 Lacs.
- (c) The Company has following gross forward contract exposure outstanding as on balance sheet date which have been designated as cash flow hedge to its exposure to movements in foreign exchange rates :

Particulars	Purpose	Amount in Lac (FC)	As at	
			31.03.2012	31.03.2011
<b>Forward Contracts</b>				
1. Sell	Hedging	USD EURO	101.84 –	133.79 7.00
2. Buy	Hedging	USD	11.15	–

- (d) The periods during which the cash flows from the cash flow hedges outstanding as at 31<sup>st</sup> March, 2012 are expected to occur and affect the statement of Profit & Loss are disclosed as under :

Sr. No.	Period During which Cash Flows are Expected to Occur and affect profit and Loss	Fair Value in Booking Currency (In lacs)	
		Sell USD	Buy USD
1	Quarter ending June 30, 2012	37.95	8.69
2	Quarter ending September 30, 2012	37.89	2.46
3	Quarter ending December 31, 2012	26.00	–
	<b>Total</b>	<b>101.84</b>	<b>11.15</b>

- (e) The movement in hedging reserve during the year ended 31.03.2012 for forward contract designated as cash flow hedge is as follows:

(₹ in lac)

Sr. No.	Particulars	This Year	Previous Year
1	Balance at the beginning of the year	–	–
2	Additions on account of Changes in the fair value of effective portion cash flow hedge	(150.00)	–
3	Amount transferred to Statement of P&L	–	–
4	Balance at the end of the year	(150.00)	–

## Notes to Financial Statements for the Year Ended 31st March, 2012

- (f) The foreign currency exposures that are not hedged by forward contract instruments or otherwise are as under:- (₹ in lac)

Particulars		As at			
		31.03.2012 (FC)	31.03.2011 (FC)	31.03.2012 (In Rs.)	31.03.2011 (In Rs.)
(a)	Debtors				
	USD	7.75	12.73	394.12	569.00
	EURO	5.76	0.97	391.08	61.43
	GBP	0.15	–	11.91	–
(b)	Creditors				
	USD	10.00	22.84	508.78	1021.36

## 32. CONTINGENT LIABILITIES AND COMMITMENTS (₹ in lac)

S. No.	Particulars	This Year	Previous Year
(i)	<b>Contingent Liabilities</b>		
(a)	Claims against the Company not acknowledged as debts	15.52	15.52
(b)	Guarantees given by the Company's Bankers	134.58	159.38
(c)	Others		
	(i) Bills discounted with Banks	1653.21	1229.78
	(ii) Excise duty demand disputed by the Company	18.65	23.88
	(iii) Sales Tax demand of Erstwhile BSL Wulfing Ltd., disputed by the company	31.64	31.64
(ii)	<b>Commitments</b>		
(a)	Estimated value of contracts remaining to be executed on Capital Accounts	14.78	617.97

## 33. PAYMENT TO AUDITORS IN OTHER CAPACITY (₹ in lac)

		This Year	Previous Year
i)	Taxation Matters	0.48	0.44
ii)	Tax & Vat Audit	1.00	0.88
iii)	Certification	1.12	1.16
iv)	Reimbursement of Expenses	0.35	0.35
	<b>Total</b>	<b>2.95</b>	<b>2.83</b>

## 34. VALUE OF IMPORTS CALCULATED ON CIF BASIS (₹ in lac)

		This Year	Previous Year
i)	Capital Goods	1011.50	1305.02
ii)	Spare Parts	229.81	142.53
iii)	Raw Material (Wool)	2219.05	1760.05
	(Fibre)	234.37	126.15
	(Silk Yarn)	605.61	646.13
	<b>Total</b>	<b>4300.34</b>	<b>3979.88</b>

## 35. IMPORTED &amp; INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

		This Year		Previous Year	
		(₹ in lac)	%	(₹ in lac)	%
(i)	Raw Materials				
	– Imported	3133.57	21.84	2214.00	17.24
	– Indigenous	11216.15	78.16	10627.98	82.76
		14349.72	100.00	12841.98	100.00
(ii)	Components & Spare Parts				
	– Imported	196.94	26.20	182.43	27.34
	– Indigenous	554.76	73.80	484.72	72.66
		751.70	100.00	667.15	100.00



## Notes to Financial Statements for the Year Ended 31st March, 2012

### 36. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ in lac)

		This Year	Previous Year
(1)	Travelling Expenses	99.49	74.73
(2)	Commission on Export	595.01	504.23
(3)	Other Expenses	84.83	53.25
	<b>Total</b>	<b>779.33</b>	<b>632.21</b>

### 37. EARNING IN FOREIGN EXCHANGE

(₹ in lac)

	This Year	Previous Year
Export on FOB value	16440.90	15066.52

### 38. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS

	This Year	Previous Year
a) Year to which Dividend relates		
(i) Final Dividend	2010-11	2009-10
(ii) Interim Dividend	-	2010-11
b) No. of non resident Shareholders to whom dividend remitted		
(i) Final Dividend	117	114
(ii) Interim Dividend	-	117
c) No. of shares on which remittance was made (Lac)		
(i) Final Dividend	3.67	3.50
(ii) Interim Dividend	-	3.56
d) Amount remitted:		
(i) Through NRE A/cs (₹ in lac)	0.58	0.94
(ii) Remitted abroad in foreign Currency (₹ in lac)	2.17	4.36

### 39. PREVIOUS YEAR FIGURES

The financial statements for the year ended 31<sup>st</sup> March, 2011 had been prepared as per the applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31<sup>st</sup> March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

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 : 4<sup>th</sup> May, 2012

For and on behalf of the Board

**ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**SUSHIL JHUNJHUNWALA**  
Director  
DIN: 00082461

**A. N. CHOUDHARY**  
Director  
DIN: 00587814

**PRAVEEN JAIN**  
CFO & Company Secretary

## OTHER INFORMATIONS

Table 1: INSTALLED CAPACITY

Particulars	This Year	Previous Year
Looms	168	148
Worsted Spinning Spindles	8768	8768
Synthetic Spinning Spindles	18192	17136
Vortex Spinning Rotors	400	400
Fabric Processing (Mtrs. in Lac)	264	264
Top, Fibre & Yarn Dyeing (MT)	1382	1382

Table 2: SALES, PRODUCTION &amp; STOCKS

Particulars	Production		Purchase		Opening Stock		Closing Stock		Sale / Transfer	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>A. Own Manufacturing</b>										
<b>i) Worsted Yarn</b>										
Qty. - Lac Kgs.	8.29	8.26	-	-	0.27	0.23	0.39	0.27	8.17	8.22
Value - Lac ₹	-	-	-	-	117.90	85.97	205.91	117.90	4852.27	3465.40
<b>ii) PV Yarn</b>										
Qty. - Lac kg.	31.96	30.04	0.25	0.35	2.73	1.05	1.87	2.73	33.07	28.71
Value - Lac ₹	-	-	51.06	59.84	545.11	182.91	332.94	545.11	6161.92	5238.32
<b>iii) Vortex Yarn</b>										
Qty.- Lac kg.	10.55	3.25	-	-	0.71	-	0.06	0.71	11.20	2.54
Value - Lac ₹	-	-	-	-	138.49	-	9.30	138.49	2015.34	537.01
<b>iv) Fabrics</b>										
Qty.- Lac Mtrs.	141.54	161.80	9.15	14.46	28.29	29.81	23.18	28.29	155.80	177.78
Value - Lac ₹	-	-	482.19	755.10	2612.64	2581.67	2675.71	2612.64	23239.87	22472.74
<b>v) Garments</b>										
Qty.- Lac Nos.	0.13	0.61	-	-	0.30	0.11	0.08	0.30	0.35	0.42
Value - Lac ₹	-	-	-	-	58.73	15.42	11.49	58.73	78.06	122.49
<b>vi) Wind Power</b>										
Qty.- Lac units	30.59	30.94	-	-	-	-	-	-	30.59	30.94
Value - Lac ₹	-	-	-	-	-	-	-	-	117.81	117.12
<b>vii) Others</b>										
Value - Lac ₹	-	-	9.47	6.29	4.56	6.74	4.16	4.56	13.22	11.36
<b>B. Job work</b>										
<b>i) Fabric Processing</b>										
Qty.- Lac Mtrs.	233.26	243.89	-	-	4.35	4.58	6.29	4.35	231.83	244.03
Value - Lacs ₹	-	-	-	-	45.19	37.57	53.08	45.19	2909.40	2834.74
<b>ii) Dying Charges</b>										
Qty.- Lac Kgs.	19.06	18.44	-	-	0.02	0.02	0.01	0.02	19.02	18.47
Value -Lacs ₹	-	-	-	-	0.67	0.78	0.44	0.67	341.31	316.03
<b>iii) Yarn Spinning</b>										
Qty.- Lac Kgs.	0.42	1.74	-	-	0.03	0.06	-	0.03	0.45	1.77
Value - Lac ₹	-	-	-	-	4.15	5.99	-	4.15	61.23	159.96
<b>iv) Others</b>										
Value - Lac ₹	-	-	-	-	-	-	-	-	24.03	1.28

**Note : Sale/ Transfer include Inter division transfer for captive Consumption :**

i) Worsted Yarn		
Qty. - Lac kg.	7.00	7.63
Value - Lac ₹	4032.79	3231.83
ii) PV Yarn		
Qty. - Lac kg.	16.48	16.18
Value - Lac ₹	3328.14	2862.35
iii) Vortex Yarn		
Qty. - Lac kg.	0.04	-
Value - Lac ₹	14.56	-
<b>Inter Division job charges :</b>		
i) Fabrics Processing		
Qty.- Lac Mtrs.	142.08	163.29
Value - Lacs ₹	1885.47	1925.08
ii) Dying Charges		
Qty. - Lac kg.	16.76	16.70
Value - Lac ₹	285.32	268.03

**TABLE 3: LONG TERM LOANS, RECEIPTS AND REPAYMENTS**

(₹ in lac)

LOANS FROM	TOTAL LOANS			TOTAL REPAYMENTS		OUTSTANDING	
	Till 31.3.2011	New Loans	Total 31.3.2012	Till 31.3.2011	Repayment 2011-2012	Total 31.3.2012	as at 31.3.2012
ICICI Bank Ltd.	38.00	-	38.00	23.80	14.20	38.00	-
IDBI Bank Ltd.	487.00	1376.37	1863.37	179.22	98.38	277.60	1585.77
Uco Bank	2698.37	3.55	2701.92	867.65	74.27	941.92	1760.00
Oriental Bank of Commerce	5872.81	156.70	6029.51	890.20	530.00	1420.20	4609.31
Allahabad Bank	900.00	-	900.00	740.00	160.00	900.00	-
Union Bank of India	308.11	-	308.11	94.17	38.75	132.92	175.19
Grand Total	10304.29	1536.62	11840.91	2795.04	915.60	3710.64	8130.27

**TABLE 4: RETURN OF NET WORTH**

(₹ in lac)

Year Ended	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008
Net Worth	6177.67	6314.97	5928.67	4017.30	4012.28
Pre-tax Profit	63.49	951.43	614.30	24.92	(885.81)
Ratio%	1.03	15.07	10.36	0.62	(22.08)

**TABLE 5: RETURN ON TURNOVER**

(₹ in lac)

Year Ended	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009	31st March, 2008
Sales	30553.43	27177.59	21801.99	18816.59	17888.49
Pre-depreciation Profit	1438.56	2221.48	1851.85	988.85	109.98
Ratio %	4.71	8.17	8.49	5.26	0.61





## NOTICE

### BSL LIMITED

Registered Office : 26, Industrial Area, Gandhi Nagar, Bhilwara - 311 001 (Rajasthan)

NOTICE is hereby given that the 41<sup>st</sup> Annual General Meeting of the members of BSL LIMITED will be held on Tuesday, 18<sup>th</sup> September, 2012 at 11:00 A.M. at Registered Office of the company at 26, Industrial Area, Gandhi Nagar, Bhilwara – 311 001 to transact the following business :

#### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet and the Statement of Profit & Loss for the year ended 31st March, 2012 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ravi Jhunjhunwala who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Shekhar Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution:

“RESOLVED that Shri M. K. Doogar, who was appointed an Additional Director of the Company with effect from 4<sup>th</sup> May, 2012 under article 92 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice under Sec.257 of the Companies Act, 1956 from a member proposing the candidature of Shri M.K. Doogar for the office of Director be and is hereby appointed a Director of the Company whose period of office will be liable to determination by retirement by rotation.

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

“RESOLVED that pursuant to section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any of the Companies Act 1956 and subject to the approvals, if any, as may be required from any authorities, consent of the Company be and is hereby accorded to the re-appointment of Shri Arun Churiwal as Chairman & Managing Director of the company for a further period of five years with effect from 1<sup>st</sup> September 2012 on the terms and conditions including remuneration, as set out in the agreement dated 30<sup>th</sup> June, 2012 entered into between Shri Arun Churiwal and the Company subject to approval from members and submitted to this meeting, which agreement is hereby specifically approved and sanctioned”.

“RESOLVED FURTHER that remuneration as set out in the said agreement including benefits, amenities and perquisites, shall notwithstanding be paid and allowed to Shri Arun Churiwal as minimum remuneration in any financial year in case of the absence or inadequacy of profits for the said financial year but shall not in any such financial year exceed the ceiling laid down in this behalf in schedule XIII to the Act including amendments made thereto from time to time”.

“RESOLVED FURTHER that the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution .”

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

“RESOLVED that pursuant to section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any of the Companies Act 1956 and subject to the approvals, if any, as may be required from any authorities, consent of the Company be and is hereby accorded to the reappointment of Shri Nivedan Churiwal as Executive Director of the company for a further period of five years with effect from 26<sup>th</sup> July, 2012 on the terms and conditions including remuneration, as set out in the agreement dated 30<sup>th</sup> June, 2012 entered into between Shri Nivedan Churiwal and the Company subject to approval from members and submitted to this meeting, which agreement is hereby specifically approved and sanctioned”.

“RESOLVED FURTHER that remuneration as set out in the said agreement including benefits, amenities and perquisites, shall notwithstanding be paid and allowed to Shri Nivedan Churiwal as minimum remuneration in any financial year in case of the absence or inadequacy of profits for the said financial year but shall not in any such financial year exceed the ceiling laid down in this behalf in schedule XIII to the Act including amendments made thereto from time to time”.

“RESOLVED FURTHER that the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution .”

By order of the Board  
For **BSL Limited**

Place : Bhilwara  
Date : 1<sup>st</sup> August, 2012

(**PRAVEEN JAIN**)  
CFO & Company Secretary

#### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective, must be received by Company at the Registered office of the company not less than 48 hours before the meeting.
2. The relevant details in respect of items No. 2, 3 and 5 pursuant to clause 49 of the Listing Agreement are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 8<sup>th</sup> September, 2012 to 18<sup>th</sup> September, 2012 (both days inclusive).

## NOTICE

4. Members are requested to :
- Quote their Identification number/ folio number in all correspondence with the Company/ Registrar & Share Transfer Agent.
  - Notify immediately and change in their address and their mandate, at the Registered Office of the Company / Registrar & Transfer Agent.
  - Notify their E-mail address to Depository/ Company for mailing of all notices/ documents as per guidelines of department of Corporate Affairs.
5. Pursuant to Section 205C of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31<sup>st</sup> March, 2004 have been transferred to the Investor Education and Protection Fund of the Central Government.
- Members are hereby informed that all dividends which remain unclaimed/ unencashed over a period of 7 years have to be transferred by the Company to the Investor Education & Protection Fund constituted by the Central Government under Section 205C of the Companies Act, 1956. Accordingly, the shareholders who have not encashed the dividend warrants so far from the financial year 2004-2005 onwards are requested to make their claims to the company.
6. The members desirous of appointing their nominee for the Equity Shares held by them may apply in the revised nomination form (Form 2B) in duplicate.
7. Members may avail the facility of Electronic Clearing Service (ECS) for receipt of dividends. The said facility is available at specified locations. Members holding shares in dematerialized mode are requested to contact their respective depository participants for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the company for details.
8. As per SEBI Guidelines, Company has appointed M/s MCS LIMITED, Sri Venkatesh Bhawan, F-65, Okhla Industrial Area, Phase- I, New Delhi-110020 as its Registrar & Share Transfer Agent.

### Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

#### Item No 5.

Shri M.K. Doogar who was appointed as Additional Director of the company under Sec. 260 of the Companies Act, 1956 and Article 92 of the Articles of Association of the Company w.e.f. 4th May, 2012 holds office until the date of this Annual General Meeting.

Shri M.K. Doogar being eligible, offer for appointment as Director of the Company at this meeting, the term of such office to be determine according to the provisions of Sec.255 and 256 of the Companies Act, 1956.

Notice, alongwith a deposit of Rs. Five Hundred only as required under Sec.257 of the Companies Act, 1956 has been received by the Company from a member proposing the appointment of Shri M.K. Doogar as Director of the Company. Shri M.K. Doogar has filed with the Company his consent under Sec.264(1) of the Companies Act, 1956 to act as Director, if appointed.

No Director is concerned or interested in the resolution.

Your Directors commend the resolution at Item No.5 for your approval.

#### Item No 6.

The members of the Company at the Thirty Sixth Annual general Meeting held on 25<sup>th</sup> September, 2007 had approved the appointment of Shri Arun Churiwal as Chairman & Managing Director for a period of five years w.e.f 1<sup>st</sup> September, 2007. Shri Arun Churiwal is B.A. (Hons.) from Calcutta University. He has rich experience over 30 years in textile industry. He is Director of the Company since 1977. He is also Director in the following Companies :-

- 1) RSWM Ltd.
- 2) LNJ Financial Services Ltd.
- 3) LA OPALA RG Ltd.

He is also member of Shareholder's / investor's grievances redressal committee of the Company.

In view of his knowledge, experience and expertise in textile industry, the Board of Directors including Remuneration Committee of Directors at its meeting held on 4<sup>th</sup> May, 2012 felt desirable in the interest of the Company to re-appoint Shri Arun Churiwal as Chairman & Managing Director for a further period of five years w.e.f. 1<sup>st</sup> September'2012 subject to the approval of the members of the Company in the Annual general Meeting.

The terms of appointment and remuneration payable to Shri Arun Churiwal are set-out in the agreement dated 30<sup>th</sup> June, 2012 entered into between the Company and Shri Arun Churiwal subject to approval of the shareholders interalia contains the following terms & conditions :

- 1) Period of Agreement From 1<sup>st</sup> September, 2012 to 31st August, 2017
- 2) Position & Designation Chairman & Managing Director
- 2A) Duties The Chairman & Managing Director shall be subject to the Superintendence, Control and direction of the Board of Directors be entrusted with substantial powers of management and shall have control and be responsible for the general conduct and management of the business affairs of the company.
- 3) Remuneration He shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 198, Section 309 and Schedule XIII of the Companies Act, 1956 :
  - A. Salary Rs.1,75,000/- (Rupees One lac Seventy five thousand only) per month in the scale of (Rs.1,75,000/- - 15,000/- - 2,35,000/-).
  - B. Commission 1% of Net profits of the Company.
  - C. Perquisites In addition to the aforesaid salary, Shri Arun Churiwal shall also be entitled to such perquisites as per Rules of the Company as under:-



#### PART-A

- i) Housing
- a) The expenditure incurred by the company on hiring unfurnished accommodation for the Chairman & Managing Director will be subject to the following ceiling :-  
At Kolkata – 50% of the salary.
- b) In case the accommodation is owned by the company, 10% of the salary of the Chairman & Managing Director shall be deducted.
- c) In case no accommodation is provided by the company, the house rent allowance payable to the Chairman & Managing Director shall be subject to the ceiling laid down in para (a) above.
- The expenditure incurred by the company on Gas, Electricity, Water and Furnishing will be valued as per the Income Tax Rules 1962. This shall however, to be subject to a ceiling of 10% of the salary of the Chairman & Managing Director.
- ii) Medical Reimbursement Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii) Leave Travel Concession For self and his family, once in a year incurred in accordance with the rules specified by the company.
- iv) Club Fees Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Personal Accident Insurance Premium not to exceed Rs.5,000/- per annum.

#### PART-B

- i) Gratuity not exceeding half a month's salary for each completed year of service.
- ii) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund (as per Company Rules).
- iii) Encashment of leave as per Company Rules.

These benefits shall not be included in the computation of ceiling on remuneration above

#### PART-C

- i) Company Car Use of Company car with chauffeur for official purposes. Such use will not be considered a perquisite.
- ii) Residential & Mobile Telephone Use of Residential & Mobile Telephone for Company's business. Such use will not be considered a perquisite.

#### REIMBURSEMENT OF EXPENSES :

Apart from the remuneration as aforesaid Shri Arun Churiwal shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the company.

#### D) MINIMUM REMUNERATION :

Notwithstanding anything to the contrary herein contained where in any financial year, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as specified under items 3A and 3C above or as prescribed under Section II, Part-II of Schedule XIII of the Companies Act, 1956, whichever is less.

#### E) SITTING FEE ETC :

No sitting fees shall be paid to Shri Arun Churiwal for attending the meetings of Board of Directors or any committee thereof of the company. He shall not be liable to retire by rotation.

F) The overall remuneration including perquisites shall be within the limits as specified under Schedule-XIII of the Companies Act, 1956.

G) Termination of appointment – The appointment may be terminated by either party giving three month's prior notice.

Except Shri Arun Churiwal and Shri Nivedan Churiwal, no other director of the Company is concerned or interested in the said resolution. This notice together with the explanatory statement attached herewith should be treated as an abstract of the terms of agreement and memorandum of concern or interest under section 302 of the Companies Act, 1956.

Your Directors commend the resolution at item No. 6 for your approval.

#### Item No 7.

The members of the Company at the Thirty Sixth Annual general Meeting held on 25<sup>th</sup> September, 2007 had approved the appointment of Shri Nivedan Churiwal as Executive Director for a period of five years w.e.f. 26<sup>th</sup> July, 2007. Shri Nivedan Churiwal is Graduate from Calcutta University and is enterprising person.

He is also member of Share Transfer Committee of the Company.

In view of his knowledge, experience and expertise in textile industry, the Board of Directors including Remuneration Committee of Directors at its meeting held on 4<sup>th</sup> May, 2012 felt desirable in the interest of the Company to re-appoint Shri Nivedan Churiwal as Executive Director for a further period of five years w.e.f. 26<sup>th</sup> July, 2012 subject to the approval of the members of the Company in the Annual general Meeting.

The terms of appointment and remuneration payable to Shri Nivedan Churiwal are set –out in the agreement dated 30<sup>th</sup> June, 2012 entered into between the Company and Shri Nivedan Churiwal subject to approval of the shareholders inter alia contains the following terms & conditions :

- |                           |   |
|---------------------------|---|
| 1) Period of Agreement    | From 26 <sup>th</sup> July' 2012 to 25 <sup>th</sup> July' 2017.  |
| 2) Position & Designation | Executive Director  |
| 2A) Nature of Duties      | Shri Nivedan Churiwal shall perform and discharge all such duties and responsibilities as may from time to time |

	be assigned and entrusted to him by the Board of Directors. He shall exercise all such powers as may be required by and be granted to him for the proper performance, discharge and execution of his duties and responsibilities.	v) Personal Accident Insurance	Premium not to exceed Rs.5,000/- per annum.
3) Remuneration	He shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 198, Section 309 and Schedule XIII of the Companies Act, 1956:		
A. Salary	Rs.1,35,000/- (Rupees One Lac Thirty five thousand only) per month in the scale of (Rs.1,35,000/- - 15,000/- - 1,95,000/-).		
B. Perquisites	In addition to the aforesaid salary, Shri Nivedan Churiwal shall also be entitled to such perquisites as per Rules of the Company as under :-		
	<b>Part-A</b>		<b>Part-B</b>
i) Housing	a) The expenditure incurred by the company on hiring unfurnished accommodation for the Executive Director will be subject to the following ceiling :- At Kolkata – 50% of the salary. b) In case the accommodation is owned by the company, 10% of the salary of Executive Director shall be deducted by the company. c) In case no accommodation is provided by the company, the house rent allowance payable to the Executive Director shall be subject to the ceiling laid down in para (a) above. The expenditure incurred by the Company on Gas, Electricity, Water and furnishing will be valued as per the Income Tax Rules 1962. This shall however, to be subject to the ceiling of 10% of the salary of Executive Director.		
ii) Medical Reimbursement	Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.		
iii) Leave Travel Concession	For self and his family, once in a year incurred in accordance with any rules specified by the company.		
iv) Club Fees	Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.		
			<b>Part-C</b>
		i) Company Car	Use of Company car with chauffeur for official purposes, such use will not be considered a perquisite.
		ii) Residential & Mobile Telephone	Use of Residential & Mobile Telephone for Company's business. Such use will not be considered a perquisite.
			<b>REIMBURSEMENT OF EXPENSES :</b>
			Apart from the remuneration as aforesaid Shri Nivedan Churiwal shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the company.
		4) <b>MINIMUM REMUNERATION :</b>	Notwithstanding anything to the contrary herein contained where in any financial year, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as specified under items 3A and 3B above or as prescribed under Section II, Part-II of Schedule XIII of the Companies Act, 1956, whichever is less.
		5) <b>SITTING FEE ETC :</b>	No sitting fees shall be paid to Shri Nivedan Churiwal for attending the meetings of Board of Directors or any committee thereof of the company. He shall not be liable to retire by rotation.
		6)	The overall remuneration including perquisites shall be within the limits as specified under Schedule-XIII of the Companies Act, 1956.
		7)	Termination of appointment – The appointment may be terminated by either party giving three month's prior notice.
			Except Shri Arun Churiwal and Shri Nivedan Churiwal, no other director of the Company is concerned or interested in the said resolution. This notice together with the explanatory statement attached herewith should be treated as on abstract of the terms of agreement and memorandum of concern or interest under section 302 of the Companies Act, 1956.
			Your Directors commend the resolution at item No. 7 for your approval.
			By order of the Board For <b>BSL Limited</b>
			(PRAVEEN JAIN) CFO & Company Secretary
		Place : Bhilwara	
		Date : 1 <sup>st</sup> August, 2012	

## ANNEXURE TO NOTICE

### DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT/ APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING

(In pursuance of Clause 49 of the Listing Agreements)

Name of Director	Shri Ravi Jhunjhunwala	Shri Shekhar Agarwal	Shri M. K. Dooger
Date of Birth	28 <sup>th</sup> October, 1955	9 <sup>th</sup> October, 1952	1 <sup>st</sup> July, 1951
Date of Appointment	16 <sup>th</sup> October, 1993	23 <sup>rd</sup> May, 2002	4 <sup>th</sup> May, 2012
Qualification	B.Com (Hons.), M.B.A.	B.Tech (ME) M.Sc. (Chichago)	B.Com., F.C.A., A.I.I.A. (USA)
Expertise in specific functional area	Industrialist with diversified business experience	Industrialist with Rich Experience in Textile Industry	Expertise in Finance & Accountings
List of Public Companies in which Directorships held	<ol style="list-style-type: none"> <li>1. HEG Limited</li> <li>2. Malana power Company Ltd.</li> <li>3. RSWM Ltd.</li> <li>4. Maral Overseas Ltd.</li> <li>5. Bhilwara Energy Ltd.</li> <li>6. AD Hydro Power Ltd.</li> <li>7. Cheslind Textiles Ltd.</li> <li>8. Indo Canadian Consultancy Services Ltd.</li> <li>9. Bhilwara Green Energy Ltd.</li> <li>10. NJC Hydro Power Ltd.</li> <li>11. India Glycols Ltd.</li> <li>12. JK Lakshmi Cement Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. RSWM Ltd.</li> <li>2. HEG Limited</li> <li>3. Maral Overseas Ltd.</li> <li>4. Essay Marketing Company Ltd.</li> <li>5. Bhilwara Technical Textile Limited</li> <li>6. LNJ Bhilwara Textile Anusandhan Vikas Kendra</li> </ol>	<ol style="list-style-type: none"> <li>1. Radico Khaitan Limited</li> <li>2. Indo Alusys Industries Limited</li> <li>3. Kamdhenu Ispat Limited</li> <li>4. Shri Natraj Ceramic and Chemical Industries Limited</li> <li>5. Morgan Ventures Limited</li> </ol>
Chairman/ Member of the Committees of Board of Directors of the Company	Shareholders Grievance Redressal Committee- Member	Audit Committee-Member	-
Chairman/ Member of the Committees of Directors of other Companies			
a) Audit Committee	<ol style="list-style-type: none"> <li>1. Malana Power Company Ltd.- Chairman</li> <li>2. AD Hydro power Ltd.- Chairman</li> </ol>	<ol style="list-style-type: none"> <li>1. HEG Limited- Member</li> </ol>	<ol style="list-style-type: none"> <li>1. Radico Khaitan Limited- Chairman</li> <li>2. Indo Alusys Industries Limited- Chairman</li> <li>3. Kamdhenu Ispat Limited- Chairman</li> </ol>
b) Shareholders/ Investors Grievance Committee	<ol style="list-style-type: none"> <li>1. HEG Limited-Member</li> </ol>	<ol style="list-style-type: none"> <li>1. RSWM Ltd.- Member</li> <li>2. Maral Overseas Ltd.-Member</li> </ol>	



PROXY FORM

BSL LIMITED

Registered Office : 26, Industrial Area, Gandhi Nagar, Bhilwara - 311 001 (Rajasthan)

DP Id\* ..... Folio No. ....
Client Id\* ..... No. of Equity Share(s) held .....

I / We .....
of .....

being a member / members of BSL Ltd., hereby appoint .....
of failing him ..... of .....

as my/ our proxy in my/our absence to attend and vote for me/ our behalf at the 41st Annual General Meeting of the Company to be held on Tuesday, 18th September, 2012, at 11:00 A.M. at Registered Office of the Company at 26, Industrial Area, Gandhi Nagar, Bhilwara – 311 001 (Rajasthan) and / or at any adjournment thereof

Signed by this ..... day of ..... 2012.
Signature by the said .....



\*Applicable for investors holding Equity Shares in electronic form.

Note : This Proxy Form, duly completed must reach the Registered Office of the Company, not less than forty eight hours before the time holding this meeting.

ATTENDANCE SLIP
BSL LIMITED

Registered Office : 26, Industrial Area, Gandhi Nagar, Bhilwara - 311 001 (Rajasthan)

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain additional attendance slip on request at the venue of the meeting.

DP Id\* ..... Folio No. ....
Client Id\* ..... No. of Equity Share(s) held .....

Name and address of the Shareholders :

I hereby record my presence at the 41st Annual General Meeting of the Company to be held on Tuesday, 18th September, 2012, at 11:00 A.M. at 26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan).

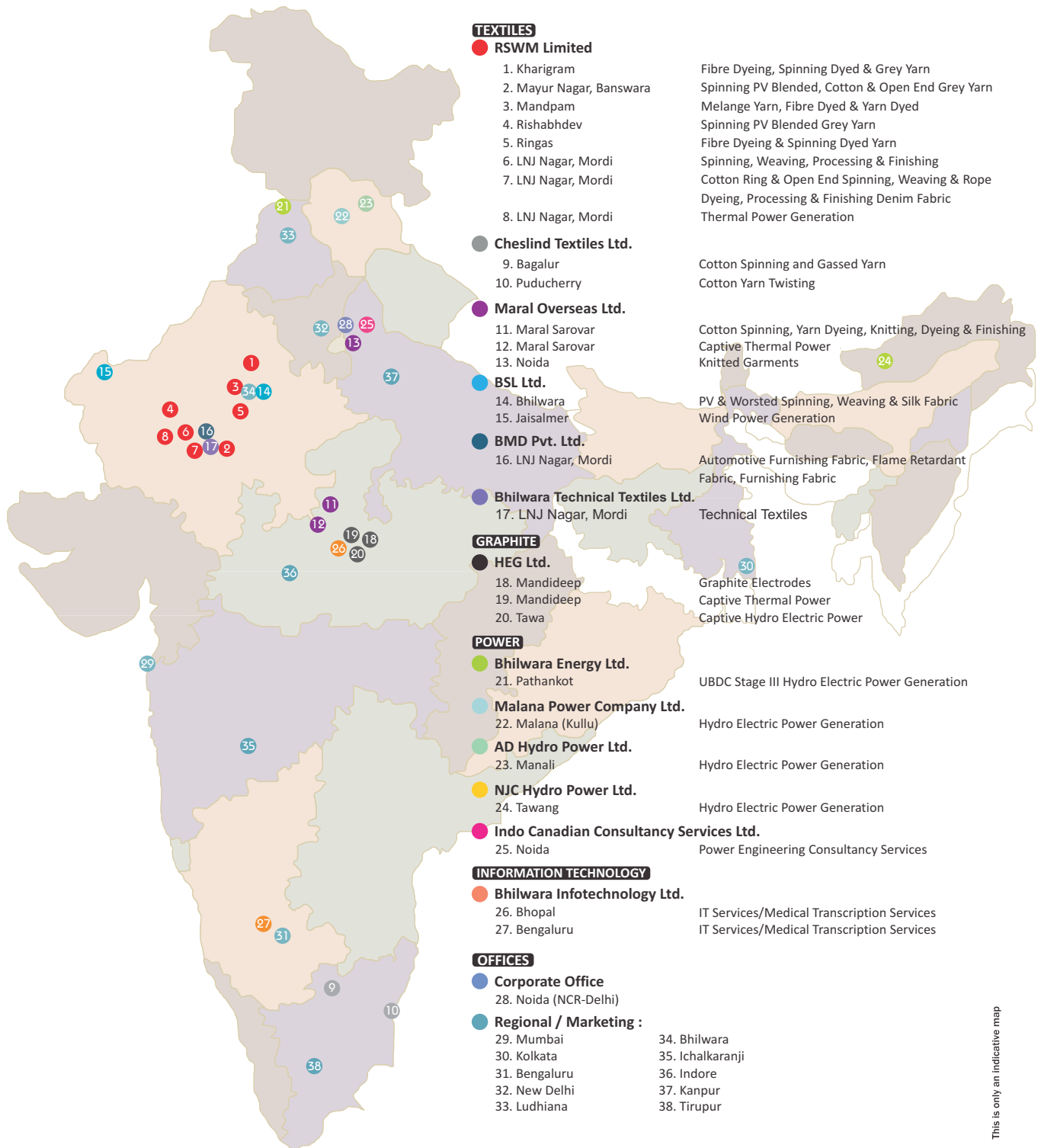
\*Applicable for investors holding Equity shares in electronic form
\*\* Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative\*\*



PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL

# Nationwide Network



This is only an indicative map



Registered Office:

**BSL Limited**

26, Industrial Area, P.B. No. 17,

Gandhi Nagar, Bhilwara - 311 001 (Rajasthan) India

Website: [www.bslltd.com](http://www.bslltd.com)/[www.lnjbhilwara.com](http://www.lnjbhilwara.com)



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