



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL



BSL LIMITED
ANNUAL REPORT 2016-17

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CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|---------------------|------------------------------|
| Arun Churiwal | Chairman & Managing Director |
| Ravi Jhunjhunwala | Director |
| Shekhar Agarwal | Director |
| Sushil Jhunjhunwala | Director |
| Amar Nath Choudhary | Director |
| G. P. Singhal | Director |
| Abhilasha Mimani | Director |
| Nivedan Churiwal | Joint Managing Director |

BUSINESS HEAD

J. C. Soni

CFO & COMPANY SECRETARY

Praveen Jain

KEY EXECUTIVES

| | |
|-------------------|-------------------------------------|
| Naresh Maheshwari | Dy. Business Head |
| M. C. Maheshwari | Vice – President (Export Marketing) |
| S. Sen Gupta | Vice – President (Spinning) |
| A. K. Mehta | Vice – President (Processing) |
| R. K. Katyal | Vice – President (Weaving) |

BANKERS

State Bank of India
IDBI Bank Ltd.
Oriental Bank of Commerce
Punjab National Bank
Union Bank of India
UCO Bank
Export Import Bank of India

AUDITORS

M/s A. L. Chechani & Co.

REGISTERED OFFICE

26, Industrial Area, Post Box No. 17,
Gandhi Nagar, Bhilwara – 311 001 (Rajasthan)
Phone: 01482 246801 (6 Lines)
E-mail: accounts@bslsuitings.com
Website: www.bslltd.com
CIN: L24302RJ1970PLC002266

WORKS

Mandpam, Distt. Bhilwara–311001 (Rajasthan)

WIND ENERGY PLANT

Village Gorera, Jaisalmer – 345001 (Rajasthan)
Village Ola, Jaisalmer – 345001(Rajasthan)

FINANCIAL HIGHLIGHTS

(₹ in Crore)

| PARTICULARS | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------------|----------------|----------------|----------------|
| Turnover | 380.69 | 379.75 | 445.38 |
| Exports | 197.53 | 197.21 | 200.12 |
| PBIDT | 39.95 | 39.31 | 40.26 |
| Financial Expenses | 14.38 | 13.90 | 15.74 |
| PBDT | 25.57 | 25.41 | 24.52 |
| Depreciation & Amortisation Expense | 19.95 | 14.44 | 16.01 |
| PBT | 5.62 | 10.97 | 8.51 |
| Taxation | (1.57) | 3.85 | 2.99 |
| PAT | 7.19 | 7.12 | 5.52 |
| Gross Block | 312.93 | 335.49 | 349.73 |
| Less : Depreciation | 215.89 | 226.79 | 236.72 |
| Net Block | 97.04 | 108.70 | 113.01 |
| Net Worth | 67.17 | 74.77 | 79.37 |

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENTS:

The Indian textile industry is one the most important industries for the Indian economy considering its contribution to employment generation, industrial output and foreign exchange earnings. The vast sweep of Indian textile extends from the hand-woven sector on one end to the capital intensive sector on the other. The segments included the decentralized power looms, hosiery and knitting sectors, the handlooms and handicraft segments are also the wide range of fibers which include man-made fiber, cotton, silk, and wool. The industry is the second largest employer after agriculture, it accounts for 21 per cent of the total employment generated in the economy. This sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 226 billion by 2023. The Indian Textile Industry contributes approximately 5 per cent to India's gross domestic product (GDP), and 14 per cent to overall Index of Industrial Production (IIP). Traditionally Indian textile and apparel manufacturing industries have been cotton focused. Even today, cotton has more than a 60 per cent share compared to 40 per cent share globally. But this scenario is changing fast. Manufacturers, as well as brands, are increasingly looking towards man-made fibre options, mainly polyester, viscose.

The Indian Textile Industry is set for good growth buoyed by strong domestic demand as well as export demand, availability of raw material, skilled workforce, excellent infrastructure facilities and supporting government policies. The Indian textile sector is highly diverse and has hand-spun and hand-woven segments at one end of the spectrum, and capital-intensive, sophisticated and modern mills on the other. The textile industry is vertically-integrated across the value chain and extends from fibre to fabric to garments. At the same time, it is a highly-fragmented sector, comprising small-scale, non-integrated spinning, weaving, processing and cloth manufacturing enterprises. Besides that the Indian Textile Sector enjoys a competitive advantage of abundant availability of raw materials such as cotton, wool, silk and jute.

India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two thirds of India's textiles exports. The other major export destinations are China, U.A.E., Sri Lanka, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, Pakistan, Brazil, Hong-Kong, Canada and Egypt etc.

The Government of India seems committed to developing and sustaining a strong and vibrant textile industry which would contribute significantly to production, employment and skill development thereby promoting economic growth. The Government has taken new initiatives to make development participative and inclusive, in line with the core governance philosophy of 'Sabka Saath Sabka Vikaas'. As part of the above, Government has approved the introduction of "Amended Technology Upgradation Fund

Scheme-2016-2022 (ATUFS) in place of the existing Revised Restructured Technology Upgradation Fund Scheme (RR-TUFS), for technology upgradation of textile industry. The amended scheme would give boost to "make in India" in textile sector; it is expected to attract investment to the tune of 1.5 lac crore rupees, and create over 30 lakh jobs. The new scheme targets employment generation and increase export earnings by encouraging the apparel and garment industry. Under the new scheme, there will be two broad categories; one for apparel, garment and technical textiles, wherein a 15% subsidy will be provided over five years on capital investment (not exceeding Rs. 30 crore). The second category, comprising all the other sub-sectors, will get a 10% subsidy (subject to a ceiling of Rs. 20 crore). The Central Government extended the 2% export benefit under Merchandise Export from India Scheme (MEIS) for more countries with immediate effect. The RBI policies helped contain demand pressures, created a buffer against external shocks and kept a check on the volatility of the rupee and inflation.

Thus, the growth and all round development of this industry has a direct bearing on the improvement of India's economy.

OPPORTUNITIES AND THREATS:

Indian textile Industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The exports of textile and clothing products, account for 35% of the total textile sector in India. A strong raw material production base, a vast pool of skilled and unskilled personnel, cheap labor, good export potential and low import contents are some of the salient features of the Indian textile industry. With the increase in capacities, the company will be able to achieve balancing in operations, offering wide product range and broad base its customer profile. We expect good growth in the demand for our products in the coming years and improvement in the margins of the Company.

The Government supports modernization of the industry with a particular focus on closing the gaps in the textile value chain and has taken several measures to create those positive impulses. But there are still some improvements possible. The industry waits for the proposed reforms in labour law, support to develop a skilled work force and programs to bind talents to be able to translate market needs into quality products.

The threats to the Company's product includes severe competition both in domestic and international markets leading to pricing pressures of finished goods, inflation, foreign exchange fluctuation, volatility in input cost, cotton crop, interest rates, power cost etc. Government Policies also play major role in the growth of the Industry.

Nevertheless, to fully tap the growth opportunities, the industry needs to focus on consolidation and modernization of weaving, processing and garmenting capacities to ensure

MANAGEMENT DISCUSSION AND ANALYSIS

optimum productivity and improved quality. On part of the government, labour laws reforms should be implemented at the earliest to encourage new investments.

PRODUCT WISE PERFORMANCE:

BSL is one of the India's largest vertically integrated textile Companies and leading manufacturers of Poly Viscose, Worsted, Fashion Fabrics and Yarns in India. With over quarter of a century of experience in textile manufacturing, BSL is currently producing over 18 million meters of fabric every year. BSL has earned the National Certificate of Merit for outstanding export performance due to its commitment to quality through technology and human ingenuity. The Company produces a wide range of Polyester Viscose fabrics and premium range of Worsted suitings, including Cashmere, Mohair, Angora and Camelhair blends. For the production of special furnishing fabrics, the Company uses imported Silk material. To improve the operational and financial performance the Company has implemented various energy-saving initiatives and introduced new, high-value fabric collections in the market.

The Product wise performance during the year is as under:

(₹ in Crore)

| Particulars | For the year ended | | | |
|-------------------------------------|--------------------|--------|------------|--------|
| | 31.03.2017 | | 31.03.2016 | |
| | Qty. | Value | Qty. | Value |
| a) Fabrics (Lac Mtrs.) | 218.80 | 318.74 | 180.72 | 276.73 |
| b) Yarn (MT) | 3467 | 89.74 | 3268 | 74.09 |
| c) Fibre (MT) | 655 | 12.37 | 445 | 8.02 |
| d) Readymade Garments (No. of Pcs.) | 139341 | 5.18 | 43251 | 2.51 |
| e) Wind Power (Lac Units) | 23.91 | 0.94 | 23.38 | 0.92 |
| f) Job Work | | 14.85 | | 15.22 |
| g) Export Incentives | | 3.56 | | 2.26 |
| Total | | 445.38 | | 379.75 |

OUTLOOK:

The textiles manufacturing business is a pioneer activity in the Indian manufacturing sector and it has a primordial importance in the economic life of the country, which is still predominantly based on the agro-alimentary sector. Textiles industry is not limited to manufacture and export of garments. The success of Indian textiles lies in effective vertical integrations policies which have helped operators in taming the processes which while lying beyond simple manufacturing exercise do have a serious impact on it, for example, raw material treatment. Thus, cotton, jute, silk or wool and even synthetic material are also produced by this industry to complement and strengthen the garments manufacturing industry. Almost one quarter of the world's spindle activities is hosted in India, again positioning itself just after China. Looming is another

important element that accounts for significant activity in this industry; in fact, it takes an impressive 61% share including handlooms.

Indians have well understood the importance of staying one step ahead of developments in the world economic environment. The industry is now preparing itself to take share of opportunities expected to arise out of the market freed from quota restrictions and other trade barriers. Industry operators are increasingly moving towards modernization and expansion as encouraged by the so-designated Textile Upgradation Fund Scheme implemented by Government.

The local textile sector is now at a critical stage where it should prepare itself to rise and grab the opportunities that are available through liberalization of the international market. Manufacturers however, were caught in inadvertence as new players started to creep on the market at a time when most operators had attention on imminent opportunities coming from a quota-free market. Strategies and policies were mainly targeted towards expansion and modernization leaving more space to domestic players. Now it obviously appear that the latter have had ample freedom to strengthen them and they are now more prepared than export-oriented companies.

GST Bill, one of the biggest reforms in India's indirect tax structure, is soon expected to see the light of the day. Being an export-oriented industry, apparel and textile sector has always been an invincible element of the country's trade policy. Aligned with this, industry experts are sincerely hoping that textile industry would be positioned in the lowest tax structure slab.

RISKS AND CONCERNS

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are:

1. COMPETITIVE RISK:

The apparel industry is subject to rapidly evolving fashion trends, and we must continuously offer innovative and upgraded products to maintain and grow our existing businesses. Investments in the industries have started picking up with no barriers for entry of new players. Your Company continues to focus on increasing its market share and focusing more on R&D, Quality, Cost and Timely delivery that help create differentiation and provide optimum service to its customers to expose competition risk.

MANAGEMENT DISCUSSION AND ANALYSIS

2. FINANCIAL(FUNDING RISK):

Any increase in interest rate can affect the finance cost. The Company's policy is to borrow long term borrowing in Indian Rupee to avoid any rate variation risks. The Company has adopted a prudent and conservative risk mitigation strategy to minimize interest costs.

3. FOREIGN EXCHANGE RISK:

Foreign exchange risks are quantified by identifying contractually committed future currency transactions. 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 AND CONTROL RISK:

The evolution of the global regulatory environment has resulted into increased regulatory scrutiny that has raised the minimum standards to be maintained by BSL Limited. This signifies the alignment of corporate performance objectives, while ensuring compliance with regulatory requirements. The Company is regularly monitoring and reviews the changes in regulatory framework and also monitoring 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.

6. HUMAN RESOURCES RISK:

Retaining the existing talent pool and attracting new manpower are major risks. The Company hedges this risk by setting benchmark of the best HR practices and carrying out necessary improvements to attract and retain the best talent. The Company has initiated various measures such as rollout of strategic talent management system, training and integration of learning activities.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department is supported by an external audit firm.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with

operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen them. The Company has a robust Management Information System, which is an integral part of the control mechanism.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

This part has been discussed in Board's Report.

HUMAN RESOURCE AND INDUSTRIAL RELATION:

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has a structured induction process and management development programs to upgrade skills of the employees. As at 31st March, 2017, 2376 employees (Staff & Workers) employed in the Company.

The Company's HR practices, systems and people development initiatives are focused on deployment and scouting for the "Best Fit" talent for all key roles. Pay for performance, reward and recognition programmes, job enrichment and lateral movements provide opportunity for growth & development of the talent pool.

The Company is committed to nurturing, enhancing and retaining top talent through superior Learning & Organization Development interventions. Corporate learning and Organization Development is a part of Corporate HR function. It is a critical pillar to support the organization growth and its sustainability over the long run.

CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

BOARD'S REPORT

To The Members,

The Board of Directors has pleasure to present the 46th Annual Report and Statement of Accounts for the financial year ended 31st March, 2017.

1. Financial Results

(₹ in Crore)

| Particulars | For the year ended | | | |
|--|--------------------|--------|------------|--------|
| | 31.03.2017 | | 31.03.2016 | |
| Turnover – a) Domestic | 245.26 | | 182.54 | |
| – b) Exports | 200.12 | 445.38 | 197.21 | 379.75 |
| Profit before Interest, Depreciation and Tax | | 40.26 | | 39.31 |
| Less : Financial Expenses | | 15.74 | | 13.90 |
| Profit before Depreciation and Tax | | 24.52 | | 25.41 |
| Less : Depreciation & Amortisation | | 16.01 | | 14.44 |
| Profit before Tax | | 8.51 | | 10.97 |
| Taxation – Current Tax | | 2.16 | | 2.40 |
| – Deferred Tax | | 0.83 | | 1.45 |
| Profit after Tax | | 5.52 | | 7.12 |

2. Operations

The division wise performance is as under:

(₹ in Crore)

| Particulars | For the year ended | | | |
|--|--------------------|---------------|---------------|---------------|
| | 31.03.2017 | | 31.03.2016 | |
| | Qty. | Value | Qty. | Value |
| a) Fabrics (Lac Mtrs.) | | | | |
| - Domestic | 106.82 | 139.96 | 78.12 | 94.84 |
| - Exports | 111.98 | 178.78 | 102.60 | 181.89 |
| Total | 218.80 | 318.74 | 180.72 | 276.73 |
| b) Yarn (MT) | | | | |
| - Domestic | 2728 | 73.01 | 2717 | 61.03 |
| - Exports | 739 | 16.73 | 551 | 13.06 |
| Total | 3467 | 89.74 | 3268 | 74.09 |
| c) Fibre (MT) | | | | |
| - Domestic | 655 | 12.37 | 445 | 8.02 |
| d) Readymade Garments (No. of Pcs.) | | | | |
| - Domestic | 111799 | 4.13 | 43251 | 2.51 |
| - Exports | 27542 | 1.05 | – | – |
| Total | 139341 | 5.18 | 43251 | 2.51 |
| e) Wind Power | | | | |
| Generation (Lac Units) | 23.91 | 0.94 | 23.38 | 0.92 |
| f) Job Work | | 14.85 | | 15.22 |
| g) Export Incentives | | 3.56 | | 2.26 |
| Grand Total | | 445.39 | | 379.75 |

3. Exports

The Company's Export turnover during the year was ₹ 200.12 Crores as against previous year ₹ 197.21 Crores.

During the year, Company again won Gold Trophy awarded by Synthetic & Rayon Export Promotion Council for highest export of fabrics during 2015-16 to "Focus LAC" countries.

4. Modernization and Expansion

A modernization & expansion plan involving a capex of ₹ 40 crore is completed and modernization & expansion plan of ₹ 23 Crores is under implementation at primary stage for its spinning, weaving and processing division. This will result in improvement in quality and productivity and better services to customers. The state of art weaving machines and processing machineries shall improve the quality of Fabrics. The Company has installed 8 Nos. Airjet Looms & 4 Picanol Rapier Looms during the year. Further 4 Picanol Looms will be installed during the year 2017-18.

5. Outlook for Company's Activities

The outlook of Company's activities looks bright as it continues to focus on value addition, improved efficiency, modernization and integrated operations. The Company plans to increase range from capacity expansion, modernization to new market entry and diversification. In Exports, the Company is exploring new markets in Africa, Australia, Europe, USA, Canada and other Latin American countries and increasing the volumes in existing markets. In Domestic Marketing, the Company is focusing on Furnishing/RMG/Institutional segment.

6. Wind power Project

The Company's Wind Power Projects at Jaisalmer had generated 47.55 Lac units during the year, as against 42.35 Lac units last year.

7. Dividend

Your Directors are pleased to recommend a dividend @ 12% i.e. ₹ 1.2 per Equity Share of ₹ 10/- each for the year ended the 31st March, 2017. This will absorb an amount of ₹ 148.66 Lacs (inclusive of distribution tax). A proposal for confirmation of the dividend for the year ended 31st March, 2017 will be placed before the shareholders at the ensuing Annual General Meeting.

8. Contribution to Exchequer

Your Company has contributed an amount of ₹ 13.21 Crores as against previous year ₹ 1.65 Crores in terms of Taxes & Duties to the Exchequer.

9. National Movements

The company has been committed to the protection of the environment from its inception. It has been regularly

BOARD'S REPORT

spending on improving the effluent treatments of processing departments. In compliance with the Central Government notifications, the company has adopted the practice of Zero Liquid Discharge (ZLD). After a series of RO Treatment of the effluent, it finally uses the Thermal Energy to evaporate the remnant 3% effluent. This extra cost is the social responsibility cost to the Company to protect and preserve environment.

The Country has moved on a mission of Swachh Bharat and one of the focal points of Swachh Bharat is having a Shauchalaya for every household and particularly in schools for their proper health and hygiene of the students. As a part of the CSR, the company has setup complete Shauchalaya facilities in the schools of Tunturi Purulia, and Saraswati Sishu Mandir, Paschim Bhurkundi Paschim Midnapore.

As a part of the Green Movement, the company has successfully adopted the most stringent International conditions of OHSAS. One of the express ways adopted by the company is Furnishing department, it is primarily Product Mix Diversification. In the furnishing, the company is one of the few important suppliers to top MNC in this field. In the category in which the company operates, it's the sole source of procurement of the MNC of the country.

The Company has joined hands with the Government of India scheme under Integrated Skill Development Scheme (ISDS) as it registered itself with the scheme in November 2015.

During the year your Company under the Mission has recruited 814 trainees in Spinning or Weaving Skills. The trained Young Indians have been given 409 Certificates of Skill and are eligible to Work in Textile Industry. Out of the above 264 persons are currently working in the company.

Being satisfied with involvement in the SKILL INDIA mission, the Govt of Rajasthan has accorded its approval to the company to carry on the Trainings in 2017-18.

10. Green energy

The Company on the one hand adhering to ZLD norms at the same time it is focusing on the Green Energy. In the year the Company had set up 2.4 MW Wind Mill, thereafter in the year 2010 added another 2 MW Wind Mill. Thus the Company is having Wind Power capacity of 4.4 MW. It is now implementing the Solar Power Project at Roof Mending Solar at 4.00 MW. Solar Energy Power Plant will be operative by June 2017. Thus focus of the company is on Sustainability both in terms of effluent Management and non fossil energy consumption.

11. Extract of Annual Return as per Sec 92 in form MGT 9

The details forming part of extract of Annual Return in Form No MGT 9 is enclosed in **Annexure I**.

12. Statutory Auditors

The Statutory Auditors of the Company M/s A.L. Chechani & Company, Chartered Accountants, (Firm Registration No. 05341C), Bhilwara, retire at the conclusion of the ensuing Annual General Meeting. There are no reservations, qualifications or adverse remarks contained in the Auditors' Report attached to Balance Sheet as at 31st March, 2017. Information referred in Auditors' Report are self-explanatory and don't call for any further comments.

The Audit committee and the Board of Directors recommend the appointment of **M/s SSMS & Associates, Chartered Accountants, (Firm Registration Number 019351C)** as Statutory Auditors of the Company to hold office from the conclusion of 46th Annual General Meeting (AGM) until the conclusion of the **51st AGM**, subject to ratification by members every year, as applicable. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s SSMS & Associates, Chartered Accountants that their appointment, if made, would be in conformity with the limits specified in the said Section.

13. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s V. M. & Associates, Company Secretaries, Jaipur**, to undertake the Secretarial Audit of the Company. The details forming part of Secretarial Audit Report for financial year 2016-17 in Form MR -3 is enclosed herewith as per **Annexure II**. There are no reservations, qualifications, adverse remark or disclaimer contained in the Secretarial Audit Report.

14. Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed **M/s P. Mehta & Co., Chartered Accountants** as the internal auditors of the Company. The role of internal auditors includes but not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and there amendments, if any.

15. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to Textile Divisions every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed **M/s N.D. Birla & Co., Cost**

BOARD'S REPORT

Accountants, (Firm Registration Number 000028) as Cost Auditor to audit the cost accounts of the Company for the financial year 2016-17. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

16. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained, we make the following statements in terms of section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2017 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note one of the notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that the internal financial controls were in place and that the internal financial controls were adequate and were operating effectively;
- f. that the system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as '**Annexure III**'.

18. Particulars of Loans given, Guarantees given, Investments made and Securities provided

The Company has not given any Loans, Guarantees, Investments and Securities covered under the provisions of section 186 of the Companies Act, 2013.

19. Contracts and Arrangements with Related Parties

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, Directors, key managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. There are no material subsidiary Companies as define in Regulation 16 (c) of the SEBI (Listing Obligations and Listing Requirements) Regulations, 2015.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link as: <https://www.bslltd.com>.

Particulars of Related Parties contracts or arrangements u/s section 188 of the Companies Act, 2013 are given in Form AOC-2 and enclosed as per **Annexure IV**.

20. Internal Control Systems

The Company has adequate Internal Control Systems, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of Internal Auditors, management undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

21. Human Resource Development

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. A significant effort has been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement. These efforts have led to a significant increase in manpower productivity. Efforts have also been made to design progressive and empower HR Policies and others welfare measures.

BOARD'S REPORT

22. Vigil Mechanism/ Whistle Blower Policy

The Company has a vigil Mechanism named Whistle Blower policy to deal with instance of fraud and mismanagement, if any. The Details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the Company's website at the web link as: <https://www.bslltd.com>.

23. Nomination & Remuneration Policy

The Board has, on recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters as per sec 178 & Regulation 19 of the SEBI (Listing Obligations and Listing Requirements) Regulations, 2015. The Nomination & Remuneration Policy is enclosed as **Annexure V**.

24. Corporate Social Responsibility

As per section 135 of Companies Act, 2013, Company has constituted CSR Committee and also framed CSR policy. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. Details about the CSR policy and initiatives taken by the Company on CSR during the year are available on our website <https://www.bslltd.com>. The Annual Report on our CSR activities is annexed to this report as **Annexure VI**.

25. Meetings

During the year four Board meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

26. Directors & Key Managerial Personnel

1. Change in Directors and Key Managerial Personnel

- In Accordance with the provisions of the Companies Act, 2013, Shri Nivedan Churiwal retires by rotation and eligible for re-appointment.
- During the year, there is no change in Directors and Key Managerial Personnel of the Company.

2. Statement on Declaration given by Independent Directors

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and

Regulation 25 of the SEBI (Listing Obligations and Listing Requirements) Regulations, 2015.

3. Board Evaluation

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Listing Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee and other committees. More detail on the same is given in the Corporate Governance Report.

27. Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by the SEBI. The Report on Corporate Governance along with the Certificate of Auditors M/s A.L. Chechani & Co., Chartered Accountants, 17, Heera Panna Market, Pur Road, Bhilwara (Rajasthan) confirming compliance to conditions of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Listing Requirements) Regulations, 2015, form part of the Annual Report.

28. Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure VII**.

Disclosures required in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure VIII**.

29. Transfer to Investor Education and Protection Fund

The Company has not transferred any sum during the financial year 2016-17 to the Investor Education and Protection Fund established by the Central Government, in compliance with section 125 of the Companies Act, 2013.

30. Other Disclosures Under Companies Act, 2013

- The Company has not transferred any amount to General Reserves during the year.
- The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2017. There were no unclaimed or unpaid deposits as on March 31, 2017.

BOARD'S REPORT

- There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.
- Details about risk management have been given in the Management Discussions & Analysis.
- The Company does not have any subsidiary, joint venture & associate company.
- The Company is having adequate Internal Financial Control with reference to the Financial Statements.
- During the year, the Company has not received any complaint under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

31. Appreciation

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

(ARUN CHURIWAL)

CHAIRMAN &

MANAGING DIRECTOR

DIN: 00001718

Place : Noida(U.P.)

Date :12thMay, 2017

निदेशक मंडल का प्रतिवेदन

संक्षेप

निदेशक मंडल आपके समक्ष 46 वीं वार्षिक रिपोर्ट एवं 31, मार्च, 2017 को समाप्त हुए वित्तीय वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे हैं।

1. वित्तीय प्रदर्शन

| वर्ग | संयोजित वृत्त वर्ष | | | |
|--------------------------------|--------------------|--------|------------|--------|
| | 31-03-2017 | | 31-03-2016 | |
| बिक्री - घरेलू | 245.26 | | | 182.54 |
| निर्यात | 200.12 | 445.38 | 197.21 | 379.75 |
| ब्याज, मूल्यहास व कर पूर्व लाभ | | 40.26 | | 39.31 |
| घटाया: वित्तीय व्यय | | 15.74 | | 13.90 |
| मूल्यहास व कर पूर्व लाभ | | 24.52 | | 25.41 |
| घटाया: मूल्यहास एवं परिशोधन | | 16.01 | | 14.44 |
| कर पूर्व लाभ | | 8.51 | | 10.97 |
| कराधान - आयकर | | 2.16 | | 2.40 |
| - विलम्बित कर | | 0.83 | | 1.45 |
| कर पश्चात् लाभ | | 5.52 | | 7.12 |

2. संयोजित

निदेशक मंडल वित्तीय वर्ष की गति इस प्रकार है:

| वर्ग | संयोजित वृत्त वर्ष | | | |
|---------------------------------|--------------------|---------------|------------|--------|
| | 31-03-2017 | | 31-03-2016 | |
| | प्रतिशत | वृद्धि | परिमाण | मूल्य |
| (अ) बिक्री (आय के स्रोत) | | | | |
| घरेलू | 106.82 | 130.96 | 78.12 | 94.84 |
| निर्यात | 111.98 | 178.78 | 102.60 | 181.89 |
| कुल | 218.80 | 318.74 | 180.72 | 276.73 |
| (ब) व्यय (व्यय के स्रोत) | | | | |
| घरेलू | 2728 | 73.01 | 2717 | 61.03 |
| निर्यात | 739 | 16.73 | 551 | 13.06 |
| कुल | 3467 | 89.74 | 268 | 74.09 |
| (ग) अंतर (आय के स्रोत) | | | | |
| घरेलू | 655 | 12.37 | 445 | 8.02 |
| (घ) अंतर (व्यय के स्रोत) | | | | |
| घरेलू | 111700 | 4.13 | 43251 | 2.51 |
| निर्यात | 27542 | 1.05 | - | - |
| कुल | 139341 | 5.13 | 43251 | 2.51 |
| (ङ) अंतर (आय के स्रोत) | | | | |
| ऊर्जा उत्पादन (लाख ईकाई) | 23.91 | 0.94 | 23.38 | 0.92 |
| (च) अंतर (व्यय के स्रोत) | | | | |
| | | 14.85 | | 15.22 |
| (ज) वित्तीय प्रदर्शन | | | | |
| | | 3.56 | | 2.26 |
| कुल | | 445.38 | | 379.75 |

3. निर्यात

कम्पनी का निर्यात आलोच्य वर्ष में रु. 200.12 करोड़ रहा, यह गत वर्ष रु.197.21 करोड़ था। वर्ष के दौरान कम्पनी को 2015-16 में "फोकस एल. ए. सी." देशों को सर्वाधिक वस्त्र निर्यात करने के लिए सिन्थेटिक एवं रेयान एक्सपोर्ट प्रमोशन काउन्सिल द्वारा गोल्ड ट्रॉफी से सम्मानित किया गया।

4. आधुनिकीकरण एवं विस्तारीकरण

कम्पनी की स्पीनिंग, विविंग एवं प्रोसेसिंग इकाईयों के विस्तारीकरण एवं आधुनिकीकरण के लिए रु.40 करोड़ की आधुनिकीकरण एवं विस्तारीकरण योजना पूरी हो चुकी है एवं रु.23 करोड़ की आधुनिकीकरण एवं विस्तारीकरण योजना प्राथमिक स्तर पर कार्यान्वित है। जिसके परिणामस्वरूप गुणवत्ता एवं उत्पादकता में सुधार होगा एवं लाभों में भी वृद्धि होगी। आधुनिक उच्च गति की लूमस (करघे) वस्त्रों की गुणवत्ता में वृद्धि करेंगे। वर्ष के दौरान कम्पनी ने 8 एयरजेट लूमस व 4 रेपियर लूमस स्थापित किये हैं। कम्पनी द्वारा 2017-18 में 4 रेपियर लूमस स्थापित करने की योजना है।

5. कम्पनी की गतिविधियों पर दृष्टिकोण

कम्पनी की गतिविधियों का दृष्टिकोण उज्ज्वल लग रहा है। यह निरन्तर मूल्य संवर्धन, कार्यकुशलता में सुधार, आधुनिकीकरण एवं एकीकृत संचालन की तरफ केन्द्रित है। कम्पनी की उत्पाद क्षमता में वृद्धि, आधुनिकीकरण द्वारा नये बाजार में प्रवेश एवं विविधता से अपनी रेंज में विस्तार करने की योजना है। निर्यात के क्षेत्र में कम्पनी अफ्रीका, ऑस्ट्रेलिया, यूरोप, यूएसए, कनाडा और अन्य लैटिन अमेरिकी देशों में नये बाजार के विकास एवं स्थापित बाजार में बढ़ोत्तरी पर ध्यान दे रही है। घरेलू क्षेत्र में कम्पनी खुदरा बाजारों एवं संस्थागत क्षेत्र पर ध्यान दे रही है।

6. पवन ऊर्जा परियोजना

इस वर्ष कम्पनी के जैसलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 47.55 लाख यूनिट रहा, गत वर्ष यह उत्पादन 42.35 लाख यूनिट था।

7. लाभांश

निदेशक मण्डल 12% की दर से (1.20 रुपये प्रति साधारण अंश) 10 रुपये के साधारण अंश पर 31 मार्च,

निदेशक मंडल का प्रतिवेदन

2017 को समाप्त हुए वर्ष के लिए लाभांश घोषित करने की अनुशंसा करता है। इस प्रकार से कुल रु.148.66 लाख (लाभांश वितरण कर सहित) का भुगतान होगा। लाभांश की घोषणा का प्रस्ताव आगामी वार्षिक साधारण सभा में रखा जायेगा।

8. राजकोषीय अंशदान

आपकी कम्पनी ने कर एवं शुल्क के रूप में रु.13.21 करोड़ की धन राशि का (गतवर्ष रु.11.65 करोड़) राजकोष में अंशदान दिया।

9. राष्ट्रीय गतिविधि

कंपनी अपने स्थापना काल से पर्यावरण की सुरक्षा के लिए प्रतिबद्ध है। यह प्रसंस्करण विभागों के स्त्राव उपचार में सुधार पर नियमित रूप से खर्च कर रही है। केंद्र सरकार की अधिसूचना के अनुपालन में कंपनी ने शून्य लिक्विड डिस्चार्ज (जेडएलडी) का स्वरूप अपनाया है। आरओ ट्रीटमेंट लगाने के बाद अब कंपनी, अंत में शेष 3% स्त्राव का वाश्पन हो जाने के लिए थर्मल एनर्जी का उपयोग कर रही है। यह अतिरिक्त लागत पर्यावरण की सुरक्षा और संरक्षित करने के लिए कंपनी को सामाजिक जिम्मेदारी की लागत है।

देश में स्वच्छ भारत मिशन चल रहा है। हर परिवार के लिए और विशेष रूप से स्कूलों में छात्रों की उचित स्वास्थ्य और स्वच्छता के लिए शौचालय बनाना स्वच्छ भारत मिशन का केंद्र बिन्दु रहा है। निगमित सामाजिक उत्तरदायित्व के तहत कंपनी ने तंतुरी पुरुलिया के स्कूलों में और सरस्वती शिशु मंदिर में पूर्ण शौचालय की सुविधाएं उपलब्ध कराई है।

ग्रीन मूवमेंट के प्रतिभागी के रूप में, कंपनी ने सफलतापूर्वक ओएचएसएस के सबसे सख्त अन्तर्राष्ट्रीय मापदण्डों को अपनाया है। कंपनी द्वारा अपनाये गए तरीकों में से एक है फर्निशिंग डिपार्टमेंट, यह मुख्य रूप से प्रोडक्ट मिक्स डायवर्सिफिकेशन है। कंपनी फर्निशिंग के क्षेत्र में शीर्षस्थ एमएनसी के लिए कुछ महत्वपूर्ण आपूर्तिकर्ताओं में से एक है। उस श्रेणी में जो कंपनी संचालित करती है, यह देश की एमएनसी की खरीद का एकमात्र स्रोत है।

भारत सरकार की 'इन्टीग्रेटेड स्कील डवलपमेन्ट स्कीम'

(ISDS) में भी कम्पनी ने अपने आपको नवम्बर 2015 में पंजीकृत करवा कर योगदान दिया है। वर्ष के दौरान इस मिशन के तहत 814 अशिक्षित युवाओं को स्पीनिंग, विविंग कौशल हेतु प्रशिक्षित किया गया है। इन प्रशिक्षित युवा भारतीयों को कौशल के 409 प्रमाण पत्र दिये गए हैं एवं ये कपड़ा उद्योग में कार्य करने के योग्य हैं। इनमें से 264 प्रशिक्षित युवक वर्तमान में कंपनी में कार्य कर रहे हैं।

स्कील इण्डिया मिशन में योगदान से संतुष्ट होकर राजस्थान सरकार ने इस प्रशिक्षण को 2017-18 में भी जारी रखने की अनुमति प्रदान की है।

10. हरित ऊर्जा

कंपनी जेडएलडी मानदंडों का पालन करते हुए ग्रीन एनर्जी पर भी ध्यान केंद्रित कर रही है। वर्ष में कंपनी ने 2.4 मेगावाट विंड मिल स्थापित की थी, उसके बाद वर्ष 2010 में एक और 2 मेगावाट विंड मिल स्थापित की। इस प्रकार कंपनी के पास 4.4 मेगावाट की विंड एनर्जी क्षमता है। कंपनी अब 4.00 मेगावाट पर रूफ मॅडिंग सोलर पावर सौर ऊर्जा परियोजना को कार्यान्वित कर रही है। सौर ऊर्जा पावर प्लांट अगस्त 2017 तक संचालित होगा। कंपनी का फोकस फॉइलेंट मैनेजमेंट और गैर जीवाश्म ऊर्जा खपत के मामले में स्थिरता लाना है।

11. वार्षिक विवरण के मुख्य अंश (धारा 92-एमजी. टी-9)

वार्षिक विवरण के मुख्य अंश का विवरण फार्म एमजी. टी-9 के परिशिष्ट-1 में संलग्न है।

12. सांविधिक अंकेक्षक

सर्व श्री ए. एल. चेचाणी एण्ड कम्पनी, चार्टर्ड एकाउंटेंट्स (फर्म पंजीकरण संख्या 05341C), भीलवाड़ा आगामी वार्षिक साधारण सभा में अवकाश ग्रहण करेंगे। वार्षिक विवरण के साथ संलग्न अंकेक्षण रिपोर्ट में किसी प्रकार की पूर्व धारणा, मान्यता एवं विपरित वर्णन नहीं है। अंकेक्षण रिपोर्ट में दी गई सूचनाएं स्व-व्याख्यात्मक हैं तथा अन्य किसी टिप्पणी की आवश्यकता नहीं है।

लेखा परीक्षा समिति और निदेशक मण्डल कम्पनी के

निदेशक मंडल का प्रतिवेदन

सांविधिक लेखा परीक्षक के रूप में सर्व श्री एसएसएमएस एंड एसोसिएट्स, चार्टर्ड एकाउंटेंट्स (फर्म पंजीकरण संख्या 019351C) को 46 वीं वार्षिक साधारण सभा (एजीएम) के समापन से 51 वीं वार्षिक साधारण सभा (एजीएम) के समापन तक (हर साल सदस्यों द्वारा अनुसमर्थन के अधीन) के लिए नियुक्ति की सिफारिश करता है। कंपनी अधिनियम, 2013 की धारा 139 के प्रावधानों के तहत जरूरी है कि कंपनी ने मैसर्स एसएसएमएस एंड एसोसिएट्स, चार्टर्ड एकाउंटेंट्स से लिखित पुष्टि हासिल की है, जो कि उनकी नियुक्ति, अगर बनाई गई है, तो उस खंड में निर्दिष्ट सीमाओं के अनुसार होगी।

13. सचिवीय अंकेक्षक

कम्पनी अधिनियम 2013 की धारा 204 तथा कम्पनी (प्रबन्धकीय कर्मचारी की नियुक्ति एवं पारिश्रमिक) नियम, 2014 के अनुसार, कम्पनी ने सचिवीय अंकेक्षण के लिए मैसर्स वी.एम. एण्ड एसोसिएट्स, कम्पनी सचिव जयपुर को नियुक्त किया। सचिवीय अंकेक्षण प्रतिवेदन वित्तीय वर्ष 2016-17 का विवरण फार्म नं. एमआर-3 के अन्तर्गत **परिशिष्ट -II** में संलग्न है। सचिवीय अंकेक्षण प्रतिवेदन में कोई भी पूर्व धारणा, मान्यता विपरीत वर्णन या अस्वीकृति नहीं हैं।

14. आंतरिक अंकेक्षक

कंपनी अधिनियम, 2013 की धारा 138 और कंपनी (लेखा) नियम, 2014 के अनुसार, कंपनी ने मैसर्स पी मेहता एंड कंपनी, चार्टर्ड एकाउंटेंट्स को कंपनी के आंतरिक लेखा परीक्षकों के रूप में नियुक्त किया है। आंतरिक लेखापरीक्षकों की भूमिका में आंतरिक लेखापरीक्षा टिप्पणियों की समीक्षा और सुधारात्मक कार्यों के कार्यान्वयन की निगरानी, विभिन्न नीतियों की समीक्षा करने और इसके उचित कार्यान्वयन, एसओपी की समीक्षा शामिल है।

15. लागत अंकेक्षक

कंपनी अधिनियम, 2013 की धारा 148 और कंपनी (लागत रिकॉर्ड्स और ऑडिट) नियम, 2014 के समय-समय पर संशोधित नियम 6 (2) के अनुसार, आपकी कंपनी हर साल वस्त्र डिवीजन से संबंधित लागत अभिलेखों का

लेखा-जोखा करती रही है। लेखा परीक्षा समिति की सिफारिश पर निदेशक मंडल ने वित्तीय वर्ष 2016-17 के लिए कंपनी के लागत खातों की ऑडिट करने के लिए मैसर्स एनडी बिड़ला एंड कं, कॉस्ट एकाउंटेंट्स, (फर्म रजिस्ट्रेशन नंबर 000028) को लागत लेखा परीक्षक के रूप में नियुक्त किया है। कंपनी अधिनियम, 2013 के तहत जरूरी है कि, लागत लेखापरीक्षक को देय पारिश्रमिक के लिए सदस्य की मंजूरी मांगने का एक प्रस्ताव, उनके अनुसमर्थन के लिए वार्षिक सामान्य बैठक आयोजित करने की सूचना का हिस्सा होता है।

16. निदेशकों के उत्तरदायित्व का वर्णन

कम्पनी के निदेशक, प्राप्त सर्वोत्कृष्ट ज्ञान एवं विश्वास तथा उन्हें प्राप्त सूचना व स्पष्टीकरण के आधार पर कम्पनी अधिनियम 2013 की धारा 134 (3) (स) के अनुपालना में आपके निदेशक सुनिश्चित करते हैं।

1. कि वार्षिक वित्तीय विवरण 31 मार्च 2017 को समाप्त हुए वर्ष की तैयारी में यथोचित लेखांकन सिद्धांतों का पालन किया गया है, साथ ही महत्वपूर्ण विचलनों की दशा में उपयुक्त स्पष्टीकरण भी दिये हैं।
2. कि वित्तीय विवरण के नोट में उल्लेख वित्तीय वक्तव्यों के नोटों में से नोट 1 चुना गया है। उन पर लगातार अमल किया और उपयुक्त निर्णय और अनुमान लगायें, जो कि कम्पनी के वित्तीय वर्ष की समाप्ति 31 मार्च 2017 पर स्थिति विवरण व वर्ष भर के लाभ हानि की स्थिति को सत्य व संतोषजनक रूप में दर्शाते हैं।
3. कि निदेशकों ने कम्पनी की सम्पत्तियों की सुरक्षा और धोखाधड़ी एवं अनियमितता की जाँच व रोक के संबंध में कम्पनी अधिनियम 2013 में वर्णित नियमों का पालन करते हुए योग्य लेखांकन पुस्तकों के रखरखाव के लिए यथोचित व पर्याप्त सावधानी का पालन किया। (द) कि निदेशकों ने वार्षिक वित्तीय विवरण, व्यवसाय की निरन्तरता के सिद्धान्त को ध्यान में रखते हुए तैयार किये।
4. कि आन्तरिक वित्तीय नियंत्रण पद्धति पर्याप्त व प्रभावी है।

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5. कि सभी उपयुक्त कानून के नियम की पालना करने की प्रणाली है जो पर्याप्त व प्रभावी है।

17. ऊर्जा संरक्षण, तकनीक समावेशन एवं विदेशी मुद्रा आय व्यय

कम्पनी अधिनियम 2013 की धारा 134 (3) (एम) तथा कम्पनीज (लेखांकन) नियम 2014 के नियम 8 के तहत ऊर्जा, संरक्षण, तकनीक समविषय एवम् विदेशी मुद्रा आय व्यय का विवरण इस प्रतिवेदन की परिशिष्ट-III में दर्शाया गया है।

18. ऋण, साख, निवेश एवं प्रतिभूति प्रबन्ध का विवरण

कम्पनी अधिनियम 2013 की धारा 186 के अन्तर्गत कोई भी ऋण एवं साख नहीं दिया है एवं कोई भी प्रतिभूति में निवेश नहीं किया है।

19. सम्बन्धित पक्षों के साथ अनुबन्ध और व्यवस्था

वित्तीय वर्ष के दौरान सभी सम्बन्धित पक्षों के साथ किए गए व्यावसायिक लेन देन सामान्य व्यावसाय के अन्तर्गत एवं उचित हस्त दूरी के आधार पर किए गये।

प्रोत्साहकों, निदेशकों, प्रमुख प्रबन्धकीय कर्मियों एवं अन्य नामित व्यक्तियों के साथ कम्पनी ने कोई भी व्यावसायिक लेन देन नहीं किया गया है, जो कम्पनी के हित को प्रभावित करता है। सभी सम्बन्धित पक्षों का लेन देन का अंकेक्षण एवं निदेशक समिति के समक्ष अनुमति हेतु प्रदान किया है। सेबी (लिस्टिंग दायित्व एवं लिस्टिंग आवश्यकता) अधिनियम, 2015 के नियम 16 (C) के तहत कम्पनी की कोई भी महत्वपूर्ण सहायक कम्पनी नहीं है।

सम्बन्धित पक्ष के लिए बनाई गयी नीति को कम्पनी की वेबसाइट www.bslltd.com पर दर्शाया गया है। कम्पनी अधिनियम 2013 की धारा 188 के अन्तर्गत सम्बन्धित पक्ष के साथ लेन देन का विवरण फार्म एओसी-2 परिशिष्ट-IV में संलग्न है।

20. आंतरिक नियन्त्रण पद्धति

कम्पनी के पास योग्य आंतरिक नियन्त्रण पद्धति है जो व्यवसाय के संचालन के आकार, माप, जटिलता के अनुरूप है। आंतरिक अंकेक्षण कम्पनी की लेखांकन प्रक्रिया व नीति को ध्यान में रखते हुए पर्याप्त आंतरिक

नियंत्रण पद्धति लागू करता है। आंतरिक अंकेक्षण की प्रतिवेदन के आधार पर कम्पनी के प्रबन्धक सुधारात्मक कदम उठाते हैं। महत्वपूर्ण अंकेक्षण अवलोकन एवं उससे सम्बन्धित सुधारात्मक उपाय जो कि अंकेक्षण समिति के समक्ष रखी जाती है।

21. मानव संसाधन विकास

संगठनात्मक दक्षता, प्रक्रिया को बदलने का समर्थन एवं विभिन्न कर्मचारी मिलन कार्यक्रमों के माध्यम से व्यवसाय को समर्थन के लिए कई पहल की गई है, जिससे संगठन को उच्च उत्पादकता के स्तर को प्राप्त करने में मदद मिली है। एक महत्वपूर्ण प्रयास भविष्य प्रतिभा की आवश्यकता को पूरा करने के क्रम में नेतृत्व के साथ साथ तकनीकी कार्य क्षमताओं को विकसित करने के लिए शुरू भी किया गया। जनशक्ति उत्पादकता में उल्लेखनीय वृद्धि हुई है। प्रगतिशील डिजाइन और मानव संसाधन नीतियां और दूसरों के कल्याण को सशक्त बनाने के लिए प्रयास किया गया है।

22. जागरूकता/व्हीसल ब्लोअर नीति

कम्पनी में धोखाधड़ी और कुप्रबन्धन के उदाहरण से निपटने के लिए जागरूकता नीति नामक एक निगरानी तंत्र है। जागरूकता नीति का विवरण निगमित प्रशासन की रिपोर्ट में बताया गया है और यह भी कम्पनी की वेबसाइट www.bslltd.com पर दर्शाया गया है।

23. नामांकन एवं पारिश्रमिक नीति

निदेशक मंडल ने नामांकन एवं पारिश्रमिक समिति की अनुशंसा पर एक नीति बनाई है, जो निदेशकों, वरिष्ठ प्रबन्धन के चयन एवं नियुक्ति एवं उनके पारिश्रमिक से सम्बन्धित है। इसमें उनकी योग्यता, सकारात्मक गुण, निदेशक की स्वतंत्रता का निर्धारण एवं धारा 178 व सेबी (लिस्टिंग दायित्व एवं लिस्टिंग आवश्यकता) अधिनियम, 2015 के नियम 19 के अन्तर्गत आने वाले अन्य सभी मामलों का निर्धारण करने के मापदंड सम्मिलित हैं। यह नामांकन एवं पारिश्रमिक नीति परिशिष्ट-V में संलग्न है।

24. निगमित सामाजिक उत्तरदायित्व

कम्पनी अधिनियम 2013 की धारा 135 के अनुसार कम्पनी के सीएसआर समिति का गठन किया गया है

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एवं सीएसआर नीति बनाई गई है। निगमित प्रशासन की रिपोर्ट जो कि निदेशक मण्डल की रिपोर्ट का एक हिस्सा है में समिति एवं इसके गठन की शर्तें विस्तार से बताई गई है। वर्ष के दौरान कम्पनी द्वारा जो सीएसआर के तहत कार्य किये गये है एवं सीएसआर नीति की जानकारी इसकी वेबसाइट www.bslltd.com पर उपलब्ध है। सीएसआर गतिविधियों का विवरण इस प्रतिवेदन के **परिशिष्ट-VI** में संलग्न है।

25. सभाएं

वर्ष के दौरान चार बोर्ड की बैठकें एवं चार लेखा परीक्षा समिति की बैठकें आयोजित की गई है। जिसका विवरण निगमित प्रशासन की रिपोर्ट में दिए गए है। कम्पनी अधिनियम 2013 के तहत बैठकों की अवधि के बीच अन्तर निर्धारित अवधि के भीतर था।

26. निदेशकों एवं प्रमुख प्रबन्धकीय कर्मों

1. निदेशकों एवं प्रमुख प्रबन्धकीय कर्मों में परिवर्तन

- कम्पनी अधिनियम 2013 के प्रावधानों के अनुसार श्री निवेदन चूड़ीवाल अवकाश ग्रहण करेंगे व पुनः नियुक्ति के योग्य है।
- वर्ष के दौरान निदेशकों एवं प्रमुख प्रबन्धकीय कर्मियों में कोई परिवर्तन नहीं हुआ है।

2. स्वतन्त्र निदेशकों द्वारा की गई घोषणा –

सभी स्वतंत्र निदेशक कम्पनी अधिनियम 2013 की धारा 149 एवं सेबी (लिस्टिंग दायित्व एवं लिस्टिंग आवश्यकता) अधिनियम, 2015 के नियम 25 के अन्तर्गत बताई गई स्वतंत्रता के मानदंड की अनुपालना करते है।

3. बोर्ड मूल्यांकन

कम्पनी अधिनियम 2013 एवं सेबी (लिस्टिंग दायित्व एवं लिस्टिंग आवश्यकता) अधिनियम, 2015 के अनुपालन में बोर्ड ने अपने स्वयं के प्रदर्शन का वार्षिक मूल्यांकन किया है। साथ ही साथ निदेशकों का व्यक्तिगतरूप से एवं अपनी लेख समिति, नामांकन एवं पारिश्रमिक समिति और अन्य कार्यप्रणाली का भी मूल्यांकन किया है। निगमित प्रशासन की रिपोर्ट में इसकी विस्तृत जानकारी दी गई है।

27. निगमित प्रशासन

कम्पनी निगमित प्रशासन के उच्चतम मानको को बनाये रखने और सेबी द्वारा निगमित प्रशासन की अनुपालना के लिए प्रतिबद्ध है। निगमित प्रशासन की शर्तों के अनुपालन की पुष्टि के लिए लेखा परीक्षक सर्व श्री ए. एल. चेचाणी एण्ड कम्पनी चार्टर्ड अकाउन्टेन्ट, 17, हीरापन्ना मार्केट, पुर रोड़, भीलवाड़ा (राज.) द्वारा निगमित प्रशासन पर दी गयी रिपोर्ट एवं प्रमाण-पत्र, सेबी (लिस्टिंग दायित्व एवं लिस्टिंग आवश्यकता) अधिनियम, 2015 के नियम 34 (3) में वर्णित अनुपालना को सुनिश्चित करते है।

28. कर्मचारी और सम्बन्धित के विवरण

कम्पनी अधिनियम 2013 की धारा 197 (12) एवं कम्पनी (प्रबन्धकीय कर्मियों का पारिश्रमिक एवं नियुक्ति) नियम, 2014 के नियम 5 (1) के अनुसार पारिश्रमिक से सम्बन्धित प्रकटीकरण एवं अन्य विवरण **परिशिष्ट-VII** में दर्शाया गया है।

कम्पनी अधिनियम 2013 की धारा 197 (12) एवं कम्पनी (प्रबन्धकीय कर्मियों का पारिश्रमिक एवं नियुक्ति) नियम, 2014 के नियम 5 (2) एवं 5 (3) के अन्तर्गत आवयश्क प्रकटीकरण **परिशिष्ट-VIII** में दर्शाया गया है।

29. निवेशक, शिक्षा और संरक्षण कोष हस्तांतरण

कम्पनी अधिनियम 2013 की धारा 125 के अन्तर्गत केन्द्र सरकार द्वारा स्थापित निवेशक शिक्षा और संरक्षण कोष में वित्तीय वर्ष 2016-17 के दौरान कोई भी राशि स्थानान्तरित नहीं की गई है।

30. कंपनी अधिनियम, 2013 के तहत अन्य प्रकटीकरण

- वर्ष के दौरान कंपनी ने किसी भी राशि को जनरल रिजर्व में हस्तांतरित नहीं किया है।
- 31 मार्च 2017 को समाप्त हुए वर्ष के दौरान कंपनी ने जनता से किसी भी जमा राशि को आमंत्रित/स्वीकार नहीं किया है। 31 मार्च, 2017 को कोई अनक्लेम्ड या अनपैड जमा नहीं थी।
- कंपनी के वित्तीय वर्ष के अंत से रिपोर्ट की तिथि के बीच कंपनी की वित्तीय स्थिति को प्रभावित करने

निदेशक मंडल का प्रतिवेदन

वाले कोई भी भौतिक परिवर्तन और प्रतिबद्धता नहीं हैं।

- वर्ष के दौरान नियामकों या अदालतों या ट्रिब्यूनल द्वारा जारी किए गए ऐसे महत्वपूर्ण और भौतिक आदेश नहीं हुए हैं जो भविष्य में कंपनी के संचालन को प्रभावित करते हैं।
- कंपनी के जोखिम प्रबंधन के बारे में विवरण प्रबंधन चर्चाओं और विश्लेषण में परिभाषित किया गया है।
- कंपनी के कोई सहायक, संयुक्त उद्यम और सहयोगी कंपनी नहीं है।
- वित्तीय विवरणों के संदर्भ में कंपनी को पर्याप्त आंतरिक वित्तीय नियंत्रण मिल रहा है।
- वर्ष के दौरान, कंपनी को कार्यस्थल पर महिला उत्पीड़न (रोकथाम, निशेध और निवारण) अधिनियम, 2013 के तहत कोई शिकायत नहीं मिली।

31. आभार प्रदर्शन

निदेशक मंडल वित्तीय संस्थाओं, बैंकों, केन्द्रीय व राज्य

सरकारों के विभिन्न विभागों के प्रति सहयोग व बहुमूल्य मार्ग दर्शन हेतु आभार व कृतज्ञता व्यक्त करता है। वर्ष के दौरान निदेशकों द्वारा कम्पनी के हितधारकों, ग्राहकों, सदस्यों, व्यापारियों, दुकानदारों, बैंकों और अन्य व्यापारिक भागीदारों द्वारा प्राप्त उत्कृष्ट समर्थन के लिए कम्पनी उनके सतत् प्रतिबद्धता एवं निरन्तर सहयोग के लिए सभी कर्मचारियों के प्रति आभार व कृतज्ञता व्यक्त करती है।

निदेशक मंडल की ओर से

अरुण चूड़ीवाल

अध्यक्ष व प्रबन्ध निदेशक

नि. प. सं. 00001718

स्थान : नोएडा (यू.पी.)

तारीख : 12 मई, 2017



ANNEXURE - I TO BOARD'S REPORT

Form No. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|--|
| i) CIN | L24302RJ1970PLC002266 |
| ii) Registration Date | 24TH OCTOBER 1970 |
| iii) Name of the Company | BSL LTD |
| iv) Category . Sub-Category of the Company | Company Limited by Shares . Indian non-Government Company |
| v) Address of the Registered office and contact details | 26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan) Tel: 01482 246801 Fax: 01482 246807 Email: accounts@bslsuitings.com |
| vi) Whether listed company | YES |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | "MCS Share Transfer Agent Ltd. Shri Venkatesh Bhawan, F-65, Okhla Industrial Area, Phase I, New Delhi- 110020 Tel: 011 41406148 Fax: 011 41709881 Email: admin@mcsregistrars.com" |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| S. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the company |
|--------|---|-----------------------------------|------------------------------------|
| 1 | Man-made fiber and man-made mixture fabrics | 13124 | 71.56% |
| 2 | Spinning of man-made fiber including blended man-made fiber | 13114 | 22.93% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S No. | Name of the Company | CIN. GLN | Holding. Subsidiary. Associate | % of share held | Applicable section |
|-------|---------------------|----------|--------------------------------|-----------------|--------------------|
| NIL | | | | | |

ANNEXURE - I TO BOARD'S REPORT

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Shareholding

| Category of Shareholders | | No of share held at the beginning of the year (As on 01-04-2016) | | | | No of share held at the end of the year (As on 31-03-2017) | | | | % Change during the year |
|--------------------------|--|---|-------------|----------------|-------------------|---|-------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of total Shares | Demat | Physical | Total | % of total Shares | |
| A. | Promoters | | | | | | | | | |
| 1. | Indian | | | | | | | | | |
| | a) Individual. HUF | 3625762 | - | 3625762 | 35.23% | 3625762 | - | 3625762 | 35.23% | 0.00% |
| | b) Central Govt | - | - | - | - | - | - | - | - | - |
| | c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| | d) Bodies Corp. | 1896310 | - | 1896310 | 18.42% | 1896310 | - | 1896310 | 18.42% | 0.00% |
| | e) Banks. FI | - | - | - | - | - | - | - | - | - |
| | f) Any Other | - | - | - | - | - | - | - | - | - |
| | Sub Total (A)(1): | 5522072 | - | 5522072 | 53.65% | 5522072 | - | 5522072 | 53.65% | 0.00% |
| 2. | Foreign | | | | | | | | | |
| | a) NRI. Individuals | - | - | - | - | - | - | - | - | - |
| | b) Other- Individuals | - | - | - | - | - | - | - | - | - |
| | c) Bodies Corp. | 287000 | - | 287000 | 2.79% | 287000 | - | 287000 | 2.79% | 0.00% |
| | d) Banks. FI | - | - | - | - | - | - | - | - | - |
| | e) Any Other | - | - | - | - | - | - | - | - | - |
| | Sub Total (A)(2): | 287000 | - | 287000 | 2.79% | 287000 | - | 287000 | 2.79% | 0.00% |
| | Total shareholding of Promoter (A)= (A)(1) + (A) (2) | 5809072 | - | 5809072 | 56.44% | 5809072 | - | 5809072 | 56.44% | 0.00% |
| B. | Public Shareholding | | | | | | | | | |
| 1. | Institutions | | | | | | | | | |
| | a) Mutual Funds | - | 450 | 450 | - | - | 450 | 450 | - | - |
| | b) Banks. FI | 431349 | 758 | 432107 | 4.20% | 431349 | 758 | 432107 | 4.20% | 0.00% |
| | c) Central Govt. | - | - | - | - | - | - | - | - | - |
| | d) State Govt. (s) | - | - | - | - | - | - | - | - | - |
| | e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| | f) Insurances Companies | - | - | - | - | - | - | - | - | - |
| | g) FIs | - | - | - | - | - | - | - | - | - |
| | h) Foreign Venture Capital funds | - | - | - | - | - | - | - | - | - |
| | i) others (specify) | - | - | - | - | - | - | - | - | - |
| | Sub- total (B)(1): | 431349 | 1208 | 432557 | 4.20% | 431349 | 1208 | 432557 | 4.20% | 0.00% |
| 2. | Non- Institutions | | | | | | | | | |
| | a) Bodies Corp. | | | | | | | | | |
| | i) Indian | 566941 | 21288 | 588229 | 5.72% | 539993 | 21288 | 561281 | 5.45% | -0.26% |
| | ii) Overseas | - | - | - | - | - | - | - | - | - |
| | b) Individuals | | | | | | | | | |
| | i) Shareholders holding nominal share capital upto Rs. 1 lakh | 1883703 | 498566 | 2382269 | 23.15% | 1641945 | 491098 | 2133043 | 20.72% | -2.42% |
| | ii) Shareholders holding nominal share capital in excess of Rs. 1 lakh | 977001 | 0 | 977001 | 9.49% | 1268580 | 0 | 1268580 | 12.33% | 2.83% |
| | c) others (specify) NRI | 72411 | 30629 | 103040 | 1.00% | 57964 | 29671 | 87635 | 0.85% | -0.15% |

ANNEXURE - I TO BOARD'S REPORT

| Category of Shareholders | | No of share held at the beginning of the year (As on 01-04-2016) | | | | No of share held at the end of the year (As on 31-03-2017) | | | | % Change during the year |
|--------------------------|--|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of total Shares | Demat | Physical | Total | % of total Shares | |
| | Sub- total (B)(2): | 3500056 | 550483 | 4050539 | 39.36% | 3508482 | 542057 | 4050539 | 39.36% | 0.00% |
| | Total Public Shareholding (B)= (B)(1) + (B) (2) | 3931405 | 551691 | 4483096 | 43.56% | 3939831 | 543265 | 4483096 | 43.56% | 0.00% |
| C. | Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| | Grand Total (A+B+C) | 9740477 | 551691 | 10292168 | 100% | 9748903 | 543265 | 10292168 | 100% | 0.00% |

ii) Shareholding of Promoters

| Sl. No. | Shareholders Name | Shareholdings at the beginning of the year (As on 01-04-2016) | Shareholdings at the end of the year (As on 31-03-2017) | % change in Shareholding during the year |
|---------|--|--|--|--|
| 1 | Shri Arun Kumar Churiwal | 1025716 | 1025716 | - |
| 2 | Shri Arun Kumar Churiwal - HUF | 51200 | 51200 | - |
| 3 | Giltedged Industrial Secu. Ltd. | 197663 | 197663 | - |
| 4 | Mandpam Vikas Pvt. Ltd. | 23975 | 23975 | - |
| 5 | Bharat Investment Growth Ltd. | 257500 | 257500 | - |
| 6 | Investors India Ltd. | 690814 | 190703 | -4.86% |
| 7 | Smt. Sudha Churiwal | 874822 | 874822 | - |
| 8 | Shashi Commercial Co. Ltd. | 118600 | 118600 | - |
| 9 | Churiwal Properties & Invt. P. Ltd. | 239092 | 239092 | - |
| 10 | Mandawa Niyojan Pvt. Ltd. | 143419 | 143419 | - |
| 11 | Shri Nivedan Churiwal | 661071 | 661071 | - |
| 12 | India Texfab Marketing Ltd. | 62217 | 62217 | - |
| 13 | PRC Niyojan Pvt. Ltd. | 131634 | 131634 | - |
| 14 | Smt. Subha Churiwal | 625450 | 625450 | - |
| 15 | Cornhill Investments Ltd. | 120300 | 120300 | - |
| 16 | Micro Base Ltd. | 70700 | 70700 | - |
| 17 | Microlight Investments Ltd. | 96000 | 96000 | - |
| 18 | Smt.Sudha Churiwal / Shri Nivedan Churiwal | 230233 | 230233 | - |
| 19 | Smt.Sushila Devi Chokhani | 12559 | 12559 | - |
| 20 | Shri Ravi Jhunjunwala | 84236 | 84236 | - |
| 21 | Shri Lakshmi Niwas Jhunjunwala | 33070 | 33070 | - |
| 22 | Shri Lakshmi Niwas Jhunjunwala (HUF) | 27405 | 27405 | - |
| 23 | Raj. Spg. & Wvg. Mills Ltd. (RSWM Limited) | 31396 | 31396 | - |
| 24 | Akunth Textile Processors Pvt.Ltd. | 0 | 500111 | 4.86% |
| | Total | 5809072 | 5809072 | 0.00% |

ANNEXURE - I TO BOARD'S REPORT

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

| Sl. No. | Particulars | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | At the beginning of the year | 5809072 | 56.44% | 5809072 | 56.44% |
| | Date wise increase/ Decrease in Promoters Share holding during the year | NIL | NIL | NIL | NIL |
| | At the end of the year | 5809072 | 56.44% | 5809072 | 56.44% |

Note: There is Inter se transfer between Promoters as on 12.07.2016 but no change in the total shareholding of promoters between 01-04-2016 and 31-03-2017.

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|----------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | Subramanian P* | | | | |
| | At the beginning of the year | 0 | 0.00 | 0 | 0.00 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 14.10.2016 (Market Purchase) | 409910 | 3.98 | 409910 | 3.98 |
| | 04.11.2016 (Market Sale) | -4177 | -0.04 | 405733 | 3.94 |
| | At the end of the year | 405733 | 3.94 | 405733 | 3.94 |
| 2 | Sangeetha S # | | | | |
| | At the beginning of the year | 210130 | 2.04 | 210130 | 2.04 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 14.10.2016 (Market Sale) | -195130 | -1.90 | 15000 | 0.15 |
| | At the end of the year | 15000 | 0.15 | 15000 | 0.15 |
| 3 | Life Insurance Corporation of India | | | | |
| | At the beginning of the year | 196204 | 1.91 | 196204 | 1.91 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | At the end of the year | 196204 | 1.91 | 196204 | 1.91 |
| 4 | Sathya S # | | | | |
| | At the beginning of the year | 122190 | 1.19 | 122190 | 1.19 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 14.10.2016 (Market Sale) | -122190 | -1.19 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 5 | Pranay S Mehta | | | | |
| | At the beginning of the year | 113058 | 1.10 | 113058 | 1.10 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | At the end of the year | 113058 | 1.10 | 113058 | 1.10 |
| 6 | National Insurance Company Ltd. | | | | |
| | At the beginning of the year | 108000 | 1.05 | 108000 | 1.05 |
| | Increase/ Decrease in Share holding during the year | - | - | - | - |
| | At the end of the year | 108000 | 1.05 | 108000 | 1.05 |

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| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|-----------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 7 | The Oriental Insurance Company Limited | | | | |
| | At the beginning of the year | 95450 | 0.93 | 95450 | 0.93 |
| | Increase/ Decrease in Share holding during the year | - | - | - | - |
| | At the end of the year | 95450 | 0.93 | 95450 | 0.93 |
| 8 | Savitha S # | | | | |
| | At the beginning of the year | 92590 | 0.90 | 92590 | 0.90 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 14.10.2016 (Market Sale) | -92590 | -0.90 | 0 | 0.00 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 9 | Naveen Kumar Kakani # | | | | |
| | At the beginning of the year | 92410 | 0.90 | 92410 | 0.90 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 27.05.2016 (Market Sale) | -2500 | -0.02 | 89910 | 0.87 |
| | 10.06.2016 (Market Sale) | -6000 | -0.06 | 83910 | 0.82 |
| | 30.06.2016 (Market Sale) | -4000 | -0.04 | 79910 | 0.78 |
| | 15.07.2016 (Market Sale) | -5000 | -0.05 | 74910 | 0.73 |
| | 29.07.2016 (Market Sale) | -12000 | -0.12 | 62910 | 0.61 |
| | 21.10.2016 (Market Sale) | -12000 | -0.12 | 50910 | 0.49 |
| | 28.10.2016 (Market Sale) | -4000 | -0.04 | 46910 | 0.46 |
| | 04.11.2016 (Market Sale) | -3000 | -0.03 | 43910 | 0.43 |
| | 16.12.2016 (Market Sale) | -834 | -0.01 | 43076 | 0.42 |
| | 03.02.2017 (Market Sale) | -718 | -0.01 | 42358 | 0.41 |
| | 10.02.2017 (Market Purchase) | 718 | 0.01 | 43076 | 0.42 |
| | At the end of the year | 43076 | 0.42 | 43076 | 0.42 |
| 10 | Dhanlakshmi Sridhar* | | | | |
| | At the beginning of the year | 397 | 0.00 | 397 | 0.00 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 08.04.2016 (Market Purchase) | 6007 | 0.06 | 6404 | 0.06 |
| | 15.04.2016 (Market Purchase) | 11444 | 0.11 | 11841 | 0.12 |
| | 22.04.2016 (Market Purchase) | 17651 | 0.17 | 29492 | 0.29 |
| | 29.04.2016 (Market Sale) | -45 | 0.00 | 29447 | 0.29 |
| | 13.05.2016 (Market Purchase) | 1200 | 0.01 | 30647 | 0.30 |
| | 20.05.2016 (Market Purchase) | 14529 | 0.14 | 45176 | 0.44 |
| | 27.05.2016 (Market Purchase) | 11205 | 0.11 | 56381 | 0.55 |
| | 03.06.2016 (Market Purchase) | 19994 | 0.19 | 76375 | 0.74 |
| | 10.06.2016 (Market Purchase) | 2911 | 0.03 | 79286 | 0.77 |
| | 17.06.2016 (Market Sale) | -19898 | -0.19 | 59388 | 0.58 |
| | 30.06.2016 (Market Purchase) | 1114 | 0.01 | 60502 | 0.59 |
| | 08.07.2016 (Market Purchase) | 17982 | 0.17 | 78484 | 0.76 |
| | 22.07.2016 (Market Purchase) | 12019 | 0.12 | 90503 | 0.88 |
| | 29.07.2016 (Market Purchase) | 7791 | 0.08 | 98294 | 0.96 |

ANNEXURE - I TO BOARD'S REPORT

| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|-----------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | 05.08.2016 (Market Purchase) | 17069 | 0.17 | 115363 | 1.12 |
| | 12.08.2016 (Market Sale) | -2950 | -0.03 | 112413 | 1.09 |
| | 26.08.2016 (Market Sale) | -3 | 0.00 | 112410 | 1.09 |
| | 09.09.2016 (Market Sale) | -755 | -0.01 | 111655 | 1.08 |
| | 16.09.2016 (Market Purchase) | 11884 | 0.12 | 123539 | 1.21 |
| | 14.10.2016 (Market Purchase) | 2758 | 0.03 | 116478 | 1.14 |
| | 21.10.2016 (Market Purchase) | 647 | 0.01 | 117125 | 1.15 |
| | 28.10.2016 (Market Purchase) | 14477 | 0.14 | 131602 | 1.29 |
| | 04.11.2016 (Market Sale) | -3259 | -0.03 | 128343 | 1.25 |
| | 25.11.2016 (Market Sale) | -2526 | -0.02 | 125817 | 1.23 |
| | 02.12.2016 (Market Sale) | -500 | 0.00 | 125317 | 1.22 |
| | 09.12.2016 (Market Sale) | -2000 | -0.02 | 123317 | 1.21 |
| | 16.12.2016 (Market Purchase) | 4061 | 0.04 | 127378 | 1.24 |
| | 23.12.2016 (Market Sale) | -2080 | -0.02 | 125298 | 1.22 |
| | 31.12.2016 (Market Sale) | -438 | 0.00 | 124860 | 1.22 |
| | 06.01.2017 (Market Purchase) | 337 | 0.00 | 125197 | 1.22 |
| | 13.01.2017 (Market Sale) | -2162 | -0.02 | 123035 | 1.20 |
| | 20.01.2017 (Market Purchase) | 882 | 0.01 | 123917 | 1.21 |
| | 27.01.2017 (Market Sale) | -2622 | -0.03 | 121295 | 1.19 |
| | 03.02.2017 (Market Sale) | -1087 | -0.01 | 120208 | 1.18 |
| | 10.02.2017 (Market Purchase) | 665 | 0.01 | 120873 | 1.18 |
| | 17.02.2017 (Market Sale) | -1568 | -0.02 | 119305 | 1.17 |
| | 03.03.2017 (Market Sale) | -2257 | -0.02 | 117048 | 1.14 |
| | 10.03.2017 (Market Sale) | -7310 | -0.07 | 109738 | 1.07 |
| | 17.03.2017 (Market Sale) | -6669 | -0.06 | 103069 | 1.01 |
| | 24.03.2017 (Market Sale) | -15196 | -0.15 | 87873 | 0.86 |
| | At the end of the year | 87873 | 0.85 | 87873 | 0.85 |
| 11 | Premkumar Radhakishan Garg# | | | | |
| | At the beginning of the year | 77920 | 0.76 | 77920 | 0.00 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 08.04.2016 (Market Purchase) | 500 | 0.00 | 78420 | 0.00 |
| | 29.04.2016 (Market Sale) | -1700 | -0.02 | 76720 | -0.01 |
| | 13.05.2016 (Market Sale) | -500 | 0.00 | 76220 | -0.02 |
| | 22.07.2016 (Market Sale) | -76220 | -0.74 | 0 | -0.76 |
| | At the end of the year | 0 | 0.00 | 0 | 0.00 |
| 12 | Baghban Trades Pvt. Ltd.* | | | | |
| | At the beginning of the year | 70870 | 0.69 | 70870 | 0.69 |
| | Increase/ Decrease in Share holding during the year | 0 | 0 | 0 | 0 |
| | At the end of the year | 70870 | 0.69 | 70870 | 0.69 |
| 13 | Super Jupiter Courier Private Ltd* | | | | |
| | At the beginning of the year | 62000 | 0.60 | 62000 | 0.60 |

ANNEXURE - I TO BOARD'S REPORT

| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|-----------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | Increase/ Decrease in Share holding during the year | 0 | 0 | 0 | 0 |
| | At the end of the year | 62000 | 0.60 | 62000 | 0.60 |
| 14 | Master Capital Services Ltd* | | | | |
| | At the beginning of the year | 10924 | 0.11 | 10924 | 0.11 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 08.04.2016 (Market Purchase) | 572 | 0.01 | 11496 | 0.11 |
| | 15.04.2016 (Market Sale) | -195 | 0.00 | 11301 | 0.10 |
| | 22.04.2016 (Market Sale) | -204 | 0.00 | 11097 | 0.10 |
| | 29.04.2016 (Market Purchases) | 1065 | 0.01 | 12162 | 0.12 |
| | 06.05.2016 (Market Sale) | -1045 | -0.01 | 11117 | 0.11 |
| | 13.05.2016 (Market Sale) | -510 | 0.00 | 10607 | 0.10 |
| | 20.05.2016 (Market Purchases) | 814 | 0.01 | 11421 | 0.11 |
| | 27.05.2016 (Market Purchases) | 754 | 0.01 | 12175 | 0.12 |
| | 03.06.2016 (Market Sale) | -252 | 0.00 | 11923 | 0.12 |
| | 10.06.2016 (Market Purchases) | 970 | 0.01 | 12893 | 0.13 |
| | 17.06.2016 (Market Purchases) | 61 | 0.00 | 12954 | 0.13 |
| | 24.06.2016 (Market Sale) | -1025 | -0.01 | 11929 | 0.12 |
| | 30.06.2017 (Market Purchases) | 1809 | 0.02 | 13738 | 0.13 |
| | 08.07.2016 (Market Purchases) | 192 | 0.00 | 13930 | 0.14 |
| | 15.07.2016 (Market Sale) | -158 | 0.00 | 13772 | 0.13 |
| | 22.07.2016 (Market Sale) | -32 | 0.00 | 13740 | 0.13 |
| | 29.07.2016 (Market Sale) | -44 | 0.00 | 13696 | 0.13 |
| | 05.08.2016 (Market Sale) | -96 | 0.00 | 13600 | 0.13 |
| | 12.08.2016 (Market Sale) | -161 | 0.00 | 13439 | 0.13 |
| | 19.08.2016 (Market Purchases) | 100 | 0.00 | 13539 | 0.13 |
| | 26.08.2016 (Market Purchases) | 500 | 0.00 | 14039 | 0.14 |
| | 02.09.2016 (Market Sale) | -2499 | -0.02 | 11540 | 0.11 |
| | 09.09.2016 (Market Purchases) | 38 | 0.00 | 11578 | 0.11 |
| | 16.09.2016 (Market Sale) | -36 | 0.00 | 11542 | 0.11 |
| | 17.09.2016 (Market Sale) | -25 | 0.00 | 11517 | 0.11 |
| | 23.09.2016 (Market Sale) | -15 | 0.00 | 11502 | 0.11 |
| | 30.09.2016 (Market Purchases) | 244 | 0.00 | 11746 | 0.11 |
| | 07.10.2016 (Market Sale) | -52 | 0.00 | 11694 | 0.11 |
| | 14.10.2016 (Market Sale) | -66 | 0.00 | 11628 | 0.11 |
| | 21.10.2016 (Market Purchases) | 30 | 0.00 | 11658 | 0.11 |
| | 28.10.2016 (Market Sale) | -215 | 0.00 | 11443 | 0.11 |
| | 04.11.2016 (Market Purchases) | 23148 | 0.22 | 34591 | 0.34 |
| | 11.11.2016 (Market Purchases) | 11960 | 0.12 | 46551 | 0.45 |
| | 18.11.2016 (Market Purchases) | 597 | 0.01 | 47148 | 0.46 |
| | 25.11.2016 (Market Purchases) | 822 | 0.01 | 47970 | 0.47 |
| | 02.12.2016 (Market Purchases) | 3311 | 0.03 | 51281 | 0.50 |

ANNEXURE - I TO BOARD'S REPORT

| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning of the year | | Cumulative Shareholdings during the year | |
|-----------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | 09.12.2016 (Market Purchases) | 4035 | 0.04 | 55316 | 0.54 |
| | 16.12.2016 (Market Purchases) | 250 | 0.00 | 55566 | 0.54 |
| | 23.12.2016 (Market Purchases) | 910 | 0.01 | 56476 | 0.55 |
| | 30.12.2016 (Market Sale) | -445 | 0.00 | 56031 | 0.54 |
| | 06.01.2017 (Market Purchases) | 92 | 0.00 | 56123 | 0.55 |
| | 13.01.2017 (Market Purchases) | 432 | 0.00 | 56555 | 0.55 |
| | 20.01.2017 (Market Purchases) | 688 | 0.01 | 57243 | 0.56 |
| | 27.01.2017 (Market Purchases) | 565 | 0.01 | 57808 | 0.56 |
| | 03.02.2017 (Market Sale) | -376 | 0.00 | 57432 | 0.56 |
| | 10.02.2017 (Market Purchases) | 1645 | 0.02 | 59077 | 0.57 |
| | 17.02.2017 (Market Purchases) | 140 | 0.00 | 59217 | 0.58 |
| | 24.02.2017 (Market Purchases) | 276 | 0.00 | 59493 | 0.58 |
| | 03.03.2017 (Market Purchases) | 682 | 0.01 | 60175 | 0.58 |
| | 10.03.2017 (Market Sale) | -1560 | -0.02 | 58615 | 0.57 |
| | 17.03.2017 (Market Purchases) | 1162 | 0.01 | 59777 | 0.59 |
| | 24.03.2017 (Market Purchases) | 393 | 0.00 | 60170 | 0.59 |
| | 31.03.2017 (Market Sale) | -378 | 0.00 | 59792 | 0.59 |
| | At the end of the year | 59792 | 0.58 | 59792 | 0.58 |
| 15 | Shanthi General Finance Pvt. Ltd. | | | | |
| | At the beginning of the year | 103390 | 1.00 | 103390 | 1.00 |
| | Increase/ Decrease in Share holding during the year | | | | |
| | 10.06.2016 (Market Sale) | -1800 | -0.02 | 101590 | 0.99 |
| | 29.07.2016 (Market Sale) | -1800 | -0.02 | 99790 | 0.97 |
| | 14.10.2016 (Market Sale) | -2967 | -0.03 | 96823 | 0.94 |
| | 21/10/2016 (Market Sale) | -15345 | -0.15 | 81478 | 0.79 |
| | 28/10/2016 (Market Sale) | -2778 | -0.03 | 78700 | 0.76 |
| | 04.11.2016 (Market Sale) | -4298 | -0.04 | 74402 | 0.72 |
| | 18.11.2016 (Market Sale) | -2802 | -0.03 | 71600 | 0.70 |
| | 04.12.2016 (Market Sale) | -1233 | -0.01 | 70367 | 0.68 |
| | 16.12.2016 (Market Sale) | -5367 | -0.05 | 65000 | 0.63 |
| | 06.01.2017 (Market Sale) | -945 | -0.01 | 64055 | 0.62 |
| | 03.02.2017 (Market Sale) | -4000 | -0.04 | 60055 | 0.58 |
| | 17.03.2017 (Market Sale) | -555 | -0.01 | 59500 | 0.58 |
| | 31.03.2017 (Market Sale) | -4258 | -0.04 | 55242 | 0.54 |
| | At the end of the year | 55242 | 0.54 | 55242 | 0.54 |

* Not in the list of the Top 10 shareholders as on 01.04.2016. The same has been reflected above since the shareholders were one of the Top 10 shareholders as on 31.03.2017.

Ceased to be in the list of Top 10 Shareholders as on 31.03.2017. The same is reflected above since the shareholders were one of the Top 10 Shareholders as on 01.04.2016.

ANNEXURE - I TO BOARD'S REPORT

v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For each of the Top 10 Shareholders | Shareholdings at the beginning (01-04-2016) / end of the year (31-03-2017) | | Cumulative Shareholdings during the year | |
|----------|---|--|---------------|--|----------------------------------|
| | | No. of Shares | No. of Shares | No. of Shares | % of total shares of the Company |
| 1 | Arun Churiwal-Director | | | | |
| | At the beginning of the year | 1076916 | 10.46% | 1076916 | 10.46% |
| | Increase/ Decrease in Share holding during the year | 0 | 0.00% | 0 | 0.00% |
| | At the end of the year | 1076916 | 10.46% | 1076916 | 10.46% |
| 2 | Nivedan Churiwal-Director | | | | |
| | At the beginning of the year | 661071 | 6.42% | 661071 | 6.42% |
| | Increase/ Decrease in Share holding during the year | 0 | 0.00% | 0 | 0.00% |
| | At the end of the year | 661071 | 6.42% | 661071 | 6.42% |
| 3 | Ravi Jhunjunwala-Director | | | | |
| | At the beginning of the year | 84236 | 0.82% | 84236 | 0.82% |
| | Increase/ Decrease in Share holding during the year | 0 | 0.00% | 0 | 0.00% |
| | At the end of the year | 84236 | 0.82% | 84236 | 0.82% |
| 4 | Sushil Jhunjunwala- Director | | | | |
| | At the beginning of the year | 20000 | 0.19% | 20000 | 0.19% |
| | Increase/ Decrease in Share holding during the year | 0 | 0.00% | 0 | 0.00% |
| | At the end of the year | 20000 | 0.19% | 20000 | 0.19% |
| 5 | Praveen Jain- KMP | | | | |
| | At the beginning of the year | 5 | 0.00% | 5 | 0.00% |
| | Increase/ Decrease in Share holding during the year | 0 | 0.00% | 0 | 0.00% |
| | At the end of the year | 5 | 0.00% | 5 | 0.00% |

V. INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 6393.73 | - | - | 6393.73 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i +ii +iii) | 6393.73 | - | - | 6393.73 |
| Change in Indebtedness during the financial year | | | | |
| i. Addition | 1904.63 | - | - | 1904.63 |
| ii. Reduction | 2086.05 | - | - | 2086.05 |
| Net Change | -181.42 | - | - | -181.42 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 6212.31 | - | - | 6212.31 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i +ii +iii) | 6212.31 | - | - | 6212.31 |

ANNEXURE - I TO BOARD'S REPORT

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

(₹ In Lacs)

| Sl. No. | Particulars of Remuneration | Name of MD/ WTD/ Manager | | Total Amount |
|---------|---|--|---|---------------|
| | | Arun Churiwal Chairman & Managing Director | Nivedan Churiwal Jt. Managing Director | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 87.63 | 66.51 | 154.14 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 7.36 | 5.58 | 12.94 |
| | (c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | * as % of profit | 12.21 | 12.21 | 24.42 |
| | * others, specify | - | - | - |
| 5 | others, please specify | - | - | - |
| | Total (A) | 107.20 | 84.30 | 191.50 |
| | Ceiling as per the Act | As per Schedule V of the Companies Act, 2013 | | |

B. Remuneration to others directors:

(₹ In Lacs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|---|---|--------------------|--------------|------------------|---------------|
| 1 | Independent Directors | Amar Nath Choudhary | Sushil Jhunjunwala | G.P. Singhal | Abhilasha Mimani | |
| | * Fee for attending Board, Committee meetings | 2.50 | 1.10 | 1.10 | 0.90 | 5.60 |
| | * Commission | - | - | - | - | - |
| | * Others, please specify | - | - | - | - | - |
| | Total (1) | 2.50 | 1.10 | 1.10 | 0.90 | 5.60 |
| 2 | Other Non- Executive Directors | Ravi Jhunjunwala | Shekhar Agarwal | | | |
| | * Fee for attending Board, Committee meetings | 0.60 | 0.60 | | | 1.20 |
| | * Commission | - | - | | | - |
| | * Others, please specify | - | - | | | - |
| | Total (2) | 0.60 | 0.60 | | | 1.20 |
| | Total (B)= (1+2) | | | | | 6.80 |
| | Total Managerial Remuneration (A+B) | | | | | 198.30 |
| | Overall Ceiling as per the Act | In term of the provisions of the Companies Act, 2013 the remuneration payable to directors other than executive directors shall not exceed 1% of the net profit of the Company. The remuneration paid to the directors is well within the said limit. | | | | |

ANNEXURE - I TO BOARD'S REPORT

C. Remuneration to key Managerial Personnel other than MD/ Manager/ WTD

(₹ In Lacs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | Total Amount |
|---------|--|--------------------------|---|--------------|
| | | CEO | Praveen Jain CFO & Company Secretary | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961 | - | 35.71 | 35.71 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 3.20 | 3.20 |
| | (c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | |
| | * as % of profit | - | - | - |
| | * others, specify | - | - | - |
| 5 | others, please specify | | | |
| | Total | - | 38.91 | 38.91 |

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Sl. No. | Type | Section of the Companies Act, 2013 | Brief Description | Details of penalty/ punishment/ compounding fee imposed | Authority [RD / NCLT / Court] | Appeal made, if any (give Details) |
|-----------|----------------------------------|------------------------------------|-------------------|---|--------------------------------|------------------------------------|
| A. | Company | | | | | |
| | Penalty | | | NIL | | |
| | Punishment | | | | | |
| | Compounding | | | | | |
| B. | Directors | | | | | |
| | Penalty | | | NIL | | |
| | Punishment | | | | | |
| | Compounding | | | | | |
| C. | Other Officers in Default | | | | | |
| | Penalty | | | NIL | | |
| | Punishment | | | | | |
| | Compounding | | | | | |

ANNEXURE II TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

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

To,
The Members,
BSL Ltd.
Bhilwara.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BSL Ltd.** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As informed, no other sector specific law is applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Limited.

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

The Company has incurred a total expenditure of Rupees 11.68 Lacs Only towards Corporate Social Responsibility activities. We further report that on the basis of the information available



ANNEXURE II TO BOARD'S REPORT

with us the requisite disclosure pertaining to Corporate Social Responsibility is being made in the Directors' Report of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has undertaken the following events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. which in our opinion have a major bearing on the Company's affairs :

- i. Members consent by way of Ordinary Resolution to authorize the Board of Directors of the Company to enter into related party transactions during the year 2016-17 pursuant to section 188 of the Act and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

**For V.M. & Associates
Company Secretaries**

**CS Manoj Maheshwari
Partner
FCS3355
C P No. : 1971**

Place: Jaipur

Date: May 12, 2017

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A'

To,
The Members
BSL Ltd.
Bhilwara.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, etc.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For V.M. & Associates
Company Secretaries**

**CS Manoj Maheshwari
Partner
FCS3355
C P No. : 1971**

Place: Jaipur

Date: May 12, 2017

ANNEXURE - III TO BOARD'S REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given here below and forms part of the Board Report.

A. Conservation of Energy

Energy conservation dictates how efficiently a Company can conduct its operations. BSL has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices. In line with the Company commitment towards becoming an environment friendly organisation, all divisions continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices.

The details of Conservation of Energy during the year are as under:

| | (₹ In lac) | |
|--|------------|---------|
| | 2016-17 | 2015-16 |
| A) POWER & FUEL CONSUMPTION | | |
| 1) Electricity | | |
| a) Purchased | | |
| Units (Lac) | 381.58 | 404.21 |
| Total Amount (Lac ₹) | 2234.19 | 2029.30 |
| Rate/Unit | 5.86 | 5.02 |
| b) Own Generation | | |
| (i) Through Wind Plant | | |
| Units(Lac) | 23.64 | 18.98 |
| Total Amount (Lac ₹) | 168.87 | 130.75 |
| Cost/Unit | 7.14 | 6.89 |
| (ii) Through Diesel Generator | | |
| Units (Lac) | 0.41 | 0.71 |
| Units per litre of Diesel oil | 2.45 | 2.76 |
| Cost/Unit | 22.79 | 19.53 |
| 2) Coal | | |
| Quantity (MT) | 8152 | 7562 |
| Total Amount (Lac ₹) | 670.99 | 536.58 |
| Average Rate (₹/MT) | 8230.98 | 7095.41 |
| 3) Other/Integral Generation | - | - |
| B) CONSUMPTION PER UNIT OF PRODUCTION | | |
| A. Weaving:- | | |
| Electricity Unit per Mtr. | | |
| - Weaving | 0.50 | 0.61 |
| - Others | 0.07 | 0.04 |
| | 0.57 | 0.65 |
| B. Spinning:- | | |
| Electricity Unit per Kg. | 4.57 | 4.41 |
| C. Processing:- | | |
| i) Electric Unit | | |
| - Per Mtr. Of Fabric | 0.25 | 0.24 |
| - Per Kg. of Top, Fibre & Yarn Dyeing | 0.53 | 0.57 |
| ii) Coal | | |
| - Per Mtr. Of Fabric | 0.26 | 0.25 |
| - Per Kg. of Top, Fibre & Yarn Dyeing | 0.42 | 0.39 |

(i) The step taken or impact on conservation of energy:

- Total energy saved in Year 2016-17 due to energy conservation steps is 1.5 Lacs Units.
- The impact of these energy conservation measures will be around 2.22 Lacs Units in the year 2017-18.

(ii) The steps taken by the Company for utilizing alternate source of energy:

- We are going to install 4.3 MW solar roof Top Power System in the Year 17-18. Around 64 Lacs power units will be generated and consumed from this system.

(iii) The Capital investment on energy conservation equipments:

- Total Capital Investment on Energy Conservation measures is around 17.00 Lacs for year 2016-17.

ANNEXURE - III TO BOARD'S REPORT

B. Technology absorption

BSL focuses on new products, processes and catalyst development to support existing business and create breakthrough technologies for new businesses.

(i) The efforts made by the Company towards technology absorption during the year under review are:

- Optimization of compressor loading-unloading settings of working compressors of spinning plant.
- Installation of 22 KW inverter on 4 nos TFO of New Worsted Spinning.
- Reduction in the units of Compressor by arresting air leakages on Autoconers & worsted prep.
- Using Same H Plant for addition of new B/Room due to which 10000 CFM Air Cooler power is saved.
- 40 New LED surface down light are installed in offices and SQC for power saving.
- Installation of one valve for preventing wastage of air when Picanol machine stopped and controlled it automatically on 16 machines.
- LED tube lights of ceiling stopped and put on machines. Total 102 LED tubes against 248 tubes.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Around 0.42 Lakh unit saved and operational cost reduced by Optimizing the compressor.
- Around 0.32 Lakh unit saved. Also frequent pulley changing work eliminated and in turn maintenance cost reduced.
- Around 0.63 Lakh unit saved and working of compressors reduced. In turn maintenance cost reduced.
- Around 0.05 Lakh unit saved by Using Same H Plant for addition of new B/Room.
- Around 0.015 Lakh unit saved by installing 40 New LED surface down light.
- Working of weaving compressors reduced. Around 0.15 Lakh unit saved and also maintenance cost reduced by installing one valve for preventing wastage of air.
- Around 0.15 Lakh unit saved by putting LED tube lights on machines

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

(iv) The expenditure incurred on Research and development

- The Company has incurred an expenditure of ₹ 275.80 Lacs towards Research and Development.

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

| | 2016-17 | 2015-16 | 2014-15 |
|--|---------|---------|------------|
| | | | (₹ In lac) |
| Capital | 0.00 | 0.00 | 15.16 |
| Recurring | 275.80 | 292.25 | 232.12 |
| Total Expenditure as % of total turnover | 0.62 | 0.77 | 0.65 |

C. Foreign exchange earnings and outgo

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

| | 2016-17 | 2015-16 |
|---------------|----------|----------|
| Earning | 19337.30 | 19237.52 |
| Outgo : | | |
| (Revenue A/c) | 4353.98 | 3215.72 |
| (Capital A/c) | 928.67 | 5282.65 |
| | | 1339.61 |
| | | 4555.33 |

ANNEXURE IV TO BOARD'S REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

I. Details of contracts or arrangements or transactions not at arm's length basis:

There were no Contracts or arrangements or transactions entered into during the year ended 31st March, 2017, which were not at arm's length basis.

II. Details of contracts or arrangements or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2017 are as follow:

| Name of party | Nature of Relationship | Duration of Contract | Nature of Transactions | Amount (₹ in Lacs) |
|------------------------|---|---|---|-----------------------|
| RSWM Ltd. | Related party in terms of Section 2(76)(v) of Companies Act, 2013 | Yearly basis (i.e. for financial year 2016-17 from 1 st April, 2016 to 31 st March, 2017) | Purchase/ Sale of Raw Material and finished goods | 7000 .00 |
| | | | Job work charges receivables | 50.00 |
| | | | Job work/ Service charges payable | 2000.00 |
| | | | Rent Payable | 20.00 |
| | | | Repair and Maintenance Exp. Receivable | 15.00 |
| | | | Interest Payable | 25.00 |
| Raghav Commercial Ltd. | Related party in terms of Section 2(76)(v) of Companies Act, 2013 | 1.03.2014 to 28.02.2017 | Rent Payable | 5.00 |
| HEG Ltd. | Related party in terms of Section 2(76)(v) | Yearly basis (i.e. for financial year 2016-17 from 1 st April, 2016 to 31 st March, 2017) | Sales of Finished Goods | 6.00 |
| | | | Rent Payable | 15.00 |
| BMD Pvt. Ltd | Related party in terms of Section 2(76)(iv) | Yearly basis (i.e. for financial year 2016-17 from 1 st April, 2016 to 31 st March, 2017) | Sale/ Purchase of Material Goods | 10.00 |
| Maral Overseas Limited | Related party in terms of Section 2 (76) (v) | Yearly basis (i.e. for financial year 2016-17 from 1 st April, 2016 to 31 st March, 2017) | Purchase of Material | 10.00 |
| | | | Sales of Material | 15.00 |
| | | | Revenue Expenditure Receivable | 3.00 |
| | | | Revenue Expenditure Payable | 1.00 |

- On 1st February, 2016, the Board of Directors of the Company approved the said transaction in its Meeting.
- On 24th September, 2016, Ordinary resolution was passed in Annual General Meeting of the Company as required as per Section 188 of the Companies Act, 2013.

For and on behalf of the Board

(ARUN CHURIWAL)

CHAIRMAN & MANAGING DIRECTOR

DIN: 00001718

Place : Noida (U.P.)

Date : 12th May, 2017

ANNEXURE V TO BOARD'S REPORT

NOMINATION AND REMUNERATION POLICY

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Regulations & Disclosures Requirement) Regulations, 2015 (hereafter refer as Listing Regulations), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Directors out of which two are Independent Director as required under Listing Regulations. This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Regulations & Disclosures Requirement) Regulations, 2015.

II. OBJECTIVE

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

III. DEFINITIONS

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means

- (i) Chief Executive Officer or the Managing Director or the Manager,
- (ii) Company Secretary,
- (iii) Whole-time Director,
- (iv) Chief Financial Officer and
- (v) Such other officer as may be prescribed.

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

"Senior Management" mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

V. GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of every Director's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration

ANNEXURE V TO BOARD'S REPORT

to performance is clear and meets appropriate performance benchmarks.

- h) To devise a policy on Board diversity.
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

VII. MEMBERSHIP

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

VIII. CHAIRMAN

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

IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

X. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

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

XI. VOTING

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

XII. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

XIII. APPOINTMENT OF DIRECTORS, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

XIV. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT:

Remuneration of Directors, Key managerial Personnel and Senior Management:

The salary of Directors, KMP and other senior official's shall be based and determined on the individual person's responsibilities and performance and accordance with the limits as prescribed statutorily, if any.

1. Fixed pay:

Managerial Person, KMP and senior management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies act, 2013, and the rules made there under for the time being in force. The salary paid must be competitive and reflective of the individual's role, responsibility and experienced in relation to

ANNEXURE V TO BOARD'S REPORT

performance of day to day activities, usually reviewed on an annual basis.

2. Minimum Remuneration:

If, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay remuneration to its managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if is not able to comply with such provision, with the prior approval of the Central Government.

3. Provision for excess remuneration:

If any managerial Person draws or receives directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4. Increment:

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

Remuneration to Non-Executive / Independent Director:

1. Remuneration / Commission:

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

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration/ Commission:

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Other Provisions:

- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including Managing Director and Whole Time Director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in section 198 in the manner as prescribed under the Act.
- The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of Schedule V.
- The Company may with the approval of the Shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone managing Director/ Whole Time Director/ manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Directors upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in manner referred to in Section 198 of the Companies Act, 2013.
- The Independent Directors shall not be entitled to any stock option.

XV. EVALUATION/ ASSESSMENT OF DIRECTORS/ KMPs/ SENIOR OFFICIALS OF THE COMPANY:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly). The broad evaluation criteria shall be as under:

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to fulfil the requirements of the Listing Agreement.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- Leadership & stewardship abilities
- contributing to clearly define corporate objectives & plans

ANNEXURE V TO BOARD'S REPORT

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

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

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

XVI. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

XVII. DEVIATIONS FROM THIS POLICY

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

ANNEXURE VI TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

| S No. | Particulars | Remarks | |
|-------|---|--|-------------|
| 1. | A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programmes | <p>Corporate Social Responsibility (CSR) refers to an organization's commitment to operating in an ethical way that takes into account profit, people and planet, thus integrating economic, social and environmental imperatives into their activities.</p> <p>The Company has viewed CSR activities as an integral part of its corporate objectives, fully aligned with the overall business goals. The company has been associated with active participation in creating value to its different stakeholders through various social, cultural and economic developments projects in the region.</p> <p>The Company has committed to undertake construction of toilets in ten Government Schools situated at Bhilwara district and nearby villages of its Plant under "Swachh Bharat Abhiyan" for providing better education facilities to the students of the Schools and to the peoples residing in those villages.</p> <p>The details are also provided in the CSR Policy which is available on the website of the Company i.e. http://www.bslltd.com</p> | |
| 2. | Composition of CSR Committee | Shri Arun Churiwal- Chairman Shri Amar Nath Choudhary- Member Shri Nivedan Churiwal- Member | |
| 3. | Average Net Profit for last 3 financial years | ₹ 676.50 Lacs <i>(Net profit calculated as per Sec. 198 of Companies Act, 2013)</i> | |
| 4. | Prescribed CSR expenditure (2% of the amount as in item 3 above) | ₹ 13.53Lacs | |
| 5. | Details of CSR spent during the financial year | | |
| | A. | Total amount to be spend for the financial year | ₹ 14.00Lacs |
| | B. | Amount unspent, if any; | ₹ 02.32Lacs |
| | C. | Manner in which the amount spent during the financial year is given in CSR spent table. | |
| 6. | In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Director Report | The Committee, in its meeting held on 11 th May, 2016, has passed CSR expenditure of Rs. 14.00 Lacs for project of construction of Toilets in Schools in Bhilwara, Rajasthan but it was unable to identify suitable projects at Bhilwara, Rajasthan. So with the permission of Chairman of CSR Committee Rs. 11.68 Lacs has spent in Tanturi, Purulia, West Bengal. However, the Company has been committed to be spent the remaining amount of ₹ 3.00 Lacs as Contribution to Mukhya Mantri Jal Swavlamban Yojana. The Company has already engaged with State Government for such project. The same expenditure will be incurred upto August, 2017. | |

ANNEXURE VI TO BOARD'S REPORT

Manner in which the amount spent during the financial year is detailed as follow:

| S No. | CSR project/ activity identified | Sector in which the project is covered | Projects/ programmes 1. Local area/ others 2. State/ district (Name of the District/s, State/s, where project/ programme was undertaken) | Amount outlay (budget) project/ programme-wise | Amount spent on the projects/ programme Sub-head: 1. Direct Expenditure on project/ programme 2. Overheads | Cumulative spend upto the reporting period | Amount spent: Direct/ through implementing agency |
|-------|---|--|---|--|--|--|---|
| 1. | Construction of Toilets in schools (promoting preventive health care and sanitation contribution to Swach Bharat Abhiyan) | Education | Tunturi, Purulia, West Bengal | ₹11.00 Lacs | ₹11.68Lacs | ₹11.68Lacs | Direct |
| 2. | Contribution to Mukhya Mantri Jal Swavlamban Yojana | Contribution to Government Fund | Bhilwara, Rajasthan | ₹ 3.00Lacs | NIL | NIL | State Government |

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Place : Noida (U.P.)
Date : 12th May, 2017

(ARUN CHURIWAL)
CHAIRMAN & MANAGING DIRECTOR
CHAIRMAN-CSR COMMITTEE
DIN: 00001718

ANNEXURE VII TO BOARD'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of Chairman & Managing Director, Joint Managing Director and CFO & Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| S No. | Name of Director/KMP and Designation | Remuneration of Director/ KMP (₹ in Lacs) in the Year 2016-17 | % increase in Remuneration in the Year 2016-17 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company |
|-------|--|---|--|---|---|
| 1. | Shri Arun Churiwal Chairman & Managing Director | 107.20 Lac | 91.19% | 34.36 | Profit Before Tax decreased by 22.41% and Profit After Tax decreased by 22.46% in financial year 2016-17. |
| 2. | Shri Nivedan Churiwal Jt. Managing Director | 84.31 Lac | 78.93% | 27.02 | |
| 3. | Shri Praveen Jain CFO & Company Secretary | 38.91 Lac | 10.85% | Not Applicable | |

- The Company pays remuneration only to Executive Directors. The Company does not pay any remuneration to its Non-Executive Directors. The Non-Executive Directors of the Company only received sitting fees for attending the meetings of the Board and Committees thereof.
- ii. The median remuneration of the employees of the Company during the financial year was ₹ 0.26 Lacs per month. (₹ 0.24 Lacs per month in 2015-16)
- iii. In financial year, there was an increase of 9.62% in the median remuneration of employees. (10.67% in 2015-16)
- iv. There were 492 permanent employees (staff) on the rolls of Company as on 31st March, 2017.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2016-17 was 9.63% whereas the increase in the managerial remuneration for the same financial year was 85.59%.
- vi. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE VIII TO BOARD'S REPORT

Details of the top ten employees in terms of remuneration drawn and name of every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Details of the top ten employees in terms of remuneration drawn and name of every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

| S No. | Name of Employee | Designation | Remuneration per annum (Rs.) | Nature of Employment | Qualifications | Experience | Date of Commencement of employment | Age | Detail of last employment held before joining the Company |
|-------|-----------------------|------------------------------|------------------------------|----------------------|----------------------|------------|------------------------------------|----------|--|
| 1 | Shri Arun Churiwal | Chairman & Managing Director | 107.20 Lacs | Full time Employment | B.A. (Hons) | 36 Years | 04/11/1977 | 67 Years | BSL Limited, Bhilwara (Raj.) |
| 2 | Shri Nivedan Churiwal | Jt. Managing Director | 84.31 Lacs | Full time Employment | B.Com | 19 Years | 26/07/1997 | 42 Years | BSL Limited, Bhilwara (Raj.) |
| 3 | Shri J. C. Soni | Business Head | 126.21Lacs | Full time Employment | Chartered Accountant | 38 years | 30 th April, 2010 | 64 Years | President Jay Shree Textiles (A Unit of Aditya Birla Nuvo Ltd.) Rishra, Kolkata West Bengal |
| 4 | Shri A.K. Mehta | VP (Processing) | 43.11 Lacs | Full time Employment | B.Tech | 31 Years | 25/07/1985 | 55 Years | BSL Limited, Bhilwara (Raj.) |
| 5 | Shri M.C. Maheshwari | VP (Export) | 39.48 Lacs | Full time Employment | M.A. | 37 Years | 23/04/1979 | 59 Years | BSL Limited, Bhilwara (Raj.) |
| 6 | Shri Praveen Jain | CFO & Company Secretary | 38.91 Lacs | Full time Employment | FCA, FCS, FCMA | 29 Years | 01/08/1987 | 51 Years | BSL Limited, Bhilwara (Raj.) |
| 7 | Shri M.S. Khiria | Sr. GM (Export) | 34.54 Lacs | Full time Employment | MBA | 27 Years | 01/08/1989 | 51 Years | Modern Threads (I) Limited, Bhilwara (Raj.) |
| 8 | Shri R. K. Katyal | VP (Weaving) | 29.27 Lacs | Full time Employment | Dipl. in Textile | 37 Years | 23/05/2013 | 58 Years | Proprietor of S.D. Enterprises, Bhilwara (Raj.) |
| 9 | Shri S. Sengupta | VP (Spinning) | 28.73 Lacs | Full time Employment | B.Tech | 21 Years | 19/04/1995 | 56 Years | Jayshree Textiles, Rishra (West Bengal) |
| 10 | Shri H. P. Mathur | AVP (IR & HR) | 25.47 Lacs | Full time Employment | MSW | 38 Years | 01/10/2011 | 60 Years | Rajasthan Textiles Mills, Bhawani Mandi (Raj.) |

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

BSL not only adheres to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, but also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management and fulfillment of stated goals and objectives.

2. Board of Directors

The Board of Directors of the Company as on 31st March 2017 comprise of Eight Directors out of which Six are Non-Executive. The Chairman & Managing Director and Jt. Managing 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 11th May, 2016, 11th August, 2016, 7th November, 2016 and 9th February, 2017. The last AGM was held on 24th September, 2016. Details of Attendance during 2016-2017 and other particulars are as given below:-

| S. No. | Name | Title | Category | Directorship in Other Companies | | | No. of Board meetings for 2016-2017 | | Whether Attended Last AGM |
|--------|--|------------------------------|---------------------------|---------------------------------|--------------------|--------|-------------------------------------|----------|---------------------------|
| | | | | Member of Board * | Board Committees # | | Total Held | Attended | |
| | | | | | Chairman | Member | | | |
| 1. | Shri Arun Churiwal (DIN0001718) | Chairman & Managing Director | Promoter - Executive | 3 | - | 2 | 4 | 4 | No |
| 2. | Shri Nivedan Churiwal (DIN0001749) | Executive Director | Promoter Executive | - | - | - | 4 | 4 | Yes |
| 3. | Shri Ravi Jhunjhunwala (DIN00060972) | Director | Promoter - Non Executive | 8 | 1 | 2 | 4 | 2 | No |
| 4. | Shri Shekhar Agarwal (DIN00066113) | Director | Promoter - Non Executive | 5 | - | 3 | 4 | 2 | No |
| 5. | Shri Sushil Jhunjhunwala (DIN00082461) | Director | Independent Non-executive | 3 | - | 1 | 4 | 2 | No |
| 6. | Shri Amar Nath Choudhary (DIN00587814) | Director | Independent Non Executive | 2 | - | 1 | 4 | 4 | No |
| 7. | Shri G. P. Singhal (DIN00331849) | Director | Independent Non Executive | - | - | - | 4 | 3 | Yes |
| 8. | Mrs. Abhilasha Mimani (DIN06932590) | Director | Independent Non Executive | - | - | - | 4 | 4 | No |

Notes: * Excludes Directorship in Private Limited Companies, Foreign Companies, memberships of management committees of various chambers, bodies and Section 8 Companies.

Includes Audit and Stakeholders' Relationship Committees only.

REPORT ON CORPORATE GOVERNANCE

Shareholding of Non-Executive Directors:

Equity Shares held by Non-Executive Directors as on 31st March, 2017:

| Name of Director | Category | Number of Equity Share held |
|--------------------------|-----------------------------|-----------------------------|
| Shri Ravi Jhunjunwala | Promoter – Non Executive | 84236 |
| Shri Shekhar Agarwal | Promoter - Non Executive | – |
| Shri Sushil Jhunjunwala | Independent- Non-executive | 20000 |
| Shri Amar Nath Choudhary | Independent - Non Executive | – |
| Shri G. P. Singhal | Independent- Non Executive | – |
| Mrs. Abhilasha Mimani | Independent -Non Executive | – |

None of the Directors holds Convertible Debentures as on 31st March, 2017.

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 as on 31st March 2017, all of whom are non-executive and majority of them are independent directors. Shri Amar Nath Choudhary is its Chairman. The Audit Committee comprises of following directors:

1. Shri Amar Nath Choudhary, Chairman
2. Shri Shekhar Agarwal, Member
3. Shri Sushil Jhunjunwala, Member
4. Shri G.P. Singhal, Member

The broad terms of reference of Audit Committee are in accordance with the prescribed guidelines, as set out in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, four meetings of the Audit Committee were held, the dates being 11th May, 2016, 11th August, 2016, 7th November, 2016 and 9th February, 2017.

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

| S No. | Name | No. of Audit Committee Meetings attended |
|-------|--------------------------|--|
| 1. | Shri Amar Nath Choudhary | 4 |
| 2. | Shri Shekhar Agarwal | 1 |
| 3. | Shri Sushil Jhunjunwala | 2 |
| 4. | Shri G. P. Singhal | 3 |

The Company Secretary acts as the Secretary to the committee.

BSL has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management Discussion and Analysis of the financial condition and results of operations of the Company.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.

REPORT ON CORPORATE GOVERNANCE

- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital among others), as part of the quarterly declaration of financial results whenever applicable.

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

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

4. Nomination & Remuneration Committee

The Remuneration Committee of the Board of Directors has been constituted in accordance with the section 178 of Companies Act, 2013 and prescribed guidelines. The Committee comprises of Four Directors as on 31st March 2017, three of whom are Non-Executive and independent and one is Non-Executive and Promoter. The Remuneration Committee comprises of following Directors:-

- Shri Sushil Jhunjhunwala, Chairman
- Shri Amar Nath Choudhary, Member
- Shri Shekhar Agarwal, Member
- Shri G.P. Singhal, Member

The Committee met three times during the year. The Meeting of Committee was held on 11th May, 2016, 11th August, 2016, and 9th February, 2017 during the year. The Attendance of the members is as follow:

| S No. | Name of the Director | No. of Meeting attended |
|-------|------------------------------------|-------------------------|
| 1. | Shri Sushil Jhunjhunwala, Chairman | 2 |
| 2. | Shri Amar Nath Choudhary, Member | 3 |
| 3. | Shri Shekhar Agarwal, Member | 1 |
| 4. | Shri G.P. Singhal, Member | 1 |

The Company pays remuneration only to Executive Directors. The Company does not pay any remuneration by way of salary, benefits, stock options, bonus, pensions etc. to its Non-Executive Directors, apart from sitting fees to them for attending the Meetings of the Board or any Committee thereof.

Remuneration paid to Whole time Directors during 2016-2017:-

(₹ In lac)

| S No. | Name of Executive | Salary | Perquisites, Allowances & Retiral Benefits | Total |
|-------|--|--------|--|--------|
| 1. | Shri Arun Churiwal Chairman & Managing Director Service Contract – 1 st September, 2012 to 31 st August, 2017 | 49.05 | 58.15 | 107.20 |
| 2. | Shri Nivedan Churiwal Joint Managing Director Service Contract – 26 th July, 2012 to 25 th July, 2017 | 37.23 | 47.08 | 84.31 |

REPORT ON CORPORATE GOVERNANCE

Both the Executive Directors are being paid commission as 1% of net profit, computed as per section 198 of the Companies Act, 2013. The notice period and severance fee of Executive Directors are nil as per their service contract.

Remuneration paid to Non-Executive Directors during 2016-2017:-

(₹ In lac)

| S No. | Non-Executive Directors | Share Transfer Committee | Board fees | Committee fees | Total |
|-------|--------------------------|--------------------------|------------|----------------|-------|
| 1. | Shri Ravi Jhunjunwala | - | 0.40 | 0.20 | 0.60 |
| 2. | Shri Shekhar Agarwal | - | 0.40 | 0.20 | 0.60 |
| 3. | Shri Amar Nath Choudhary | 0.40 | 0.80 | 1.30 | 2.50 |
| 4. | Shri Sushil Jhunjunwala | 0.20 | 0.40 | 0.50 | 1.10 |
| 5. | Shri G. P. Singhal | - | 0.60 | 0.50 | 1.10 |
| 6. | Mrs. Abhilasha Mimani | - | 0.80 | 0.10 | 0.90 |

There are no stock option plans of the Company and none of the Directors have been issued any stock options during year 2016-17.

The Nomination and Remuneration Committee formulated the 'Nomination and Remuneration Policy' of the Company. The Policy reflects on certain guiding principles of the Company such as the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully, Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to Directors, Key Managerial Personnel and Senior Management involves a pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. It also lay down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors. The same are annexed with the Board Report.

5. Stakeholders Relationship Committee

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

The Stakeholders Relationship Committee has following members:-

1. Shri Amar Nath Choudhary, Chairman
2. Shri Arun Churiwal, Member
3. Shri Ravi Jhunjunwala, Member
4. Shri Nivedan Churiwal, Member

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 11th May, 2016, 11th August, 2016, 7th November, 2016 and 9th February, 2017.

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

| S No. | Name of the Director | No. of Meeting attended |
|-------|------------------------------------|-------------------------|
| 1. | Shri Amar Nath Choudhary, Chairman | 4 |
| 2. | Shri Ravi Jhunjunwala, Member | 2 |
| 3. | Shri Arun Churiwal, Member | 4 |
| 4. | Shri Nivedan Churiwal, Member | 2 |

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

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Director Member

- Shri Arun Churiwal, Chairman
- Shri Nivedan Churiwal, Member
- Shri Sushil Jhunjunwala, Member
- Shri Amar Nath Choudhary, Member

Non Director Member

- Shri Praveen Jain, Company Secretary as Member

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 16 times during the year. The Meetings were held on 11.05.2016, 31.05.2015, 18.06.2015, 30.06.2015, 26.07.2016, 11.08.2016, 17.09.2016, 30.09.2016, 07.11.2016, 30.11.2016, 31.12.2016, 09.02.2017, 11.03.2017, 31.03.2017.

The No. of Meetings attended by each of the members is as under:-

| S No. | Name of the Member | No. of Meeting attended |
|-------|----------------------------------|-------------------------|
| 1. | Shri Arun Churiwal, Chairman | 14 |
| 2. | Shri Nivedan Churiwal, Member | 14 |
| 3. | Shri Sushil Jhunjunwala, Member | 2 |
| 4. | Shri Amar Nath Choudhary, Member | 4 |
| 5. | Shri Praveen Jain, Member | 4 |

The details of complaints received & resolved during the year 2016-2017 are as under:-

No. of complaints / grievances received from shareholders / Stock Exchange / SEBI – 16.

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. CSR Committee

The Company has constituted a CSR Committee as per Section 135 of the Companies Act, 2013. The Committee is headed by the Board Chairman, Shri Arun Churiwal and consists of the members as stated below. During the year ended 31st March, 2017, this Committee had three meetings. The Meetings were held on 11.05.2016, 07.11.2016 and 09.02.2017, which are attended by the members as under: -

| S No. | Name of the Director | No. of Meeting attended |
|-------|----------------------------------|-------------------------|
| 1. | Shri Arun Churiwal, Chairman | 3 |
| 2. | Shri Nivedan Churiwal, Member | 3 |
| 3. | Shri Amar Nath Choudhary, Member | 3 |

The terms of reference of the Committee are as follow:

- To frame the CSR Policy and its review from time to time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

The detail of CSR policy is posted on the website of the Company www.bslltd.com.

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7. Independent Directors Meeting

During the year under review, the Independent Directors met on 9th February, 2017, inter alia, to discuss:

1. Evaluation of the performance of Independent Directors and the Board of Directors as a whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Except Shri Sushil Jhunjunwala, all the Independent Directors were present at the Meeting.

8. General Body Meetings

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

| Date of AGM | Relevant Financial year | Venue / Location where held | Time of Meeting |
|---------------------------------|-------------------------|---|-----------------|
| 19 th September 2014 | 2013-2014 | 26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan) | 11.00 A.M. |
| 21 st September 2015 | 2014-2015 | 26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan) | 11.00 A.M. |
| 24 th September 2016 | 2015-2016 | 26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan) | 11.00 A.M. |

The following Special Resolutions were taken up in the last Annual General Meetings, and were passed with requisite majority:

- Revision/alteration in the remuneration of Shri Arun Churiwal, (DIN:00001718), Chairman & Managing Director of the Company
- Revision/alteration in the remuneration of Shri Nivedan Churiwal, (DIN: 00001749), Joint Managing Director of the Company.

9. 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.

10. 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 www.bslltd.com.

11. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and others Committees. It cover various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on such parameters/ criteria as set out in Nomination and Remuneration Policy of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

REPORT ON CORPORATE GOVERNANCE

12. Disclosures

a) Material Related Party Transactions

During the financial year 2016-2017, there were no transactions of material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large. Transactions with related parties as per requirements of AS-18 – “Related party disclosures” issued by ICAI are disclosed in Note No. 30 of “Notes to Financial Statements for the year ended 31st March, 2017, 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 31st March, 2017, in the Annual Report.

c) Details of Non Compliance

There were no penalties or strictures 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.

d) Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Certificate from Statutory Auditors to this effect is enclosed in Annual Report. Adoption of non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is being reviewed by the Board from time to time.

e) Prevention of Insider Trading Practices

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, The Company has framed a Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders and Code for Fair Disclosure, in relation to the securities of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All the Directors and the designated employees have confirmed compliance with the Code.

f) Whistle Blower Policy

The Company has a Whistle Blower Policy (WBP) to deal with instances of fraud and mismanagement, if any. The WBP Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

g) Familiarization programme for Independent Directors

The details of Familiarization programme for Independent Directors has been posted on the Company’s website www.bslltd.com.

13. Means of Communication

1. No half yearly report is sent to each shareholder.
2. 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.
3. Company’s website: - www.bslltd.com. The results are also sent to the Stock Exchanges for incorporation in their website.
4. The Management discussion and Analysis Report forms part of the Annual Report

REPORT ON CORPORATE GOVERNANCE

14. Detail of Directors seeking appointment/ re- appointment in forthcoming Annual General Meeting

The same is given in the Notice of forthcoming Annual General Meeting as given along with Annual Report.

15. General Shareholder Information

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

16. CEO/CFO Certificate

The CEO/CFO Certificate, as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed with this report.

17. Compliance Certificate of the Auditors

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

GENERAL SHAREHOLDERS INFORMATION

1. Annual General Meeting

| | |
|----------------------|---|
| - Day, Date and Time | : Tuesday, 26 th September, 2017 11.00 A.M. |
| - Venue | : 26, Industrial Area, Gandhi Nagar Bhilwara (Rajasthan) 311001 |

2. Financial Calendar & Publication of results

The financial year of the Company is April to March

| | |
|---|---|
| Financial reporting for the quarter ending June 30, 2017 | : Upto 15 th August, 2017 |
| Financial reporting for the half year ending September 30, 2017 | : Upto 15 th November, 2017 |
| Financial reporting for the quarter ending December 31, 2017 | : Upto 15 th February, 2018 |
| Financial reporting for the year ending March 31, 2018 | : Upto 30 th May, 2018 |
| Annual General meeting for the year ended March 31, 2018 | : Upto 30 th September, 2018 |

3. Dates of Book Closure

: 20th September, 2017 to
26th September, 2017

4. Registered office

: 26, Industrial Area,
Gandhi Nagar,
Bhilwara- (Rajasthan)
Pin- 311001
Tel : (01482) 246801
Fax : (01482) 246807
E-mail: accounts@bslsuitings.com

5. Dividend Payment Date: The final dividend, if declared, shall be paid/credited on September 27, 2017

REPORT ON CORPORATE GOVERNANCE

6. 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 2017-18 has been paid to NSE & BSE.

7. Stock Code

ISIN No : INE 594B01012

BSE, Mumbai : 514045

National Stock Exchange : BSL

8. Stock Market Data:

Monthly high low values (in ₹) at BSE and NSE of Company's share and closing BSE Sensex are as follows:

| MONTH | HIGH (₹) | | LOW(₹) | | BSE SENSEX |
|-----------------|----------|-------|--------|-------|------------|
| | BSE | NSE | BSE | NSE | |
| April, 2016 | 71.65 | 73.50 | 57.65 | 58.15 | 25606.62 |
| May, 2016 | 77.70 | 78.00 | 58.95 | 57.65 | 26667.96 |
| June, 2016 | 88.00 | 87.90 | 68.55 | 66.45 | 26,999.72 |
| July, 2016 | 93.70 | 92.00 | 73.00 | 80.10 | 28,051.86 |
| August, 2016 | 89.70 | 88.65 | 57.00 | 60.00 | 28,452.17 |
| September, 2016 | 73.55 | 73.00 | 52.30 | 52.55 | 27,865.96 |
| October, 2016 | 92.70 | 92.80 | 62.00 | 61.00 | 27,930.21 |
| November, 2016 | 95.55 | 96.10 | 60.00 | 62.40 | 26,652.81 |
| December, 2016 | 91.75 | 92.00 | 65.00 | 66.40 | 26,626.46 |
| January, 2017 | 84.85 | 84.50 | 73.20 | 74.40 | 27,655.96 |
| February, 2017 | 83.45 | 85.30 | 72.00 | 72.50 | 28,743.32 |
| March, 2017 | 79.80 | 76.00 | 66.70 | 66.15 | 29,620.50 |

9. Registrars and share Transfer Agents & Depository Registrar:

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

10. 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.

REPORT ON CORPORATE GOVERNANCE

11. i) Distribution of shareholding as on 31st March, 2017

| No. of shares | 2016-17 | | | |
|-----------------|----------------------|--------------------|-------------------|--------------------|
| | No. of share holders | % of share holders | No. of share held | % of share holding |
| 1-100 | 5551 | 57.99 | 350991 | 3.41 |
| 101-200 | 2122 | 22.17 | 351842 | 3.42 |
| 201-500 | 1060 | 11.07 | 384202 | 3.73 |
| 501-1000 | 420 | 4.39 | 335521 | 3.26 |
| 1001-5000 | 309 | 3.23 | 681824 | 6.63 |
| 5001-10000 | 41 | 0.43 | 288619 | 2.80 |
| 10001 and above | 70 | 0.73 | 7899169 | 76.75 |
| Total : | 9573 | 100.00 | 10292168 | 100.00 |

ii) Shareholding pattern as at 31st March, 2017

| | Category | No. of shares held | Percentage of holding |
|-----------|--|--------------------|-----------------------|
| A. | Promoter's Holding | | |
| | 1. Indian Promoters including corporates | 5522072 | 53.65% |
| | 2. Persons acting in concert – OCB's | 287000 | 2.79% |
| | Sub Total | 5809072 | 56.44% |
| B. | Non-promoters Holding | | |
| | (i) Institutional Investors | | |
| | 1. Mutual Funds & UTI | 450 | – |
| | 2. Banks/ Financial Institutions | 432107 | 4.20% |
| | Sub Total (i) | 432557 | 4.20% |
| | (ii) Others | | |
| | 3. Corporate Bodies | 561281 | 5.46% |
| | 4. Indian Public | 3401623 | 33.04% |
| | 5. NRI's / OCB's | 87635 | 0.85% |
| | Sub Total (ii) | 4050539 | 39.36% |
| | Grand Total (A+B) | 10292168 | 100% |

12. Dematerialisation of Shares and Liquidity:

9748903 shares were dematerialized till 31/03/2017 which is 94.72% of the total paid up Equity share capital of the Company. There are no outstanding GDRS / ADRS / Warrants or any convertible instruments.

- 13. Plant Location** : Mandpam, Bhilwara (Rajasthan)
TEL: 01482 249101
FAX: 01482 249110
- 14. Address for correspondence** : Company Secretary
Investor Correspondence should
be addressed to BSL Limited
26, Industrial Area
Gandhi Nagar,
Bhilwara (Raj.) 311001
Tel: (01482) (246801)
Fax: (01482) (246807)
E-mail: accounts@bslsuitings.com

REPORT ON CORPORATE GOVERNANCE

15. 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.

16. Other Information to the Shareholders

- **Green Initiative**

As a responsible corporate citizen, the Company welcomes the Green Initiative by sending the communications/ documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP). Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs and in case of physical form with the Company.

- **Internal Complaints Committee (ICC)**

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which came into effect from the 9th of December, 2013, the Company has formulated an Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment verbal, written, physical, visual or otherwise. The Committee is formed as per the statute, it is headed by a women employee, the committee comprises of more than half representation of women, it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. During the year under review, no incident of sexual harassment was reported.

For and on behalf of the Board of Directors

Place : Noida(U.P.)
Date :12th May, 2017

(ARUN CHURIWAL)
CHAIRMAN & MANAGING
DIRECTOR
DIN: 00001718

REPORT ON CORPORATE GOVERNANCE

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF BSL LTD.

We have examined the compliance of conditions of Corporate Governance by BSL Ltd. for the year ended 31st March, 2017 as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchanges.

The Compliance of conditions 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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
Firm Registration No:- 05341C

Place: Noida (U.P.)
Date: 12th May, 2017

(SUNIL SURANA)
Partner
Membership No:- 036093



REPORT ON CORPORATE GOVERNANCE

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

To the Board of Directors
BSL Limited

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

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and based on our knowledge and belief, we state that:
 - ii. these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading ;
 - iii. 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.
- 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 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.
- e. We further 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 for the current year.

For **BSL Limited**

Place : Noida
Date : 12th May, 2017

(PRAVEEN JAIN)
CFO & COMPANY SECRETARY

(ARUN CHURIWAL)
CHAIRMAN & MANAGING DIRECTOR
DIN-00001718

INDEPENDENT AUDITORS' REPORT

To,
**The Members,
BSL Limited**

Report on Financial Statements

We have audited the accompanying financial statements of **BSL Limited**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting standard specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating affectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of presentation of financial statements that gives true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance sheet, of the state of the Company as at March 31, 2017;
- b) In the case of Statement of the Profit and Loss, of the profit for the year ended on that date;
- c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date

Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - e) On the basis of the written representations received

INDEPENDENT AUDITORS' REPORT

from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in term of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give in the Annexure-II separate report on this Matter.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial statement – Refer Note 33 to the financial statement.
- II. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refers Note 32 to the financial statement.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- IV. The company has provided requisites disclosure in financial statement as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For **A.L. CHECHANI & CO.**
Chartered Accountants
Firm Registration No.: 005341C

(SUNIL SURANA)

Place: Noida (U.P.)
Date: 12th May 2017

Partner
Membership No.036093

ANNEXURE-I TO AUDITOR'S REPORT

The Annexure referred to in our report of even date to the members of BSL Limited on the accounts of the company for the year ended 31st March, 2017. We report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals, no any material discrepancies were noticed on such verification;

(c) The title deeds of immovable properties are held in the name of the company except **Land and building of merged companies M/s BSL Wulfig Limited and M/s Bhilwara Processors Limited are under name transfer process.**

- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management; no any material discrepancies were noticed on physical verification;
- (iii) The company has no granted any loan, secured or unsecured to the companies, firms, Limited liability partnerships or other parties) covered in the register maintained under section 189 of the Companies Act. 2013.
- (iv) The company has not entered any transaction in respect of (loan, investments, guarantee and security) covered under section 185 and 186 of the Companies act, 2013.
- (v) The company has not accepted deposits under provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Company is maintaining proper cost records has been specified by the Central Government under sub section (1) of section 148 of companies act..
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (vii) (b) According to the records of company, dues of income-tax, sales-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, which has not been deposited on account of disputes are as under:

| Nature of the Status | Nature of the due | Amount (₹ In lacs) | Forum where dispute is pending |
|----------------------|------------------------|--------------------|--------------------------------|
| Service Tax | Duty | 3.56 | Commissioner (Appeals) |
| | Duty | 37.15 | Add. Commissioner |
| Central Excise Act | Duty/Interest/ Penalty | 15.32 | CESTAT, New Delhi |
| | Tax | 29.78 | |
| RVAT Act | Interest | 09.99 | High Court of Rajasthan |
| | Tax | 24.83 | |
| Income Tax Act | Interest | 8.94 | Commissioner Appeals |

- (viii) In our opinion and according to the information and explanations given to us, the company has not

INDEPENDENT AUDITORS' REPORT

defaulted in repayment of loan and borrowing to financial Institutions, banks, Government, or dues to debenture holders.

- (ix) In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments).
- (x) In our opinion and according to the information and explanations given to us, there is no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid and provided in accordance with the request approvals mandated by provision of section 197 read with Schedule V of the companies Act 2013.
- (xii) The provision specified in Nidhi Rule 2014 is not applicable on Company.
- (xiii) Company has complied the provision of sections 177 and 188 of Companies Act 2013 on all transactions with the related parties where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013.
- (xvi) The Company has not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **A.L. CHECHANI & CO.**
Chartered Accountants
Firm Registration No.: 005341C

Place: Noida (U.P.)
Date: 12th May 2017

(SUNIL SURANA)
Partner
Membership No.036093

ANNEXURE II TO AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of BSL Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment

INDEPENDENT AUDITORS' REPORT

of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A.L. CHECHANI & CO.**
Chartered Accountants
Firm Registration No.005341C

(SUNIL SURANA)
Partner
Membership No. 036093

Place: Noida (U.P.)
Date: 12th May 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | NOTE | (₹ in Lac) | |
|--|------|---------------------|---------------------|
| | | As at 31.03.2017 | As at 31.03.2016 |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | 2 | 1029.22 | 1029.22 |
| (b) Reserves and surplus | 3 | 6908.22 | 6299.52 |
| (c) Money received against share warrants | | - | - |
| | | 7937.44 | 7328.74 |
| (2) Share application money pending allotment | | | |
| | | - | - |
| (3) Non-current liability | | | |
| (a) Long-term borrowings | 4 | 4383.36 | 4318.50 |
| (b) Deferred tax liabilities (Net) | 5 | 916.91 | 834.34 |
| (c) Other long term liabilities | 6 | 227.60 | 235.67 |
| (d) Long-term provisions | | - | - |
| | | 5527.87 | 5388.51 |
| (4) Current liabilities | | | |
| (a) Short-term borrowings | 7 | 10741.57 | 7520.68 |
| (b) Trade payables | 8 | 3926.26 | 1276.78 |
| (c) Other current liabilities | 9 | 3526.43 | 3813.46 |
| (d) Short-term provisions | 10 | 0.00 | 148.65 |
| | | 18194.26 | 12759.57 |
| TOTAL | | 31659.57 | 25476.82 |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | 11 | | |
| (i) Tangible Assets | | 10858.98 | 10579.81 |
| (ii) Intangible assets | | 51.79 | 64.24 |
| (iii) Capital work-in-progress | | 389.85 | 226.03 |
| (iv) Intangible assets under development | | - | - |
| | | 11300.62 | 10870.08 |
| (b) Non-current investments | | - | - |
| (c) Deferred tax assets | | - | - |
| (d) Long-term loans and advances | 12 | 205.88 | 115.50 |
| (e) Other non-current assets | 13 | 1.70 | 1.70 |
| | | 207.58 | 117.20 |
| | | 11508.20 | 10987.28 |
| (2) Current Assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | 14 | 10249.48 | 6962.23 |
| (c) Trade receivables | 15 | 7929.12 | 5938.82 |
| (d) Cash and cash equivalents | 16 | 60.44 | 42.19 |
| (e) Short-term loans and advances | 17 | 202.32 | 200.65 |
| (f) Other current assets | 18 | 1710.01 | 1345.65 |
| | | 20151.37 | 14489.54 |
| TOTAL | | 31659.57 | 25476.82 |

See accompanying notes no. 1 to 41 to the financial statements

As per our Report of even date

For A.L.CHECHANI & CO.Chartered Accountants
Firm Regd. No.: 05341C**(SUNIL SURANA)**Partner
Membership No.036093

Place : Noida (U.P.)

Date : 12th May, 2017

For and on behalf of the Board

1) ARUN CHURIWALChairman & Managing Director
DIN: 00001718**3) AMAR NATH CHOUDHARY**Director
DIN: 00587814**2) NIVEDAN CHURIWAL**Joint Managing Director
DIN: 00001749**4) PRAVEEN JAIN**

CFO & Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lac)

| Particulars | NOTE | For the year ended | |
|--|------|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| I. Revenue from operations (Gross) | 19 | 44538.80 | 37974.65 |
| Less: Excise duty | | 232.29 | 147.57 |
| Revenue from operations (Net) | | 44306.51 | 37827.08 |
| II. Other Income | 20 | 400.26 | 295.69 |
| III. Total revenue (I +II) | | 44706.77 | 38122.77 |
| IV. Expenses: | | | |
| Cost of materials consumed | 21 | 20399.35 | 14565.25 |
| Purchases of stock-in-trade | 22 | 6491.51 | 4725.57 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 23 | (3174.12) | 484.79 |
| Employee benefit expenses | 24 | 6104.43 | 5525.15 |
| Finance costs | 25 | 1574.58 | 1390.39 |
| Depreciation and amortization expenses | 26 | 1601.02 | 1444.00 |
| Other expenses | 27 | 10859.21 | 8891.11 |
| Total Expenses | | 43855.98 | 37026.26 |
| V. Profit before exceptional and extraordinary items and tax (III - IV) | | 850.79 | 1096.51 |
| VI. Exceptional Items | | - | - |
| VII. Profit before extraordinary items and tax (V - VI) | | 850.79 | 1096.51 |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before tax (VII - VIII) | | 850.79 | 1096.51 |
| X. Tax expense: | | | |
| (1) Current tax | | 216.26 | 239.90 |
| (2) Deferred tax | | 82.57 | 144.80 |
| (3) Earlier Year's tax | | | |
| XI. Profit/(Loss) for the period from continuing operations (IX-X) | | 551.96 | 711.81 |
| XII. Profit/(Loss) from discontinuing operations | | - | - |
| XIII. Tax expense of discontinuing operations | | - | - |
| XIV. Profit/(Loss) from Discontinuing operations (XII - XIII) | | - | - |
| XV. Profit/(Loss) for the period (XI + XIV) | | 551.96 | 711.81 |
| XVI. Earning per equity share (Basic and Diluted) | 31 | 5.36 | 6.92 |

See accompanying notes no. 1 to 41 to the financial statements

As per our Report of even date

For A.L.CHECHANI & CO.
Chartered Accountants
Firm Regd. No.: 05341C

SUNIL SURANA
Partner
Membership No.036093

Place : Noida (U.P.)
Date : 12th May, 2017

For and on behalf of the Board

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718

AMAR NATH CHOUDHARY
Director
DIN: 00587814

NIVEDAN CHURIWAL
Joint Managing Director
DIN: 00001749

PRAVEEN JAIN
CFO & Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | For the year ended | |
|--|--------------------|------------------|
| | 31.03.2017 | 31.03.2016 |
| A) CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax | 850.79 | 1096.51 |
| Adjustments for: | | |
| Depreciation and Amortisation | 1601.02 | 1444.00 |
| Interest | 1299.79 | 1126.58 |
| Foreign Exchange Fluctuation | 57.19 | 48.46 |
| Loss / (Profit) on sale of Fixed Assets | 3.33 | 9.73 |
| Operating profit before working capital changes | 3812.12 | 3725.28 |
| Adjustments for: | | |
| Increase/(Decrease) in Trade payable | 2649.48 | (279.30) |
| Increase/(Decrease) in Other liability (Current and Non Current) | (48.82) | 266.33 |
| Increase/(Decrease) in Short term provisions | - | - |
| (Increase)/Decrease in Inventories | (3287.25) | 630.20 |
| (Increase)/Decrease in Trade receivable | (1990.30) | (33.79) |
| (Increase)/Decrease in loans and advances (Short and Long Term) | (63.31) | 6.05 |
| (Increase)/Decrease in Other assets (Current and Non Current) | (364.36) | 319.48 |
| Cash Generated from operations | 707.56 | 4634.25 |
| Direct taxes paid | (245.00) | (236.27) |
| Net cash flow from operating activities (A) | 462.56 | 4397.98 |
| B) CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchases of fixed assets | (2308.47) | (2668.86) |
| Sales/Decrease of fixed assets | 71.13 | 48.72 |
| Net cash flow from investing activities (B) | (2237.34) | (2620.14) |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from long term borrowings | 1904.63 | 2215.39 |
| Repayment of long term borrowings | (2086.03) | (1917.02) |
| Proceeds/(Repayment) of short term borrowings | 3220.89 | (799.15) |
| Proceeds from Tuf Capital Grant | 202.45 | - |
| Dividend paid | (149.12) | (148.20) |
| Interest paid | (1299.79) | (1126.58) |
| Net cash flow from financing activities (C) | 1793.03 | (1775.56) |
| Net increase in cash and cash equivalents (A+B+C) | 18.25 | 2.28 |
| Opening cash and cash equivalents | 42.19 | 39.91 |
| Closing cash and cash equivalents | 60.44 | 42.19 |

Note :

- 1) Cash flow statements has been prepared under the indirect method as set out in Accounting Standard - 3.
- 2) Cash and cash equivalents includes ₹ 25.48 Lacs (Previous Year ₹ 20.41 Lacs), which are statutorily and contractually restricted account.

As per our Report of even date

For A.L.CHECHANI & CO.
Chartered Accountants
Firm Regd. No.: 05341C

SUNIL SURANA
Partner
Membership No.036093
Place : Noida (U.P.)
Date : 12th May, 2017

For and on behalf of the Board

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718

AMAR NATH CHOUDHARY
Director
DIN: 00587814

NIVEDAN CHURIWAL
Joint Managing Director
DIN: 00001749

PRAVEEN JAIN
CFO & Company Secretary

Notes to Financial Statements for the Year Ended 31st March 2017

1. ACCOUNTING POLICIES

i) Basis of Accounting

- a) The financial statements 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 and recommendatory Accounting Standards, Guidance notes, etc. issued by ICAI.

ii) Use of Estimates

In preparation of the financial statements in conformity with Generally Accepted Accounting Principle in India, management is required to make estimates & assumptions that affects the reported amount of assets & liabilities and the disclosures of contingent liabilities as at the financial reporting date. The amount of revenue & expenditure during the reported period and that of actual results could be different from those of estimates. Any revision to such estimates is recognized in the period in which the same is determined.

iii) Revenue recognition

- a) Sales comprise, sale of goods and services and is inclusive of excise duty 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 recognized as income on recognition by the Insurance Company.

iv) Government Grants

Government grants are recognized on the reasonable assurance of receipt. Revenue government grants are recognized on accrual basis and adjusted against the respective expenses. The Capital Government Grant on specified textile machinery is shown as a deduction from the gross value of the assets concerned in arriving at its book value by adopting 'Income approach' as defined in AS-12.

v) Inventory Valuation

- a) Inventories are valued at cost or net realizable value whichever is lower.
- b) Cost is determined on FIFO / weighted average method as considered to the relevant stage of production.
- c) Cost of finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- d) Processed value of goods on job is valued at contract rate.

vi) 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 existed on 30.09.2006, which are stated at revalued amount. Cost includes taxes (Net of refundable VAT), duties (Net of Cenvat), inward freight and installation expenses.
- b) Expenditure incurred on intangible assets, on or after 1st April'2003, being the date when AS-26 became mandatory, has been accounted for as intangible assets, at their acquisition cost.
- c) 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 capitalized upto the date of commissioning of the respective asset.

vii) Depreciation and Amortization

- a) Depreciation for the year on fixed assets has been provided on straight line method as per useful life and in the manner specified in Schedule II of the Companies Act, 2013.
- b) Useful life of assets used for double shift / triple shift has been reviewed and readjusted on each Balance Sheet date on the basis of shift used / depreciation charged.
- c) Scrap value of the assets are determined at the rate of 5% of original cost.

Notes to Financial Statements for the Year Ended 31st March 2017

d) Acquired Intangible assets are amortized over their estimated useful life as determined by the management at following rates on straight-line basis.

i) Computer Software : 16.21%

viii) 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.

b) The Company had adopted the AS-30 "Financial Instruments: Recognition and Measurement" for accounting of financial instruments, 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.

ix) 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.

x) 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.

xi) 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.

Notes to Financial Statements for the Year Ended 31st March 2017

xii) 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.

xiii) 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.

xiv) Taxes on Income

- The Tax payable method is followed for providing current tax liability. The difference between provision and payments, if any, are recognized in the year in which assessment is completed.
- Credits 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.
- 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 recognized subject to prudence only, if there is reasonable certainty that they will be realized. Deferred tax liability is recognized net of MAT credit available on balance sheet date.

xv) Provisions and Contingent Liabilities/Assets

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

xvi) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders among the equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xvii) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank, Cash in hand, cheques in hand and other permissible instruments as per Accounting Standard AS 3.

2. SHARE CAPITAL

(₹ in lac)

| Particulars | As at | |
|--|----------------|------------|
| | 31.03.2017 | 31.03.2016 |
| 2,90,00,000 (Previous year : 2,90,00,000) equity shares of ₹10 each | 2900.00 | 2900.00 |
| 5,00,000 (Previous year: 5,00,000) redeemable Cumulative preference share of ₹100 each | 500.00 | 500.00 |
| Total | 3400.00 | 3400.00 |
| Issued, Subscribed & Paid-up: | | |
| 1,02,92,168 (Previous year: 1,02,92,168) equity shares of ₹10 each | 1029.22 | 1029.22 |
| Total | 1029.22 | 1029.22 |

Notes to Financial Statements for the Year Ended 31st March 2017

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 31st March, 2017, the amount per share of proposed dividend to equity shareholder is ₹ 1.2 Per Share (Previous year: ₹ 1.20 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) Particulars about Equity Shares

| Reconciliation of the number of shares | As at 31.03.2017 | As at 31.03.2016 |
|--|------------------|------------------|
| Opening | 1,02,92,168 | 1,02,92,168 |
| Issued during the year | - | - |
| Deducted during the year | - | - |
| Closing | 1,02,92,168 | 1,02,92,168 |

iii) Detail of Shares held by Shareholders holding more than 5% shares of the Company

| Name of Shareholders | As at | | | |
|----------------------|---------------|-------|---------------|-------|
| | 31.03.2017 | | 31.03.2016 | |
| | No. of Shares | % | No. of Shares | % |
| Sudha Churiwal | 1105055 | 10.74 | 1105055 | 10.74 |
| Arun Kumar Churiwal | 1076916 | 10.46 | 1076916 | 10.46 |
| Shubha Churiwal | 625450 | 6.08 | 625450 | 6.08 |
| Nivedan Churiwal | 661071 | 6.42 | 661071 | 6.42 |
| Investors India Ltd. | - | - | 690814 | 6.71 |

3. RESERVES AND SURPLUS

(₹ in lac)

| Particulars | As at | |
|---------------------------------------|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| i) Capital Reserve | 1015.97 | 1015.97 |
| ii) Capital Redemption Reserve | 30.00 | 30.00 |
| iii) Security Premium Account | 1925.69 | 1925.69 |
| iv) General Reserve | | |
| Balance at the beginning of the year | 1318.77 | 1218.77 |
| Additions during the year | | 100.00 |
| Balance at the end of the year | 1318.77 | 1318.77 |
| v) Hedging Reserve | | |
| Balance at the beginning of the year | 54.37 | 5.91 |
| Additions during the year | 57.19 | 48.46 |
| Balance at the end of the year | 111.56 | 54.37 |

Notes to Financial Statements for the Year Ended 31st March 2017

| Particulars | As at | |
|---|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| (vi) Surplus in Statement of Profit & Loss | | |
| Balance as at the beginning of the year | 1954.72 | 1491.56 |
| Profit for the year | 551.96 | 711.81 |
| Total surplus | 2506.68 | 2203.37 |
| Less : Appropriations | | |
| Transfer to General Reserve | | 100.00 |
| Proposed Equity Share Dividend | | 123.51 |
| Provision for Dividend Tax | | 25.14 |
| Dividend Distribution Tax | 0.45 | - |
| Balance as at the end of the year | 2506.23 | 1954.72 |
| Total | 6908.22 | 6299.52 |

4. LONG-TERM BORROWINGS

(₹ in lac)

| Particulars | As at | |
|--------------------------|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Secured Borrowing | | |
| Term Loans from Banks | 4290.62 | 4221.76 |
| Vehicle Loans | 92.74 | 96.74 |
| Total | 4383.36 | 4318.50 |

- 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 installments and having floating interest rates ranging from Base Rate/MCLR + spread (1.00% to 2.40 % as on 31.03.2017 and 1.00% to 2.25% as on 31.03.2016) and vehicle loans are repayable in monthly installments and having interest rates ranging from 9.48% to 10.51% (P.Y. 9.50% to 10.57%). Period of maturity and installments outstanding are as under:-

Notes to Financial Statements for the Year Ended 31st March 2017

(₹ in lac)

| Name of Banks | Date of Maturity | No. of Installments Outstanding as on 31.03.2017 | As at 31.03.2017 | | | As at 31.03.2016 | | |
|---------------------------------|--------------------------|--|-------------------|--------------------|----------------------|-------------------|--------------------|----------------------|
| | | | Total Outstanding | Current Maturities | Long Term Borrowings | Total Outstanding | Current Maturities | Long Term Borrowings |
| (A) Term Loan From Banks | | | | | | | | |
| UCO Bank | 30.06.2020 | 13 | 714.43 | 220.00 | 494.43 | 934.43 | 220.00 | 714.43 |
| Oriental Bank of Commerce | 31.03.2017 | - | - | - | - | 725.67 | 725.67 | - |
| Oriental Bank of Commerce | 31.03.2020 | 12 | 320.00 | 106.00 | 214.00 | 426.00 | 106.00 | 320.00 |
| Union Bank of India | 30.06.2018 | 5 | 23.43 | 18.75 | 4.68 | 42.19 | 18.77 | 23.42 |
| IDBI Bank Ltd. | 01.12.2017 | 3 | 17.54 | 17.54 | - | 40.90 | 23.37 | 17.53 |
| IDBI Bank Ltd. | 01.01.2018 | 4 | 320.00 | 320.00 | - | 640.00 | 320.00 | 320.00 |
| Punjab National Bank | 31.03.2020 | 12 | 414.38 | 144.00 | 270.38 | 558.38 | 144.00 | 414.38 |
| Punjab National Bank | 31.03.2020 | 12 | 810.13 | 270.00 | 540.13 | 1080.13 | 270.00 | 810.14 |
| State Bank of Bikaner & Jaipur | 01.09.2019 | 10 | 140.00 | 60.00 | 80.00 | 200.00 | 60.00 | 140.00 |
| Export Import Bank of India | 01.11.2022 | 19 | 3040.00 | 640.00 | 2400.00 | 1621.87 | 160.00 | 1461.87 |
| State Bank of India | 31.12.2024 | 20 | 287.00 | - | 287.00 | | | |
| Total (A) | | | 6086.90 | 1796.28 | 4290.62 | 6269.57 | 2047.81 | 4221.76 |
| (B) Vehicle Loans | 07.03.2018 to 07.10.2021 | 8 to 55 | 125.42 | 32.67 | 92.74 | 124.16 | 27.42 | 96.74 |
| Total (A+B) | | | 6212.31 | 1828.95 | 4383.36 | 6393.73 | 2075.23 | 4318.50 |

No term loan is guaranteed by Directors or Others.

5. DEFERRED TAX LIABILITIES (NET)

- i) The Company has recognized deferred tax liability of ₹ 82.57 Lac (P.Y. ₹ 144.80 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 | |
|-----------------------------------|---------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| A. Deferred Tax Liability | | |
| Depreciation on Fixed Assets | 961.13 | 933.44 |
| B. Deferred Tax Assets | | |
| Disallowed u/s 43B | 44.22 | 39.84 |
| Deferred Tax Liability (A-B) | 916.91 | 893.60 |
| Less: Mat Credit | - | 59.26 |
| Net Deferred Tax Liability | 916.91 | 834.34 |

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

Notes to Financial Statements for the Year Ended 31st March 2017

6. OTHER LONG TERM LIABILITIES

(₹ in lac)

| Particulars | As at | |
|--------------------------|---------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| Agent & Dealers Deposits | 113.92 | 118.45 |
| Staff Deposits | 113.68 | 117.22 |
| Total | 227.60 | 235.67 |

7. SHORT-TERM BORROWINGS

(₹ in lac)

| Particulars | As at | |
|--|-----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| SECURED: | | |
| Working Capital Loans from Banks Repayable on Demand | 10741.57 | 7520.68 |
| Total | 10741.57 | 7520.68 |

- 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 9.75% to 11.50% (P.Y. 9.70% to 12.25%).
- ii) No Working Capital loan is guaranteed by Directors or Others.

8. TRADE PAYABLES

(₹ in lac)

| Particulars | As at | |
|-------------------------------|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Trade Payable – Related Party | 1195.59 | 68.12 |
| – Others | 2730.67 | 1208.66 |
| Total | 3926.26 | 1276.78 |

There are no Micro, small and medium enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. 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 | |
|---|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Current Maturities of Long-Term Debt (Refer Note no. 4) | 1828.95 | 2075.23 |
| Un-Paid Dividend | 25.48 | 20.41 |
| Government Dues | 150.95 | 125.16 |
| Liability Towards Staff & Worker | 345.58 | 329.01 |
| Sundry Creditors for Capital Goods | 18.31 | 22.52 |
| Other Deposits | 28.10 | 28.03 |
| Other Liabilities | 1129.06 | 1213.10 |
| Total | 3526.43 | 3813.46 |

There is no amount of Un-paid dividend, due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

Notes to Financial Statements for the Year Ended 31st March 2017

10. SHORT-TERM PROVISIONS

(₹ in lac)

| Particulars | As at | |
|--------------------------------|------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| Proposed equity share dividend | - | 123.51 |
| Provision for dividend tax | - | 25.14 |
| Total | - | 148.65 |

11. FIXED ASSETS

(₹ in lac)

| Particulars | Gross Block | | | As at 31.03.17 | Up to 31.03.16 | Depreciation / Amortization | | | Net Carrying Value | |
|--|-----------------|----------------|---------------|-----------------|-----------------|-----------------------------|----------------------|----------------------|--------------------|-----------------|
| | As at 31.03.16 | Additions | Disposals | | | Deductions | For the Year 2016-17 | Total Up to 31.03.17 | As at 31.03.17 | As at 31.03.16 |
| A) Tangible Assets | | | | | | | | | | |
| Free Hold Land | 28.13 | - | - | 28.13 | 0.02 | - | 0.01 | 0.03 | 28.10 | 28.11 |
| Lease Hold Land | 190.06 | - | - | 190.06 | 24.78 | - | 2.65 | 27.43 | 162.63 | 165.28 |
| Buildings (Including Roads) | 3937.37 | 235.52 | - | 4172.89 | 1644.66 | - | 156.50 | 1801.16 | 2371.73 | 2292.71 |
| Plant and Equipments | 26256.58 | 1734.68 | 715.88 | 27275.38 | 19115.04 | 528.35 | 1248.86 | 19835.55 | 7439.83 | 7141.54 |
| Electrical Installation and Equipments | 954.66 | 23.75 | - | 978.41 | 720.04 | - | 73.45 | 793.49 | 184.92 | 234.62 |
| Computer and data processing units | 275.65 | 16.01 | 24.93 | 266.73 | 231.96 | 23.68 | 15.45 | 223.73 | 43.00 | 43.69 |
| Furniture and Fixtures | 460.99 | 21.96 | 15.03 | 467.92 | 280.37 | 14.28 | 28.50 | 294.59 | 173.33 | 180.62 |
| Vehicles | 518.74 | 70.26 | 67.18 | 521.82 | 144.12 | 24.86 | 59.09 | 178.35 | 343.47 | 374.62 |
| Office Equipments | 525.55 | 42.06 | 61.99 | 505.62 | 406.93 | 56.57 | 43.29 | 393.65 | 111.97 | 118.62 |
| Total (A) | 33147.73 | 2144.24 | 885.01 | 34406.96 | 22567.92 | 647.74 | 1627.80 | 23547.98 | 10858.98 | 10579.81 |
| B) Intangible Assets (Acquired) | | | | | | | | | | |
| Computer Software | 175.55 | 0.41 | - | 175.96 | 111.31 | - | 12.86 | 124.17 | 51.79 | 64.24 |
| Total (B) | 175.55 | 0.41 | - | 175.96 | 111.31 | - | 12.86 | 124.17 | 51.79 | 64.24 |
| C) Capital Work in Progress : | | | | | | | | | | |
| Plant & Machinery Under Erection | - | - | - | - | - | - | - | - | 293.05 | 226.03 |
| Building Under Construction | - | - | - | - | - | - | - | - | 84.76 | - |
| Pre-operative expenses | - | - | - | - | - | - | - | - | 12.04 | - |
| Total (C) | - | - | - | - | - | - | - | - | 389.85 | 226.03 |
| Grand Total (A+B+C) | 33323.28 | 2144.65 | 885.01 | 34582.92 | 22679.23 | 647.74 | 1640.66 | 23672.15 | 11300.62 | 10870.08 |
| Previous Year | 30961.56 | 2773.87 | 412.15 | 33323.28 | 21588.93 | 353.70 | 1444.00 | 22679.23 | 10870.08 | 9703.67 |

Notes to Financial Statements for the Year Ended 31st March 2017

- i) Disposal from Gross Block represents sale/transfer/discard of fixed assets/capital grant receipt and adjustment of lease rent.
- ii) Deduction in depreciation is on account of Sale/Transfer/discard of Fixed Assets.
- iii) Gross block and Net Block of fixed assets includes ₹ 869.33 Lac (P.Y. ₹ 891.42 Lac) and ₹ 224.05 Lac (P.Y. ₹ 247.84 Lac) respectively on account of revaluation of fixed assets carried out in past by erstwhile Bhilwara Processors Limited. Depreciation of ₹ 23.79 Lac (P.Y. ₹ 27.67 Lac) on revaluation amount has been charged to statement of Profit & Loss.
- iv) 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.

12. LONG-TERM LOANS AND ADVANCES

(₹ in lac)

| Particulars | As at | |
|------------------------------------|---------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| Unsecured, Considered Good | | |
| A. Capital Advances | 117.02 | 26.23 |
| B. Security Deposit | 48.63 | 66.04 |
| C. Other loans and Advances | | |
| Prepaid Expenses | 11.05 | 6.50 |
| Loan to Employees | 29.18 | 16.73 |
| Total (C) | 40.23 | 23.23 |
| Total (A+B+C) | 205.88 | 115.50 |

13. OTHER NON-CURRENT ASSETS

(₹ in lac)

| Particulars | As at | |
|--------------|-------------|-------------|
| | 31.03.2017 | 31.03.2016 |
| Misc. Assets | 1.70 | 1.70 |
| Total | 1.70 | 1.70 |

14. INVENTORIES

(₹ in lac)

| Particulars | As at | |
|--|-----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Raw Materials (includes in transit: ₹ 80.32 Lacs (P.Y. ₹ 138.12 Lacs)) | 2719.07 | 2601.53 |
| Work in Progress | 2435.42 | 1452.59 |
| Finished Goods (includes in transit: ₹ 63.66 Lacs (P.Y. ₹ Nil Lacs)) | 4523.37 | 2370.58 |
| Traded Goods (includes in transit: ₹ 73.69 Lacs (P.Y. ₹ 37.85 Lacs)) | 355.25 | 316.75 |
| Stores & Spares | 216.37 | 220.78 |
| Total | 10249.48 | 6962.23 |

Notes to Financial Statements for the Year Ended 31st March 2017

Details of Inventory

(₹ in lac)

| Particulars | As at | |
|------------------------------|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| (i) Raw Material | | |
| Fibre | 832.43 | 834.08 |
| Yarn | 1886.64 | 1767.45 |
| Total | 2719.07 | 2601.53 |
| (ii) Work in Progress | | |
| Fibre | 234.69 | 199.70 |
| Yarn | 762.64 | 530.94 |
| Fabrics | 1438.09 | 721.95 |
| Total | 2435.42 | 1452.59 |
| (i) Finished Goods | | |
| Yarn | 460.02 | 458.24 |
| Fabrics | 4057.10 | 1883.79 |
| Others | 6.25 | 28.55 |
| Total | 4523.37 | 2370.58 |
| (i) Traded Goods | | |
| Fibre | - | 37.85 |
| Yarn | 73.69 | - |
| Fabrics | 264.71 | 271.31 |
| Others | 16.85 | 7.59 |
| Total | 355.25 | 316.75 |

15. TRADE RECEIVABLES

(₹ in lac)

| Particulars | As at | |
|--|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Unsecured, considered good: | | |
| (a) Outstanding for a period exceeding 6 months from the date they are due for payment | 547.81 | 266.81 |
| (b) Others | 7381.31 | 5672.01 |
| Total | 7929.12 | 5938.82 |

Notes to Financial Statements for the Year Ended 31st March 2017

16. CASH AND CASH EQUIVALENTS

(₹ in lac)

| Particulars | As at | |
|--------------------------|--------------|--------------|
| | 31.03.2017 | 31.03.2016 |
| Balance with banks | | |
| -Current account | 31.07 | 16.29 |
| -Unpaid dividend account | 25.48 | 20.41 |
| Cash in hand | 3.89 | 5.49 |
| Total | 60.44 | 42.19 |

17. SHORT-TERM LOANS AND ADVANCES

(₹ in lac)

| Particulars | As at | |
|--|---------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| Others (Unsecured, considered good) | | |
| Advance Income Tax | 39.05 | 10.31 |
| Prepaid Expenses | 73.01 | 73.02 |
| Others | 90.26 | 117.32 |
| Total | 202.32 | 200.65 |

Short term loans and advances include ₹ NIL (Previous year ₹ Nil Lac) receivables from officers of the company.

18. OTHER CURRENT ASSETS

(₹ in lac)

| Particulars | As at | |
|--|----------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Interest Subsidy Receivable | 266.31 | 315.59 |
| Sundry Claim and Other Receivable | 721.16 | 566.61 |
| Export Incentives Receivable | 426.63 | 369.61 |
| Forward Contract | 290.01 | 88.23 |
| Banks Deposit above 3 months but within 12 months maturity | 5.90 | 5.61 |
| Total | 1710.01 | 1345.65 |

19. REVENUE FROM OPERATIONS (GROSS)

(₹ in lac)

| Particulars | For the year ended | |
|--------------------------------|--------------------|-----------------|
| | 31.03.2017 | 31.03.2016 |
| (a) Sale of Products -Domestic | 23041.65 | 16731.89 |
| - Export | 19656.68 | 19494.89 |
| (b) Sales of Services | 1484.79 | 1521.87 |
| (c) Other Operating Revenue | 355.68 | 226.00 |
| Total | 44538.80 | 37974.65 |

Notes to Financial Statements for the Year Ended 31st March 2017

Details of Revenue :-

(₹ in lac)

| Particulars | For the year ended | |
|-----------------------------------|--------------------|-----------------|
| | 31.03.2017 | 31.03.2016 |
| a) Sale of Products | | |
| Fabrics | 31873.59 | 27673.19 |
| Yarn | 8974.86 | 7408.69 |
| Fibre | 1237.11 | 801.90 |
| Readymade Garments | 519.06 | 251.36 |
| Wind Power | 93.71 | 91.64 |
| Total | 42698.33 | 36226.78 |
| b) Sale of Services | | |
| Job Receipt | 1484.79 | 1521.87 |
| c) Other Operating Revenue | | |
| Export Incentives | 355.68 | 226.00 |

20. OTHER INCOME

(₹ in lac)

| Particulars | For the year ended | |
|---------------------|--------------------|---------------|
| | 31.03.2017 | 31.03.2016 |
| (a) Interest Income | 121.92 | 58.44 |
| (b) Exchange Gain | 247.97 | 32.28 |
| (c) Rent Receipt | 3.93 | 3.91 |
| (d) Insurance Claim | 1.07 | 59.26 |
| (e) Misc. Income | 25.37 | 141.80 |
| Total | 400.26 | 295.69 |

21. COST OF MATERIALS CONSUMED

(₹ in lac)

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31.03.2017 | 31.03.2016 |
| Opening inventory | 2601.53 | 2758.40 |
| Add : Purchases (net) | 19679.22 | 13586.52 |
| Less : Inventory at the end of the year | 2719.07 | 2601.53 |
| | 19561.68 | 13743.39 |
| Add: Consumption of Dyes & Chemicals | 837.67 | 821.86 |
| Total | 20399.35 | 14565.25 |

Notes to Financial Statements for the Year Ended 31st March 2017

Detail of Materials Consumed

| Particulars | For the year ended | | | |
|--|----------------------|-----------------|----------------------|-----------------|
| | 31.03.2017 | | 31.03.2016 | |
| | Quantity (in lac) | ₹ (in lac) | Quantity (in lac) | ₹ (in lac) |
| i) Wool (Kgs.) | 3.27 | 2806.12 | 3.11 | 2466.68 |
| ii) Polyester & other Synthetic fibre (Kgs.) | 25.49 | 2251.59 | 28.84 | 2537.65 |
| iii) Viscose (Kgs.) | 24.12 | 3651.83 | 25.43 | 3555.32 |
| iv) Fabrics(Mtrs.) | 3.45 | 320.59 | 2.21 | 149.18 |
| v) Yarn (Kgs.) | 55.71 | 10503.27 | 25.18 | 4969.83 |
| vi) Dyes & Chemicals | | 837.67 | | 821.86 |
| vii) Job Spinning | | 28.28 | | 64.73 |
| Total | | 20399.35 | | 14565.25 |

22. PURCHASE OF STOCK-IN-TRADE

(₹ in lac)

| Particulars | For the year ended | |
|--------------|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Fabrics | 4047.18 | 3607.70 |
| Fibre | 1053.07 | 747.49 |
| Yarn | 1384.29 | 350.24 |
| Others | 6.97 | 20.14 |
| Total | 6491.51 | 4725.57 |

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in lac)

| Particulars | For the year ended | |
|--|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Closing inventory: | | |
| -Work-in progress | 2435.42 | 1452.59 |
| -Finished Goods | 4523.37 | 2370.58 |
| -Stock in trade | 355.25 | 316.75 |
| Total | 7314.04 | 4139.92 |
| Opening Inventory: | | |
| -Work-in progress | 1452.59 | 1825.77 |
| -Finished Goods | 2370.58 | 2568.28 |
| -Stock in trade | 316.75 | 230.66 |
| Total | 4139.92 | 4624.71 |
| (Increase) / Decrease in Stocks | (3174.12) | 484.79 |

Notes to Financial Statements for the Year Ended 31st March 2017

24. EMPLOYEE BENEFIT EXPENSES

(₹ in lac)

| Particulars | For the year ended | |
|---|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Salaries, Wages and Bonus | 5298.81 | 4822.66 |
| Contribution to Provident, Gratuity and Other Funds | 703.69 | 602.79 |
| Workmen and Staff Welfare | 101.93 | 99.70 |
| Total | 6104.43 | 5525.15 |

25. FINANCIAL COSTS

(₹ in lac)

| Particulars | For the year ended | |
|----------------------------------|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Interest on Term Loan | 485.64 | 656.07 |
| Interest on Others | 814.15 | 470.51 |
| Cash and Prompt Payment Discount | 125.06 | 128.33 |
| Bank Charges | 149.73 | 135.48 |
| Total | 1574.58 | 1390.39 |

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in lac)

| Particulars | For the year ended | |
|--|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| Depreciation on Tangible assets | 1627.80 | 1436.00 |
| Amortization on Intangible assets | 12.86 | 8.00 |
| | 1640.66 | 1444.00 |
| Less: Written back on Capital Grant Received | 39.64 | - |
| Total | 1601.02 | 1444.00 |

27. OTHER EXPENSES

(₹ in lac)

| Particulars | For the year ended | |
|-----------------------------|--------------------|------------|
| | 31.03.2017 | 31.03.2016 |
| A. MANUFACTURING | | |
| Weaving Charges | 463.77 | 196.89 |
| Processing Charges | 724.25 | 20.38 |
| Combing Charges | 125.67 | 110.41 |
| Garment Making Expenses | 157.41 | 75.97 |
| Embroidery Charges | 19.45 | 23.25 |
| Dyeing Charges | 364.49 | 243.42 |
| Stores & Spare parts (Net) | 866.71 | 910.46 |
| Power, Fuel & Water | 3294.11 | 2711.07 |
| Freight, Cartage etc. | 102.20 | 101.76 |

Notes to Financial Statements for the Year Ended 31st March 2017

| | | |
|--|-----------------|----------------|
| Repairs to : Plant & Machinery | 244.22 | 258.55 |
| Building | 110.23 | 136.27 |
| Others | 36.62 | 30.86 |
| Total (A) | 6509.13 | 4819.29 |
| B. ADMINISTRATIVE | | |
| Rent | 70.76 | 37.92 |
| Rates & Taxes | 8.58 | 8.17 |
| Insurance | 52.19 | 39.19 |
| Directors' Fees | 7.74 | 6.63 |
| Audit Fees | 4.89 | 4.89 |
| Directors' Travelling | 7.24 | 7.21 |
| CSR Expenses | 11.68 | 7.17 |
| Miscellaneous Expenses (Printing & Stationery, Travelling, Conveyance, Telephone, Consultancy, Legal & Professional expenses etc.) | 843.53 | 753.71 |
| Total (B) | 1006.61 | 864.89 |
| C. SELLING | | |
| Commission | 195.10 | 199.75 |
| Sales Incentives & Claims | 170.81 | 238.92 |
| Packing | 1139.01 | 979.06 |
| Advertisement & Sales Promotion | 112.31 | 136.79 |
| Others | 80.45 | 61.76 |
| Foreign Travelling expenses | 215.99 | 202.67 |
| Expenses on Export Sales | | |
| Commission | 567.48 | 687.73 |
| Overseas Freight | 280.61 | 225.27 |
| Others | 578.38 | 465.25 |
| Total (C) | 3340.14 | 3197.20 |
| D. OTHERS | | |
| Net Loss on sale of Fixed Assets | 3.33 | 9.73 |
| Total (D) | 3.33 | 9.73 |
| Total (A+B+C+D) | 10859.21 | 8891.11 |

Notes to Financial Statements for the Year Ended 31st March 2017

28. EMPLOYMENT BENEFIT PLANS

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

(a) Defined Benefit Plans:

(₹ in lac)

| Particulars | For the year ended | | | |
|---|---|---|-------------------|------------------------|
| | 31.03.2017 | | 31.03.2016 | |
| | Gratuity | Earned Leave | Gratuity | Earned Leave |
| | (Funded) | (Funded) | (Funded) | (Funded) |
| i) Reconciliation of opening and closing balances of defined benefit obligation | | | | |
| a) At the beginning of the year | 1076.42 | 239.36 | 992.95 | 203.56 |
| b) Current Service Cost | 89.99 | 41.17 | 78.57 | 34.40 |
| c) Interest Cost | 86.11 | 19.15 | 79.44 | 16.28 |
| d) Actuarial (Gain)/Loss | 57.45 | 0.83 | 26.70 | 11.19 |
| e) Benefits paid | (119.62) | (25.78) | (101.24) | (26.07) |
| f) Defined Benefits Obligation at year end | 1190.36 | 274.73 | 1076.42 | 239.36 |
| ii) Reconciliation of opening and closing balances of fair value of plan assets | | | | |
| a) At beginning of the year | 1076.42 | 239.36 | 992.95 | 203.56 |
| b) Expected Return on plan assets | 86.11 | 19.15 | 81.92 | 16.79 |
| c) Actuarial Gain / (Loss) | 1.54 | 4.19 | - | - |
| d) Employer Contributions | 26.29 | 12.04 | 1.55 | 19.01 |
| e) Benefits paid | - | - | - | - |
| f) Fair Value of the plan assets at the year end | 1190.36 | 274.73 | 1076.42 | 239.36 |
| iii) Reconciliation of fair value of obligation and Assets | | | | |
| a) Present value of obligation as at year end | 1190.36 | 274.73 | 1076.42 | 239.36 |
| b) Fair value of plan assets as at year end | 1190.36 | 274.73 | 1076.42 | 239.36 |
| c) Amount recognized in Balance Sheet (a-b) | - | - | - | - |
| iv) Expense recognized during the year: | | | | |
| a) Current Service Cost | 89.99 | 41.17 | 78.57 | 34.40 |
| b) Interest Cost | 86.11 | 19.15 | 79.44 | 16.28 |
| c) Expected return on plan assets | (86.11) | (19.15) | (81.92) | (16.79) |
| d) Actuarial (gain) / loss | 55.92 | (3.36) | 26.71 | 11.19 |
| e) Net Cost (a+b+c+d) | 145.91 | 37.81 | 102.80 | 45.08 |
| v) Investment Details of Plan Assets : | | | | |
| Sr. No | Name of Retirement Benefit | Name of Trust | Policy No. | Investment with |
| 1) | Gratuity | Bhilwara Synthetics Ltd. Officers Gratuity Trust Fund | NGG(CA) 103001913 | LIC of India |
| 2) | Earned Leave | - | NGLES 103002054 | 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 31st March 2017

vii) Principal Actuarial Assumptions at the Balance Sheet date

| | | 31.03.2017 | 31.03.2016 |
|------|--|-----------------|-----------------|
| i) | Discount Rate | 7.75% per annum | 8.00% per annum |
| ii) | Expected Rate of return on plan assets | 8.00% per annum | 8.25% per annum |
| iii) | Future Salary Increase | 4.50% per annum | 4.50% per annum |

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

| | | Actual Return on Plan assets | Estimate of contribution for the next year |
|----|--------------|------------------------------|--|
| a) | Gratuity | ₹87.66 lac | ₹122.86 lac |
| b) | Earned Leave | ₹23.34 lac | ₹28.43 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:

| <u>Gratuity</u> | March'17 | March'16 | March'15 | March'14 | March'13 |
|--|----------|----------|----------|----------|----------|
| Defined Benefits Obligation | 1190.36 | 1076.42 | 992.95 | 846.38 | 753.41 |
| Plan assets | 1190.36 | 1076.42 | 992.95 | 846.38 | 753.41 |
| Surplus/(deficit) | - | - | - | - | 1.90 |
| Experience adjustment on plan Liabilities (loss)/ gain | (36.82) | (26.71) | (128.69) | (126.41) | (50.98) |
| Experience adjustment on plan Assets (loss)/ gain | 1.54 | (4.96) | (4.05) | 1.64 | 6.21 |
| <u>Earned Leave</u> | | | | | |
| Defined Benefits Obligation | 274.73 | 239.36 | 203.56 | 187.69 | 162.99 |
| Plan assets | 274.73 | 239.36 | 203.56 | 187.69 | 162.99 |
| Surplus/(deficit) | - | - | - | - | - |
| Experience adjustment on plan Liabilities (loss)/ gain | 4.29 | (11.19) | 0.37 | (17.97) | (4.11) |
| Experience adjustment on plan Assets (loss)/ gain | 4.19 | (1.02) | (3.13) | 0.25 | 0.49 |

(b) Defined Contribution Plans

Amount recognized as an expense and also included in the Note no. 24

| | | For the year ended | |
|-----|---|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| i) | Employers Contribution to Provident Fund | 344.12 | 310.20 |
| ii) | Employers Contribution to Superannuation Fund | 80.08 | 71.61 |

29. 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.

Notes to Financial Statements for the Year Ended 31st March 2017

A) Business Segments

(₹ in lac)

| S. No. | Particular | 2016-17 | | | 2015-16 | | |
|--------|---------------------------------------|----------|------------|----------|----------|------------|----------|
| | | Textile | Wind Power | Total | Textile | Wind Power | Total |
| (i) | Segment Revenue | | | | | | |
| | External Sales / Other Income | 44491.14 | 93.71 | 44584.85 | 37914.06 | 150.25 | 38064.31 |
| | Inter Segment Transfer | - | 168.87 | 168.87 | - | 130.75 | 130.75 |
| | Total Revenue | 44491.14 | 262.58 | 44753.72 | 37914.06 | 281.00 | 38195.06 |
| (ii) | Segment Result | | | | | | |
| | Segment Result | 2249.61 | 53.84 | 2303.45 | 2342.42 | 86.04 | 2428.46 |
| | Add: Interest Income | | | 121.92 | | | 58.44 |
| | Less: Financial Expenses | | | 1574.58 | | | 1390.39 |
| | Profit before Tax | | | 850.79 | | | 1096.51 |
| | Less : Taxation | | | | | | |
| | -Income Tax | | | 216.26 | | | 239.90 |
| | -Deferred Tax liability | | | 82.57 | | | 144.80 |
| | Net Profit for the year | | | 551.96 | | | 711.81 |
| (iii) | Other Information | | | | | | |
| | Segment Assets | 29897.40 | 1456.81 | 31354.21 | 23600.82 | 1550.11 | 25150.93 |
| | Segment Liabilities | 5851.25 | 0.09 | 5851.34 | 3250.68 | - | 3250.68 |
| | Capital Employed | 24046.15 | 1456.72 | 25502.87 | 20350.13 | 1550.11 | 21900.24 |
| | Capital Exp. Incurred during the year | 2308.47 | - | 2308.47 | 2668.86 | - | 2668.86 |
| | Depreciation | 1508.60 | 92.42 | 1601.02 | 1351.65 | 92.35 | 1444.00 |
| | Other Non Cash Expenses | - | - | - | - | - | - |

B) Geographical Segment

(₹ in lac)

| Particulars | 2016-17 | | | 2015-16 | | |
|---|-----------------|----------------------|--------------|-----------------|----------------------|--------------|
| | Domestic | Export | Total | Domestic | Export | Total |
| Segments Revenue (Based on location of the customers) | | | | | | |
| - Textiles | 24834.46 | 19656.68 | 44491.14 | 18419.17 | 19494.89 | 37914.06 |
| - Wind Power | 262.58 | - | 262.58 | 281.00 | - | 281.00 |
| | In India | Outside India | Total | In India | Outside India | Total |
| Segment Assets (Based on location of the assets) | 26817.39 | 4536.82 | 31354.21 | 20905.87 | 4245.06 | 25150.93 |
| Capital Exp. Incurred during the year | 2308.47 | - | 2308.47 | 2668.86 | - | 2668.86 |

Notes to Financial Statements for the Year Ended 31st March 2017

30. 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. | |
| | i) 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 | For the year ended | |
|-------|---|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| 1) | With the parties referred in (d) above | | |
| | Directors remuneration | 191.51 | 103.19 |
| 2) | With the parties referred in (e (i)) above | | |
| | Purchases of Raw Material | 6177.87 | 3087.32 |
| | Sales | 2246.70 | 1142.94 |
| | Services received | 687.24 | 275.93 |
| | Services rendered | 14.23 | 8.21 |
| | Purchase of Stores and Consumables | 0.75 | 0.26 |
| | Sales of Store and Consumables | 0.95 | - |
| | Rent Paid | 15.89 | 2.25 |
| | Interest Paid | 31.28 | 0.59 |
| | Trade Payable | 1195.59 | 68.12 |

31. 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:

(₹ in lac)

| S.No. | Particulars | For the year ended | |
|-------|---|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| a) | Net Profit after tax (₹ in lac) | 551.96 | 711.81 |
| b) | Net profit available to equity shareholders (₹ in lac) | 551.96 | 711.81 |
| c) | Average No. of Equity shares outstanding during the year (Nos). | 10292168 | 10292168 |
| d) | Basic & Dilutive earnings per share (b)/(c) (Rupees per share) | 5.36 | 6.92 |

Notes to Financial Statements for the Year Ended 31st March 2017

32. FOREIGN CURRENCY EXPOSURE

- a) The Company hedges its export realizations and import payables 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) According to AS 30 "Financial Instruments: Recognition and Measurement" The effective portion of such forward contracts is taken into hedging reserve for ₹ 111.56 Lac (P.Y. ₹ 54.37 Lac) and profit on ineffective portion, not designated as hedge is taken into statement of profit & loss for ₹ 36.47 Lac (P.Y. ₹ 32.28 Lac).
- 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 :

(₹ in lac)

| Particulars | Purpose | Amount in Lac (FC) | As at | |
|--------------------------|---------|--------------------|------------|------------|
| | | | 31.03.2017 | 31.03.2016 |
| Forward Contracts | | | | |
| 1. Sell | Hedging | USD | 99.75 | 69.80 |
| | | EURO | 1.00 | 3.50 |
| 2. Buy | Hedging | USD | 2.61 | 4.27 |

- d) The periods during which the cash flows from the cash flow hedges outstanding as at March 31, 2017 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 lac) | | | | | |
|---------|---|---|-------------|-------------|--------------|-------------|-------------|
| | | For the year ended | | | | | |
| | | 31.03.2017 | | | 31.03.2016 | | |
| | | Sell USD | Sell EURO | Buy USD | Sell USD | Sell Euro | Sell GBP |
| 1 | Quarter ending June 30, 2017 | 54.95 | 1.00 | 2.61 | 31.00 | 2.00 | 4.27 |
| 2 | Quarter ending September 30, 2017 | 44.80 | - | - | 27.80 | 1.50 | - |
| 3 | Quarter ending December 31, 2017 | - | - | - | 11.00 | - | - |
| | Total | 99.75 | 1.00 | 2.61 | 69.80 | 3.50 | 4.27 |

- e) The movement in hedging reserve during the year ended 31.03.2017 for forward contract designated as cash flow hedge is as follows:

(₹ in lac)

| Particulars | For the year ended | |
|--|--------------------|------------|
| | 31.03.2017 | 31.03.2016 |
| Balance at the beginning of the year | 54.37 | 5.91 |
| Additions on account of Changes in the fair value of effective portion cash flow hedge | 57.19 | 48.46 |
| Amount transferred to Statement of P&L | - | - |
| Balance at the end of the year | 111.56 | 54.37 |

Notes to Financial Statements for the Year Ended 31st March 2017

Un-Hedged Foreign Currency Exposure:

(₹ in lac)

| Particulars | As at | | | |
|---|------------|------------|------------|------------|
| | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | (FC) | (FC) | (₹) | (₹) |
| (a) Trade Receivables | | | | |
| GBP | 0.36 | 0.20 | 28.90 | 19.00 |
| EURO | 0.17 | - | 11.88 | - |
| (b) Trade Payables | | | | |
| USD | 0.01 | 2.00 | 0.79 | 130.75 |
| (c) Bank Borrowings(Buyers Credit) | | | | |
| USD | 6.84 | 0.63 | 443.22 | 41.77 |
| (d) Commission Payable | | | | |
| USD | 5.44 | 5.90 | 352.75 | 390.87 |
| EURO | 0.17 | 0.20 | 11.56 | 15.41 |
| GBP | 0.02 | 0.04 | 1.98 | 4.12 |

33. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lac)

| S.No. | Particulars | For the year ended | |
|-----------------------------------|---|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| (i) Contingent Liabilities | | | |
| (a) | Claims against the Company not acknowledged as debts | 24.54 | 15.52 |
| (b) | Guarantees given by the Company's Bankers | 95.39 | 193.82 |
| (c) | Others | | |
| | (i) Bills discounted with Banks | 740.31 | 1208.83 |
| | (ii) Excise duty demand disputed by the Company | - | 18.88 |
| (ii) Commitments | | | |
| (a) | Estimated value of contracts remaining to be executed on Capital Accounts | 352.11 | 340.09 |

34. PAYMENT TO AUDITORS IN OTHER CAPACITY

(₹ in lac)

| Particulars | For the year ended | |
|---------------------------|--------------------|-------------|
| | 31.03.2017 | 31.03.2016 |
| Taxation matters | 0.57 | 0.52 |
| Tax & Vat Audit | 1.20 | 1.10 |
| Certification | 2.39 | 1.61 |
| Reimbursement of Expenses | 0.51 | 0.47 |
| Total | 4.67 | 3.70 |

Notes to Financial Statements for the Year Ended 31st March 2017

35. Details of Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December, 2016 are provided in the table below:

(Value in ₹)

| Disclosure of specified bank notes from 09.11.2016 to 30.12.2016 | | | | |
|--|--------|--------------------------|---------|--|
| Particulars | SBNs | Other Denomination Notes | Total | |
| Opening Balance as at 09 th November, 2016 | 516000 | 208553 | 724553 | |
| Add Withdrawal From Bank accounts | - | 3103000 | 3103000 | |
| Add Receipt for Permitted Transaction | - | 582969 | 582969 | |
| Less Paid for Permitted Transaction | - | 3185676 | 3185676 | |
| Less Deposited in Bank accounts | 516000 | 148000 | 664000 | |
| Closing Balance as at 30 th December, 2016 | | 560846 | 560846 | |

36. VALUE OF IMPORTS CALCULATED ON CIF BASIS

(₹ in lac)

| Particulars | For the year ended | |
|-------------------|--------------------|----------------|
| | 31.03.2017 | 31.03.2016 |
| i) Capital Goods | 928.67 | 1339.61 |
| ii) Spare Parts | 215.40 | 194.60 |
| iii) Raw Material | 1667.26 | 1359.09 |
| iv) Traded Goods | 1681.70 | 794.51 |
| Total | 4493.03 | 3687.81 |

37. IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

(₹ in lac)

| Particulars | For the year ended | | | |
|--|--------------------|---------------|------------|--------|
| | 31.03.2017 | | 31.03.2016 | |
| | (₹ in lac) | % | (₹ in lac) | % |
| (i) Raw materials | | | | |
| -Imported | 1806.17 | 8.85 | 1698.31 | 11.66 |
| -Indigenous | 18593.18 | 91.15 | 12866.94 | 88.34 |
| | 20399.35 | 100.00 | 14565.25 | 100.00 |
| (ii) Components & Spare Parts | | | | |
| -Imported | 231.83 | 26.75 | 164.06 | 18.02 |
| -Indigenous | 634.88 | 73.25 | 746.40 | 81.98 |
| | 866.71 | 100.00 | 910.46 | 100.00 |

Notes to Financial Statements for the Year Ended 31st March 2017

38. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ in lac)

| S. No. | Particulars | For the year ended | |
|--------|----------------------|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| (1) | Travelling Expenses | 121.49 | 113.19 |
| (2) | Commission on Export | 567.48 | 687.74 |
| (3) | Other Expenses | 100.65 | 66.59 |
| | Total | 789.62 | 867.52 |

39. EARNING IN FOREIGN EXCHANGE

(₹ in lac)

| Particulars | For the year ended | |
|---------------------|--------------------|------------|
| | 31.03.2017 | 31.03.2016 |
| Export on FOB value | 19337.30 | 19237.52 |

40. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS

(₹ in lac)

| S. No. | Particulars | For the year ended | |
|--------|--|--------------------|------------|
| | | 31.03.2017 | 31.03.2016 |
| a) | Year to which Dividend relates | 2015-16 | 2014-15 |
| b) | No. of non resident Shareholders to whom dividend remitted | 143 | 122 |
| c) | No. of shares on which remittance was made (₹ in Lac) | 3.98 | 3.70 |
| d) | Amount remitted: | | |
| | (i) Through NRE A/cs (₹ in lac) | 1.30 | 0.96 |
| | (ii) Remitted abroad in foreign Currency (₹ in lac) | 3.48 | 3.48 |

41. PREVIOUS YEAR FIGURES:

The figures of the previous year have been regrouped/ recast wherever found necessary.

As per our Report of even date

For and on behalf of the Board

For A.L.CHECHANI & CO.
Chartered Accountants

ARUN CHURIWAL
Chairman & Managing Director
DIN: 00001718

NIVEDAN CHURIWAL
Joint Managing Director
DIN: 00001749

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

AMAR NATH CHOUDHARY
Director
DIN: 00587814

PRAVEEN JAIN
CFO & Company Secretary

Place : Noida (U.P.)
Date : 12th May, 2017

OTHER INFORMATIONS

Table 1: INSTALLED CAPACITY

| Particulars | As at | |
|-----------------------------------|------------|------------|
| | 31.03.2017 | 31.03.2016 |
| Looms | 210 | 198 |
| Worsted Spinning Spindles | 8768 | 8768 |
| Sythetic Spinning Spindles | 18192 | 18192 |
| Vortex Spinning Rotors | 400 | 400 |
| Fabrics Processing (Mtrs. In Lac) | 288 | 288 |
| Top, Fibre & Yarn Dyeing (MT) | 2352 | 2352 |

Table 2: SALES, PRODUCTION & STOCKS

(Value in ₹)

| Particulars | Production | | Purchase | | Opening Stock | | Closing Stock | | Sale / TrWanser | |
|-----------------------------|------------|---------|----------|---------|---------------|---------|---------------|---------|-----------------|----------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| A. Own Manufacturing | | | | | | | | | | |
| i) Fabrics | | | | | | | | | | |
| Qty.- Lac Mtrs. | 179.59 | 131.59 | 58.95 | 46.31 | 27.02 | 29.84 | 46.76 | 27.02 | 218.80 | 180.72 |
| Value - Lac ₹ | - | - | 4367.77 | 3756.88 | 2735.62 | 2985.95 | 5641.04 | 2735.62 | 31873.60 | 27673.19 |
| ii) PV Yarn | | | | | | | | | | |
| Qty. - Lac Kgs. | 27.58 | 32.28 | 5.69 | 2.63 | 1.64 | 1.31 | 1.44 | 1.64 | 33.46 | 34.58 |
| Value - Lac ₹ | - | - | 1185.89 | 447.77 | 263.03 | 236.35 | 303.80 | 263.06 | 7303.27 | 6845.78 |
| iii) Worsted Yarn | | | | | | | | | | |
| Qty. - Lac Kgs. | 6.12 | 6.42 | 0.59 | | 0.17 | 0.25 | 0.13 | 0.17 | 6.75 | 6.50 |
| Value - Lac ₹ | - | - | 443.77 | | 98.05 | 201.92 | 94.16 | 98.05 | 5745.97 | 4946.03 |
| iv) Vortex Yarn | | | | | | | | | | |
| Qty.- Lac Kgs. | 16.12 | 15.63 | - | - | 0.51 | 1.08 | 0.29 | 0.51 | 16.34 | 16.20 |
| Value - Lac ₹ | - | - | - | - | 97.13 | 202.18 | 62.06 | 97.13 | 3334.55 | 3135.70 |
| iv) Fibre | | | | | | | | | | |
| Qty.- Lac Kgs. | | | 6.55 | 4.70 | 0.25 | | 0.29 | 0.25 | 6.51 | 4.45 |
| Value - Lac ₹ | | | 1.053.07 | 747.49 | 37.85 | | 73.69 | 37.85 | 1237.11 | 801.90 |
| v) Garments | | | | | | | | | | |
| Qty.- Lac Nos. | 1.35 | 0.46 | - | 0.01 | 0.10 | 0.07 | 0.08 | 0.10 | 1.37 | 0.44 |
| Value - Lac ₹ | - | - | - | 4.69 | 28.55 | 17.40 | 18.21 | 28.55 | 510.75 | 228.73 |
| vi) Wind Power | | | | | | | | | | |
| Qty.- Lac units | 23.91 | 23.38 | - | - | - | - | - | - | 23.91 | 23.38 |
| Value - Lac ₹ | - | - | - | - | - | - | - | - | 93.71 | 91.64 |
| vii) Others | | | | | | | | | | |
| Value - Lac ₹ | - | - | 4.64 | 15.45 | 7.59 | 5.73 | 4.89 | 7.59 | 8.31 | 22.63 |
| B. Job work | | | | | | | | | | |
| i) Fabric Processing | | | | | | | | | | |
| Qty.- Lac Mtrs. | 266.04 | 257.95 | - | - | 7.21 | 4.87 | 4.12 | 7.21 | 268.94 | 255.52 |
| Value - Lac ₹ | - | - | - | - | 78.23 | 54.95 | 51.53 | 78.23 | 3729.77 | 3578.61 |

OTHER INFORMATIONS

| | | | | | | | | | | |
|---------------------------|--------------|-------|---|---|-------------|---|-------------|------|---------------|--------|
| ii) Dyeing Charges | | | | | | | | | | |
| Qty.- Lac Kgs. | 21.28 | 19.85 | - | - | 0.05 | - | 0.03 | 0.05 | 21.21 | 19.83 |
| Value - Lac ₹ | - | - | - | - | 0.94 | - | 0.05 | 0.94 | 720.48 | 441.43 |
| iii) Yarn Spinning | | | | | | | | | | |
| Qty.- Lac Kgs. | 0.50 | 0.84 | - | - | - | - | - | - | 0.50 | 0.84 |
| Value - Lac ₹ | - | - | - | - | - | - | - | - | 86.56 | 139.15 |

NOTE:-

Sale/ Transfer include Inter division transfer for captive Consumption :

| | | | |
|---------------------------------------|--|----------------|---------|
| i) PV Yarn | | | |
| Qty. - Lac Kgs. | | 16.75 | 19.14 |
| Value - Lac ₹ | | 3917.65 | 3959.98 |
| ii) Worsted Yarn | | | |
| Qty. - Lac Kgs. | | 4.61 | 5.29 |
| Value - Lac ₹ | | 3370.75 | 3522.30 |
| iii) Vortex Yarn | | | |
| Qty. - Lac Kgs. | | 0.52 | 0.18 |
| Value - Lac ₹ | | 120.53 | 36.54 |
| Inter - Division job charges : | | | |
| i) Fabrics Processing | | | |
| Qty.- Lac Mtrs. | | 152.03 | 135.93 |
| Value - Lac ₹ | | 2345.78 | 2204.05 |
| ii) Dyeing Charges | | | |
| Qty. - Lac Kgs. | | 20.57 | 19.47 |
| Value - Lac ₹ | | 706.25 | 433.27 |

TABLE 3 : LONG TERM LOANS, RECEIPTS AND REPAYMENTS

(₹ in Lac)

| LOANS FROM | TOTAL LOANS | | | TOTAL REPAYMENTS | | | OUT- STANDING |
|--------------------------------|-----------------|----------------|-----------------|------------------|----------------|----------------|------------------|
| | Till | New Loans | Total | Till | Repayment | Total | As at |
| | 31.03.2016 | 2016-17 | 31.03.2017 | 31.03.2016 | 2016-17 | 31.03.2017 | 31.03.2017 |
| UCO Bank | 1760.00 | - | 1760.00 | 825.57 | 220.00 | 1045.57 | 714.43 |
| Oriental Bank of Commerce | 6033.82 | - | 6033.82 | 4882.15 | 831.67 | 5713.82 | 320.00 |
| Union Bank of India | 148.11 | - | 148.11 | 105.92 | 18.76 | 124.68 | 23.43 |
| IDBI Bank Ltd. | 2087.00 | - | 2087.00 | 1406.10 | 343.36 | 1749.46 | 337.54 |
| Punjab National Bank | 1962.51 | - | 1962.51 | 324.00 | 414.00 | 738.00 | 1224.51 |
| State bank of Bikaner & Jaipur | 260.00 | - | 260.00 | 60.00 | 60.00 | 120.00 | 140.00 |
| Export Import Bank of India | 1621.87 | 1578.13 | 3200.00 | - | 160.00 | 160.00 | 3040.00 |
| State Bank of India | 0.00 | 287.00 | 287.00 | - | - | - | 287.00 |
| Grand Total | 13873.31 | 1865.13 | 15738.44 | 7603.74 | 2047.79 | 9651.53 | 6086.91 |

OTHER INFORMATIONS

TABLE 4 : RETURN OF NET WORTH
(₹ in Lac)

| Year Ended | 31st March | 31st March | 31st March | 31st March | 31st March |
|----------------|----------------|------------|------------|------------|------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Net Worth | 7937.44 | 7328.74 | 6717.12 | 6686.30 | 6360.55 |
| Pre-tax Profit | 850.79 | 1096.51 | 561.68 | 385.22 | 26.67 |
| Ratio% | 10.72 | 14.96 | 8.36 | 5.76 | 0.42 |

TABLE 5 : RETURN ON TURNOVER
(₹ in Lac)

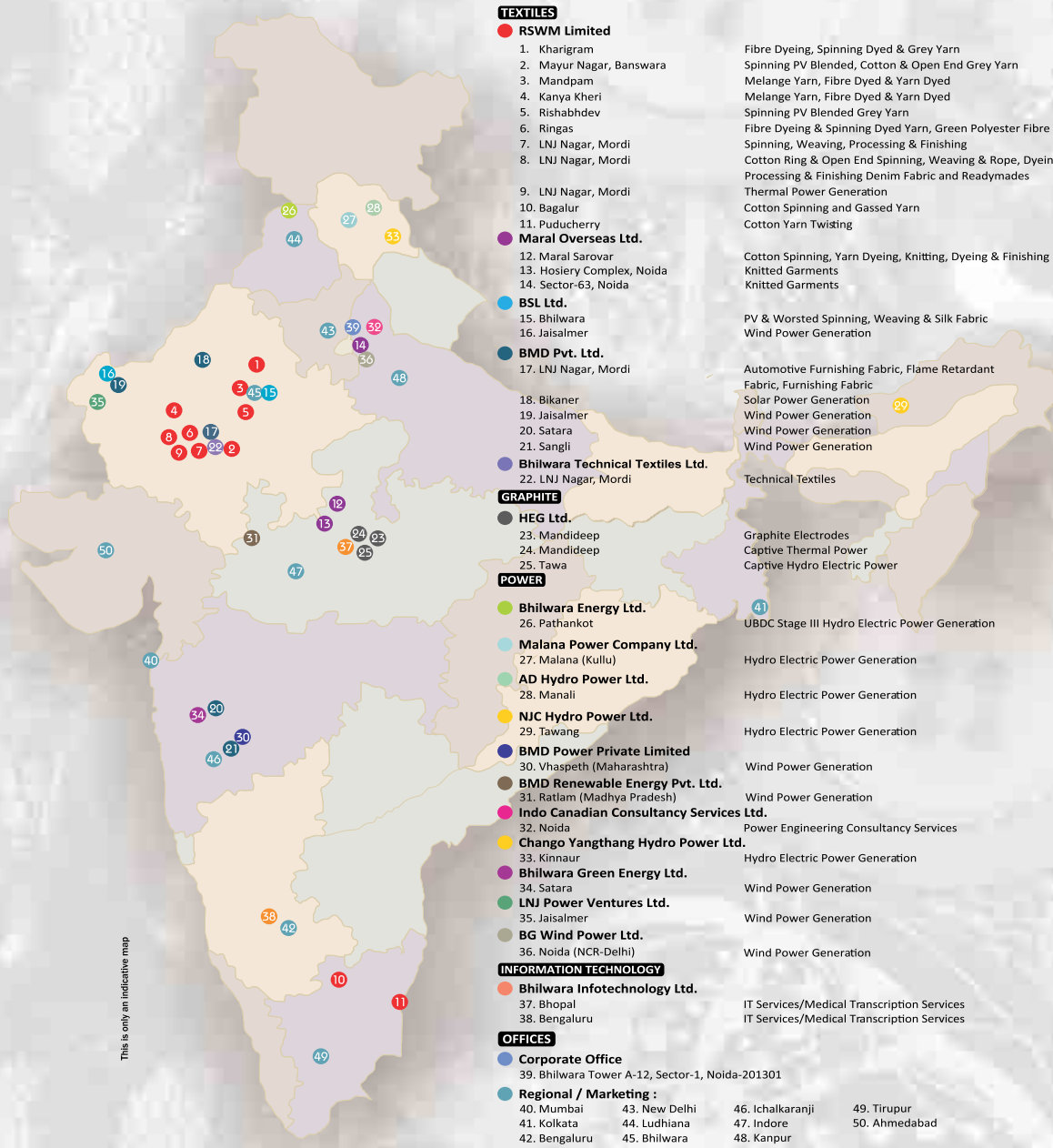
| Year Ended | 31st March | 31st March | 31st March | 31st March | 31st March |
|-------------------------|----------------|------------|------------|------------|------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Sales | 44538.8 | 37974.65 | 38068.67 | 33889.56 | 29592.85 |
| Pre-depreciation Profit | 2451.81 | 2540.51 | 2556.75 | 1914.67 | 1495.08 |
| Ratio % | 5.50 | 6.69 | 6.72 | 5.65 | 5.05 |



2.5 MW Roof-top Solar Power Generation Project installed at existing site Mandpam, Bhilwara



Zero Liquid Discharge Plant installed at processing division site at Mandpam, Bhilwara



Registered Office:
26, Industrial Area, P.B. No. 17, Gandhi Nagar, Bhilwara - 311001 (Rajasthan) India
CIN : L24302RJ1970PLC002266

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