



27TH ANNUAL REPORT 2013-2014



BHARAT SEATS LIMITED

BOARD OF DIRECTORS

NARINDER DEV RELAN	CHAIRMAN (DIN: 00240280)
YOICHI KOJIMA	(NOMINEE-SUZUKI MOTOR CORPORATION) (DIN: 02973263)
INALA VEERABHADRA RAO	(NOMINEE-MARUTI SUZUKI INDIA LTD.) (DIN: 00329370)
ROHIT RELAN	MANAGING DIRECTOR (DIN: 00257572)
AJAY RELAN	DIRECTOR (DIN: 00257584)
GIRISH NARAIN MEHRA	DIRECTOR (DIN: 00059311)
PRATEEP KUMAR LAHIRI	DIRECTOR (DIN: 00039653)
GAUTAM KHAITAN	DIRECTOR (DIN: 00021117)
KISHAN NAGIN PARIKH	DIRECTOR (DIN: 00453209)
RAVINDRA GUPTA	DIRECTOR (DIN: 01521168)

CORPORATE IDENTITY NUMBER

CIN: L34300DL1986PLC023540

BANKERS

STATE BANK OF TRAVANCORE
THE BANK OF TOKYO - MITSUBISHI UFJ LTD.
YES BANK LTD.
IDBI BANK LTD.

REGD. OFFICE

D-188, OKHLA INDUSTRIAL AREA, PHASE - 1,
NEW DELHI - 110 020

FACTORY

PLANT 1
PLOT NO. 1, MARUTI UDYOG JOINT VENTURE COMPLEX,
GURGAON - 122 015 (HARYANA)

PLANT 2
PLOT NO. MUSTTIL NO. 226, KILA NO. 7/1,
VILLAGE BHORAKALAN, TEHSIL - FARUKHNAGAR,
GURGAON (HARYANA)

PLANT 3
PLOT NO. 26, SECTOR-3A,
MARUTI SUPPLIER PARK, IMT, MANESAR
GURGAON (HARYANA)

AUDITORS

M/S S.S. KOTHARI MEHTA & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

LISTED AT

BSE LIMITED

CHIEF FINANCIAL OFFICER

SANJEEV KUMAR

COMPANY SECRETARY & COMPLIANCE OFFICER

RITU BAKSHI

REGISTRAR & SHARE TRANSFER AGENT

M/S ALANKIT ASSIGNMENTS LIMITED
2E/21, ALANKIT HOUSE,
JHANDEWALAN EXTENSION,
NEW DELHI - 110 055

E-MAIL & WEBSITE

Investor_relations@bharatseats.net, www.bharatseats.com

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DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 27th Annual Report together with the Audited Accounts for the year ended 31st March, 2014

FINANCIAL RESULTS

Rupees in lakhs

PARTICULARS	2013-2014	2012-2013
NET REVENUE FROM OPERATIONS	56003.83	60216.44
OTHER INCOME	24.05	127.86
PROFIT BEFORE FINANCIAL CHARGES & DEPRECIATION	2878.36	2482.48
LESS: FINANCE COSTS	625.84	647.18
PROFIT BEFORE DEPRECIATION & TAXATION	2252.52	1835.30
LESS:		
A) DEPRECIATION	1352.14	1133.39
B) PROVISION FOR TAXATION		
- CURRENT TAX(NET OF MAT CREDIT ENTITLEMENT)	37.05	-
- TAXES PAID FOR EARLIER YEARS	1.85	-
- DEFERRED TAX	190.72	166.89
NET PROFIT AFTER TAX	670.76	535.02
ADD: BROUGHT FORWARD FROM PREVIOUS YEAR	50.00	50.00
PROFIT AVAILABLE FOR APPROPRIATION	720.76	585.02
APPROPRIATIONS:		
PROPOSED DIVIDEND	251.20	251.20
CORPORATE DIVIDEND TAX	42.69	42.69
TRANSFER TO GENERAL RESERVE	376.87	241.13
BALANCE CARRIED FORWARD TO BALANCE SHEET	50.00	50.00

PERFORMANCE REVIEW

The gross revenue from operations and other income for the financial year under review was Rs. 63,199.95 lacs as against Rs 68,294.40 lacs for the previous financial year. The profit before finance costs, depreciation and taxation is Rs. 2878.36 lacs for the financial year under review as against Rs 2482.48 lacs for the previous financial year, i.e. an increase by 16%. The profit after tax increased to Rs. 670.76 lacs, as compared to Rs.535.02 lacs for the previous financial year, i.e. an increase by 25%. This is mainly due to better utilization of capital expenditure and other cost saving measures taken by the Company.

OPERATIONS

Your Company is well on the way to growth. Your Company has already been awarded business of seat sets for the next domestic as well as export model of Maruti Suzuki India Limited (MSIL), the production of which will start in 2014 and 2015 at the Company's new plant at Manesar and Gurgaon.

Your Company is presently manufacturing and supplying extruded components for the prestigious top selling models of MSIL. It has received further orders for extruded components of MSIL's new models, the production of which shall start in 2015-2016 at the Borakalan Plant.

As regards the two wheeler business, your Company has been awarded the order from Suzuki Motorcycle India Ltd. for the Seats and frames of the new model of Motorcycle, the production of which will commence in 2014 at its Gurgaon and Borakalan plant respectively.

**EXPANSION AND FUTURE PROSPECTS**

You would be happy to know that your Company has been awarded the business for manufacture of Recliner for 'Ertiga' model and 'Lifter' for various models, from MSIL. For this purpose, your company is entering into a Joint venture with Toyo Seat Co. Ltd., Japan.

DIVIDEND

Your Directors are pleased to recommend for the approval of the shareholders, a dividend of 40% (Re. 0.80/- per share) for the financial year ended 31.03.2014.

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

The information relating to conservation of energy, research & development, technology absorption, foreign exchange earnings and outgo pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies(Disclosure of particulars in the report of Board of Directors)Rules, 1988 is annexed hereto as Annexure I, forming part of this Report.

DIRECTORS

In accordance with the Articles of Association of the Company and relevant provisions of the Companies Act, 2013, Mr. N. D. Relan and Mr. Ajay Relan are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Girish Narain Mehra, Mr. Prateep Kumar Lahiri, Mr. Ravindra Gupta and Mr. Kishan Nagin Parikh as Independent Directors for a term upto 31st March, 2019. Details of the proposal for appointment of abovesaid directors are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the Twenty Seventh Annual General Meeting

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement with the Stock Exchange, the report on Corporate Governance and Management Discussion and Analysis Report have been included in this Annual Report as separate section, alongwith the Auditors' Certificate.

FIXED DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956, or Section 2(31), read with section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

LISTING

The Equity shares of the Company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year: 2014-15.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that :

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same.
- (b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2014 and of the profit or loss of the Company for the year ending 31st March, 2014;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 , for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis.

**HUMAN RESOURCES**

Our relations with the employees are very cordial. Your Directors would like to place on record their appreciation of the efficient and loyal services rendered by all employees of the Company, without whose wholehearted efforts, the overall satisfactory performance of the Company would not have been possible.

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the particulars of employees are set out in Annexure II.

AUDITORS

M/s S.S.Kothari Mehta & Co., Chartered Accountants retire at the Annual General Meeting and being eligible offer themselves for reappointment, which if made, will be in conformity with the provisions of Section 139 of the Companies Act, 2013.

COST AUDITORS

As per Section 233B of the Companies Act, 1956 and the MCA General Circular dt. 11th April 2011, (as amended vide General Circular No.36/2012 dated 6th Nov., 2012), subject to the approval of Central Government, the Board approved the appointment of Mr. S.N. Balasubramanian, Cost Accountant, New Delhi (Regn. no.102023) being eligible and having sought re-appointment as Cost Auditor under Section 148 of the Companies Act 2013 , to carry out the Cost Audit of the products manufactured by the Company for the year ending 31st March, 2015.

ENVIRONMENT

The Company is committed to the protection of environment and is not involved in any type of activity hazardous to environment. The Company strictly adheres to the provisions of environmental laws. There is no trade effluent generated by the Company, which may cause pollution. Our Company is an ISO14001 certified company.

The ISO14001 Certification was renewed during the year.

ACKNOWLEDGEMENTS

The Directors place on record their deep appreciation of the valuable assistance and co-operation extended to the Company by Suzuki Motor Corporation, Japan, Maruti Suzuki India Ltd., Suzuki Motorcycle India Limited, Toyo Seat Co.Ltd., Japan, Houwa Kogyo Co Ltd , Japan, Inoac Corporation, Japan, State Bank of Travancore, Bank of Tokyo- Mitsubishi UFJ Ltd., Yes Bank Ltd., IDBI Bank Ltd., various departments of Central Government and Haryana State Government. The directors convey their deep appreciation to employees at all levels for their commitment and collective team work.

Your support as shareholders is greatly valued .

Your Directors thank you and look forward to the future with confidence.

For and on behalf of the Board
BHARAT SEATS LIMITED

PLACE : New Delhi
DATED : 16th April, 2014

(N. D. RELAN)
CHAIRMAN


ANNEXURE I
ANNEXURE TO DIRECTORS' REPORT

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies(Disclosure of particulars in the report of Board of Directors)Rules, 1988, forming part of Directors' Report for the year ended 31st March, 2014

(A) CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

- i. Daily monitoring of electricity and diesel is being carried out for its maximum utilisation.
- ii. Auto timers provided to switch off power during idle time to save electricity.
- iii. Separate air liner provided for Carpet line to run small compressor, to save electricity.
- iv. Small compressor is used during preventive maintenance work to save electricity.
- v. Wind Blower and transparent sheets are provided in Manesar Plant to save electricity.
- vi. Electric steam generator and steam press is provided at Manesar Plant for optimisation of diesel consumption.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:

More electric meters shall be installed to monitor so as to further save power.

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

Reduction in energy consumption and subsequent reduction in cost.

(d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure in respect of industries specified in schedule thereto:

FORM A

A. POWER AND FUEL CONSUMPTION	2014	2013
Electricity		
Purchased Units (KWH)	5235168	5537261
Total Cost (Rs. in lakhs)	727.99	734.55
Rate per Unit (Rs.)	13.91	13.27
Diesel		
Purchased Units (in LTRS)	552580	603648
Total Cost (Rs. in lakhs)	305.14	258.92
Rate per Unit (Rs.)	55.22	42.89

(B) TECHNOLOGY ABSORPTION
FORM B
RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D carried out by your company :-

- a) Your Company has focused on Research and Development activities in particular. Your Company is continuously engaged in developing seating systems, moulded floor carpets, luggage carpets and Extrusion products for Maruti Suzuki India Ltd. Your Company is also developing the Seats and the complete frame assembly for Suzuki Motorcycle India Ltd.

The vision of your Company is to become a complete interior systems' supplier and to achieve this goal, your Company is laying immense emphasis on the activities in the R&D.

The employees are continuously engaged in developing and improving the existing products and are also working on expanding the range of products.

- b) Earlier, the Extruded Roof Mould for the 'Ritz' and 'WagonR' models of MSIL was being imported. We are very happy to inform you that we have indigenized this product and your Company is now manufacturing it, maintaining the International Quality standard norms.
- c) Your Company has developed the new motorcycle frame, sub assembly for Suzuki Motorcycle India Ltd. for their new model.
- d) Your Company has set up a new plant in the Maruti Suzuki Supplier Park at Manesar for producing 4-Wheeler seating system, with a present capacity to produce two lac units annually. This plant has the



latest state-of-art equipment for seating system assembly and Poly Urethane pads. This plant has started supply seating system to Maruti Suzuki India Ltd. at their Manesar Plant.

- e) Your Company has installed new seat assembly line in its plant at Manesar. Our technical collaborator, M/s Toyo Seat Co. Ltd., Japan has provided the conveyer design, seat unloading and inspection system and noise control system for inspection, for the same.
- f) Your Company has developed a new seat for the the 'Swift' model and has started its supply to MSIL Manesar Plant.
- g) Your Company is also establishing systems through R&D centre for better control and cost reduction of fixtures and gauges.

In line with the Customer's philosophy to sell best value for money vehicles, your Company has done various product improvements and innovation through Value Addition / Value Engineering (VA/VE) in the Seating systems, Carpets, Motorcycle frames, Extrusion products for Maruti Suzuki India Ltd and Suzuki Motorcycle India Ltd.

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

The above has resulted in enhanced customer confidence, making BSL self reliant right from concept to the mass production stage.

3. Future plan of Action:

Your Company is undertaking Research and Development activities for development of new products, tooling and testing fixtures as per the requirement of the Customer.

4. Expenditure on R&D

a) Capital	Rs. 1,91,09,228
b) Recurring	Rs. 85,26,844
c) Total	Rs. 2,76,36,072
d) Total R&D expenditure as a percentage of total turnover	0.49%.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards Technology absorption, adaptation and Innovation:

Bharat Seats Limited is continuously undertaking product development / improvement for existing as well as new products with the help of in-house resources as well as through technical assistance from technical collaborators. For this purpose, experts from Toyo Seats, Japan had frequent visits to your Company to give special training on designing the process of new type of seats and also the possibility of adding new product type seat mechanism.

2. Benefits derived as a result of the above efforts e.g. Product improvement. Cost reduction, product development, import substitution.

- a. Better quality product and hence higher confidence level. Your Company has scored better confidence with customer for quality product. Your Company has received 'No Delivery Failure' award from Suzuki Motorcycle India Ltd. for 2-wheeler frames and seats.
- b. Productivity improvement has helped your Company to meet additional requirements of the Customer. The company with the cooperation of the Collaborators, designed assembly lines giving a much higher output through better productivity. Your Company also has one of the longest and fastest lines for the manufacture of the Polyurethane pads production.
- c. Continuous upgradation of technology and other improvements has helped your company to be cost competitive in an increasing tough market situation and strict Government regulations. Your Company has received Certificate of Appreciation and awards from Maruti Suzuki India Ltd. at their Annual Vendor conference.
- d. To meet the development requirements of new models at a very short lead time, your Company has installed flexible lines to keep pace with the customer requirement and avoiding additional expenditure.
- e. Your Company has gained the know-how to provide complete solutions for Interiors of four wheelers and seat and frame of two wheelers and now also the exterior of four wheelers through Extrusion product range added this year.

3. In case of imported technology, technology imported during the last 5 years reckoned from the beginning of the financial year

As per detail below:

TECHNOLOGY IMPORTED	YEAR OF IMPORT	HAS TECHNOLOGY BEEN FULLY ABSORBED
<ul style="list-style-type: none"> - For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies 	2009-2010	Yes
<ul style="list-style-type: none"> - For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers 	2010-2011	Yes
<ul style="list-style-type: none"> - For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies - For Manufacture of extruded components for automobiles. 	2011-2012	Yes
<ul style="list-style-type: none"> - For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies - For Manufacture of extruded components for automobiles. 	2012-2013	Yes
<ul style="list-style-type: none"> - For continuous improvement - For manufacture of moulded carpets and seating system for four wheelers - For Manufacture of Two Wheeler Seat Assemblies - For Manufacture of extruded components for automobiles. 	2013-2014	Yes

A. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Activities relating to exports	No direct export. The value of seats produced by us for use as fitment in export model cars of Maruti Suzuki India Limited is estimated to be Rs. 1282 lakhs (Rs. 1783 lakhs).
(b) Total foreign exchange used and earned	Foreign exchange outflow on account of import of Capital Goods and raw materials amounted to Rs.1128.57 lakhs (Rs. 3282.86 lakhs). Other expenditure in foreign currency relating to travelling, training and technical fees amounted to Rs. 270.66 lakhs (Rs. 291.80 lakhs). Remittances in foreign currency on account of dividend amounted to Rs.37,20,000/- (Rs. 37,20,000/-).

(Figures in bracket pertain to last year)

ANNEXURE II

STATEMENT UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956, FORMING PART OF DIRECTORS' REPORT EMPLOYED FOR FULL FINANCIAL YEAR : 2013-2014:

NAME	DESIGNATION & NATURE OF DUTIES	REMUNERATION GROSS (RS.)	QUALIFICATIONS	DATE OF COMMENCEMENT OF EMPLOYMENT	TOTAL EXPERIENCE	AGE IN YEARS	LAST EMPLOYMENT	PERCENTAGE EQUITY
MR.ROHIT RELAN	MANAGING DIRECTOR	Rs. 84,00,000/-	B.COM(HONS.) F.C.A., OWNER/ PRESIDENT MANAGEMENT PROGRAMME FROM HARVARD BUSINESS SCHOOL	6.3.1986	35 YEARS	58 YEARS	M/S S.P. MARWAH & CO., CHARTERED ACCOUNTANTS	2.07%

NOTES:

1. REMUNERATION INCLUDES PERQUISITES AND COMPANY'S CONTRIBUTION TO PROVIDENT FUND
2. THE NATURE OF EMPLOYMENT OF MR. ROHIT RELAN IS CONTRACTUAL.
3. MR. ROHIT RELAN IS RELATED TO MR. N.D.RELAN, CHAIRMAN, MR. AJAY RELAN, DIRECTOR AND MR. RISHABH RELAN, CHIEF OPERATING OFFICER OF THE COMPANY

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY REVIEW AND MACRO ECONOMY

Emerging from the chaos of crises, the global economy becomes stronger and smaller. Globalization has led to a more prosperous and integrated world. The 2014 growth outlook has improved significantly, as compared to 2013.

Among the other emerging markets, India is to witness a slight growth improvement in 2014, up from weaker growth performance over 2013.

Car sales in India declined for a second straight year, with March sales also ending in the negative zone. Overall industry volumes slumped nearly 5%. Market leader Maruti managed a marginal rise, but most others saw sales dips.

Automobiles sector foresees global growth in 2014 with new and upgraded vehicles.

Indian automobile sector is one of the largest automobile markets in the world. The recent excise cuts in various segments of vehicles is a welcome move by the Indian Government, but other factors like high interest rate, falling rupee and unstable fuel pricing still loom large in the market. This sector is also getting affected due to price rise, inflation, high cost of capital and stubborn slowdown.

Presently, the modest increase in automobile sector is due to growth in Maruti's domestic sales. Maruti's growth is attributable to higher localisation, favourable foreign exchange and cost reduction initiatives by the Company.

FUTURE OUTLOOK

MSIL rides ahead on trust and gains market share amid slump.

Bharat Seats Limited (BSL) is well positioned to exploit the growth opportunity. Your Company has been awarded business for various upcoming models of MSIL, the production of which will start this year and the following year, at the Company's plants at Gurgaon, BhoraKalan and Manesar. Your Company has received further orders for extruded components for new Models of MSIL for production at BhoraKalan Plant. Your Company has received further orders of Seats and frames for new model of Motorcycle, from Suzuki Motorcycle India Ltd., the production of which shall start this year at BhoraKalan and Gurgaon Plant.

RESEARCH & DEVELOPMENT

Indian auto suppliers' credit profiles would largely remain stable in 2014, underpinned by the increasing focus of OEMs on localization. BSL has been trying to gear up its resources to provide complete solution, from design to start –of –production(SOP), to customer in order to keep abreast with competition.

This initiative has been taken by creation of necessary infrastructure in terms of establishing prototype shop, designing assembly line, welding line and automatic moulded carpet line and providing training to human resources.

In process we have created inhouse expertise for product and tool design and development of components in order to remain cost competitive.

Your Company and MSIL are jointly validating the Test lab of your Company with the help of Suzuki Motor Corporation, Japan which will help in seat validation indigenously hence reducing development time for the various iterations during the process of design of seat for the new vehicle.

OPPORTUNITIES AND THREATS

During the year, your Company focused its attention on long term initiatives despite challenging market situations, with special focus on Research and Development.

Besides, passenger car industry, your Company has focused its attention on design and development of Seating System and components for two wheelers of Suzuki Motorcycle India Ltd. Your Company has been awarded the order for seating system for the new model of Motorcycle the production of which will commence in 2014.

RISK AND CONCERNS

The management perceives the following as risk and concern for its business :

BUSINESS RISK

The Company is operating in the business of automotive components and the performance of auto component industry is largely dependent on the performance of automobile industry. The Company operates in an environment which is affected by various factors some of which are controllable, while others are outside the control of the Company. The Company is dependent on several factors such as changes in Government policies & legislation, economy's growth, market practices and pricing etc. The global automotive manufacturers are expanding their production capacities in India, leading to global competition which can only be countered by maintaining low cost product development.

Although rising inflation, interest rates and crude oil prices are concerns of short term, the Company is optimistic about medium and long term and is gearing up for growth. The Company is actively exploring all new business opportunities in terms of product diversification.

FINANCIAL RISK

The Company is exposed to the risks associated with fluctuations in foreign currency rates on account of imports and foreign currency loans. The company's sales and margins are subject to the market forces that affect Maruti and Suzuki Motorcycle India Ltd. Your Company reviews forward exchange contracts/ derivative contracts on a regular basis to analyse foreign exchange exposure and confirms that the Company has a policy on foreign exchange risk management in place.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, reported and recorded correctly. Further internal audit has been out sourced to M/s K.S.M.N & Co., Chartered Accountants. The Audit covers all the areas e.g. Finance, Production, IT, HR, Purchase, Statutory Compliance etc. and regular audits are conducted by Internal Auditors. The Audit observations are periodically reviewed by the Audit Committee of the Board of Directors and necessary directions are issued, wherever required.

FINANCIAL PERFORMANCE

The details of the financial performance of the company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements forming part of this Annual report. For financial highlights please refer heading 'FINANCIAL RESULTS' of Directors' Report.

HUMAN RESOURCES AND DEVELOPMENT

Industrial relations have continued to be harmonious throughout the year. BSL believes that success of any organization depends on its ability to recruit, train, deploy and retain good people. The company takes care of employee motivation and skill upgradation.

CAUTIONARY STATEMENT

Statements in the 'Management Discussion and Analysis' describing the company's objective, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed or implied. The important factors that may effect the company's operations include demand & supply situation, input prices and their availability, change in Government policies/ regulations, tax laws and other statute. Therefore, all concerned should bear all above factors in mind.