

# BSL Limited



The Future is Here

Annual Report 1997/98



MD	✓	✓	✓	✓	✓
CS	✓	✓	✓	✓	✓
RO	✓	✓	✓	✓	✓
TRA	✓	✓	✓	✓	✓
ACM	✓	✓	✓	✓	✓
YE	✓	✓	✓	✓	✓

New

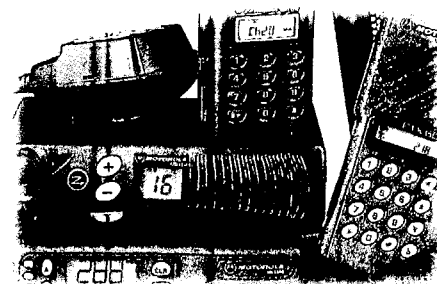
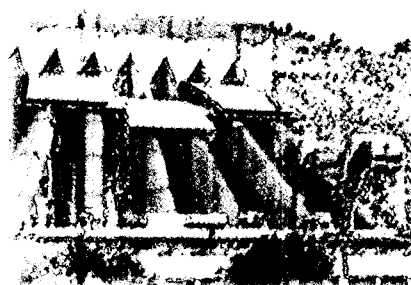
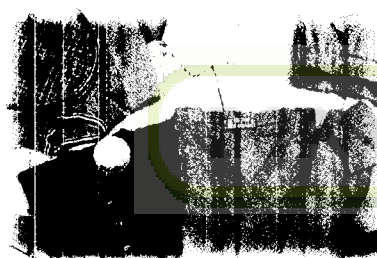
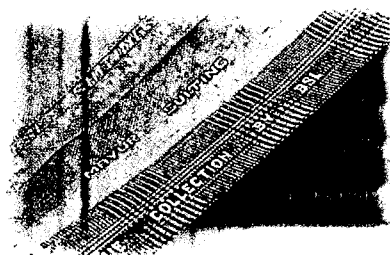
Out To

Reaching



## The World of LNJ Bhilwara Group

*Quality manifests itself  
in various forms.  
Excellence, leadership status  
and rapid growth being  
some important  
benchmarks.*



*We, the LNJ Bhilwara Group,  
are a multi-product Group  
with interests in diverse fields  
like Textiles (spinning, weaving, knitting,  
processing and garment making),  
Graphite Electrodes, Sponge Iron, Hydro-Electric Power,  
Telecommunications and Financial Services.*

## GROUP HIGHLIGHTS

- ◆ India's largest producer and exporter of Polyester/Viscose yarn and Graphite Electrodes.
- ◆ Almost 39% of the Group's turnover comes from Exports alone.
- ◆ Winner of CAPEXIL-Top Export Award for Graphite Electrodes for the last 12 years in a row.
- ◆ Winner of SRTEPC Highest Export Award for Polyester / Viscose Yarn exports for consecutive 8 years.
- ◆ Maral Overseas Ltd., is the winner of TEXPROCIL Silver Trophy for the second highest Export Award in the 100% EOU/EPZ category.
- ◆ HEG's graphite electrodes plant is the largest in the whole of South Asia.
- ◆ MARAL is India's only fully integrated 100% EOU cotton knitwear unit with Spinning, knitting processing & garment making.
- ◆ The Group also enjoys prestigious foreign collaborations and technologies of several world leaders:
  - Hydro Quebec of Canada for Hydro Electric Power.
  - Motorola of USA for 'Public Mobile Radio Trunked Services' (PMRTS)
  - Melba Industries of Australia and De Witte Lietaer of Belgium for Specialised Automotive fabrics.
  - RSW International of Canada for Power Consultancy Services.
- ◆ Rajasthan Spinning & Weaving Mills Ltd. and Maral Overseas Ltd., are India's first composite textile and knitting textile units to get the coveted ISO-9002 certification. HEG Ltd., BSL Limited and Bhilwara Processors Ltd. also enjoy this certification.

## GROUP SALIENT FEATURES

Sl. No.	Particulars	Rs. in Crores	
		1997-98	1996-97
1.	Turnover	1370	1202
2.	Exports	526	407
3.	PBIDT	250	202
4.	PBDT	150	117
5.	PBT	83	57
6.	PAT	77	51
7.	Gross Fixed Assets	1268	1070



## BSL LIMITED

### FINANCIAL HIGHLIGHTS

(Rs. in Crores)

Particulars	1995-96	1996-97	1997-98
Turnover	122.88	124.50	143.23
Exports	17.66	33.81	36.54

P B I D T	19.11	19.64	22.48
Interest	6.83	11.94	12.42
Depreciation & Misc. Expenditure W/off	3.58	7.54	9.04
Taxation	—	0.02	0.11
PAT	8.70	0.14	0.91

Gross Block	93.32	96.81	104.44
Less : Depreciation	16.40	23.70	32.37
Net Block	76.92	73.11	72.07

Net Worth	45.66	45.13	45.34
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## BSL LIMITED

### BOARD OF DIRECTORS

Shri A.K. Churiwal, **Chairman & Managing Director**  
 Shri Ravi Jhunjhunwala  
 Shri J.N.Pathak  
 Shri Ashok Jhajharia  
 Shri Pradeep Agarwal  
 Shri B.S.Samat (Nominee-ICICI)  
 Shri R.N.Gupta  
 Shri R.Vishwanathan (Nominee-GIC)  
 Shri Nivedan Churiwal, **Executive Director**

### JOINT PRESIDENT

Shri M.D.Gagrani

### COMPANY SECRETARY

Shri Praveen Jain

### BANKERS

The Bank of Rajasthan Limited  
 Oriental Bank of Commerce  
 Bank of Baroda  
 Bank of India

### AUDITORS

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

### REGISTERED OFFICE

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

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## DIRECTORS' REPORT

To The Members,

The Board of Directors have pleasure to present the 27th Annual Report and statement of Accounts for the year ended 31st March, 1998.

### 1. FINANCIAL RESULTS

(Rs. in Crores)

ITEM	This Year	Previous Year
Total Turnover	<b>143.23</b>	124.50
Profit before interest and Depreciation	<b>22.48</b>	19.63
Less : Interest(Net)	<b>12.42</b>	11.93
Profit before Depreciation	<b>10.06</b>	7.70
Less : Depreciation	<b>8.89</b>	7.39
: Misc. Exp. Written off	<b>0.15</b>	0.15
Profit before Income Tax	<b>1.02</b>	0.16
Provision for Income Tax	<b>0.11</b>	0.02
Profit after Tax	<b>0.91</b>	0.14

### 2. OPERATIONS

The textile industry in India has suffered from the situation of excess supply compared to demand during the whole year. This factor has been more visible in the synthetic and worsted segments of the industry. Therefore the company had to struggle for the markets.

The Company has marketed **106.28 Lac Mtrs.** of fabrics valuing **Rs.133.46 Crores** during the year as compared to 104.77 Lac Mtrs. valuing Rs.120.47 Crores in the previous year.

### 3. EXPORTS

The Company exported **25.00 Lac Mtrs.** of fabrics during the year amounting to **Rs.33.69 Crores** as against 24.23 Lac Mtrs. of Rs.31.80 Crores in previous year. The Company has also exported worsted yarn amounting to **Rs.2.85 crores** against Rs.2.01 crores in previous year.

### 4. DIVIDEND

The Directors recommend dividend @ 10% on Equity Shares and 14% on Preference Shares.

### 5. EXPANSION

The Company is expanding its Worsted Spinning Division by installing additional 1920 Spindles, raising its spinning capacity to 7904 spindles. This will enable the Company to increase its Fine Count production and consequently export sales will be further improved. The Commercial production of the above expansion scheme is expected to commence w.e.f. 1st October, 1998.

### 6. SUBSIDIARY COMPANY

BSL Wulfin Limited has become subsidiary of your Company during the year under review. The weaving project of the Company has been fully implemented and commercial production commenced w.e.f. 1st April, 1998.

### 7. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

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

### 8. DIRECTORS

- Shri R.L. Nolkha, Managing Director resigned from the services of the Company w.e.f. 31/8/97. The Board of Directors places on record its appreciation for the services rendered by Shri Nolkha during his long tenure with the Company.
- Shri A.K.Churiwal, Chairman was appointed as Chairman & Managing Director of the Company w.e.f. 1st September, 1997.
- Shri Nivedan Churiwal was appointed as Executive Director of the Company w.e.f. 26th July, 1997.
- General Insurance Corporation of India has nominated Shri R.Vishwanathan as its nominee Director w.e.f. 16th April, 1998 in place of Shri R.C.Sharma. The Board places on record its appreciation for the services of Shri R.C.Sharma.
- Shri Ashok Jhajharia and Shri Pradeep Agarwal retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.



## 9. PERSONNEL

Your Company's relations with the employees and workers at all levels have been cordial. The Directors take this opportunity of placing on record their appreciation of devoted services rendered by staff and workers. A statement u/s Sec.217(2-A) of the Companies Act, 1956 read with (Particulars of employees) Rules, 1975 has been given in Annexure-II.

## 10. AUDITORS

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

## 11. APPRECIATION

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

For and on behalf of the Board of Directors

Place : Noida

Dated : 28th May, 1998

(A.K.CHURIWAL)  
Chairman & Managing Director

## निदेशकों का प्रतिवेदन

सदस्यगण,

निदेशक मंडल आपके समक्ष 27वीं वार्षिक रिपोर्ट एवं 31 मार्च 1998 को समाप्त हुए वर्ष का लेखा विवरण सहर्ष प्रस्तुत करते हैं।

### 1. वित्तीय परिणाम

(रुपये करोड़ में)

	इस वर्ष	गत वर्ष
कुल बिक्री	143.23	124.50
ब्याज व मूल्यहास पूर्व लाभ	22.48	19.63
घटाया : शुद्ध ब्याज	12.42	11.93
मूल्यहास पूर्व लाभ	10.06	7.70
घटाया : मूल्यहास	8.89	7.39
: अन्य खर्च	0.15	0.15
आयकर पूर्व लाभ	1.02	0.16
घटाया : आयकर हेतु प्रावधान	0.11	0.02
कर पश्चात् लाभ	0.91	0.14

### 2. संचालन

भारत का वस्त्र उद्योग सम्पूर्ण वर्ष में मांग की तुलना में ज्यादा पूर्ति की वजह से प्रभावित हुआ है। इसका असर सिन्थेटिक्स व वर्स्टैड दोनों पर ज्यादा दिखाई दिया, जिसके फलस्वरूप कम्पनी को बाजार के लिए संघर्ष करना पड़ा है।

कम्पनी ने इस वर्ष 106.28 लाख मीटर कपड़े का विक्रय किया, जिसका मूल्य रुपये 133.46 करोड़ है। गत वर्ष यह विक्रय 104.77 लाख मीटर था जिसका मूल्य रुपये 120.47 करोड़ था।

### 3. निर्यात

आलोच्य वर्ष में कम्पनी ने 25.00 लाख मीटर कपड़े का निर्यात किया है जिसका मूल्य रुपये 33.69 करोड़ है, जबकि गत वर्ष यह 24.23 लाख मीटर का था जिसका मूल्य रुपये 31.80 करोड़ था। कम्पनी ने इस वर्ष रुपये 2.85 करोड़ मूल्य के वर्स्टैड धागे का भी निर्यात किया है, जबकि गत वर्ष यह रुपये 2.01 करोड़ था।



#### 4. लाभांश

निदेशक मंडल साधारण अंशों पर 10 प्रतिशत एवम् अधिमान अंशों पर 14 प्रतिशत लाभांश की अनुशंसा करता है।

#### 5. विस्तार

कम्पनी अपने वर्स्टैड स्पीनिंग विभाग में 1920 स्पिडल्स स्थापित कर विस्तार कर रही है जिससे कुल क्षमता 7904 स्पिडल्स हो जाएगी। इस विस्तार से कम्पनी फाइन काउन्ट धागे के उत्पादन में वृद्धि कर निर्यात को बेहतर बना सकेगी। इस विस्तार का व्यावसायिक उत्पादन 1 अक्टूबर 1998 से प्रारम्भ होने की सम्भावना है।

#### 6. सहायक कम्पनी

इस वर्ष बी एस एल वूलफिंग लिमिटेड आपकी कम्पनी की सहायक कम्पनी बनी है। कम्पनी की वीविंग मशीनें स्थापित हो गयी हैं एवं उनका व्यावसायिक उत्पादन 1 अप्रैल 1998 से प्रारम्भ हो चुका है।

#### 7. ऊर्जा संरक्षण, तकनीक समावेशन एवं विदेशी मुद्रा आय-व्यय

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

#### 8. निदेशक

(अ) श्री आर.एल. नौलखा, प्रबन्ध निदेशक ने 31-8-97 से अपनी सेवाओं से त्यागपत्र दे दिया है। निदेशक मंडल श्री आर.एल. नौलखा को उनकी सेवाओं के लिए आभार व्यक्त करता है।

(ब) श्री ए.के. चूड़ीवाल, अध्यक्ष को 1 सितम्बर, 1997 से कम्पनी का अध्यक्ष एवं प्रबन्ध निदेशक नियुक्त किया गया है।

(स) श्री निवेदन चूड़ीवाल को 26 जुलाई 1997 से कम्पनी का कार्यकारी निदेशक नियुक्त किया गया है।

(द) भारतीय साधारण बीमा निगम ने श्री आर.सी. शर्मा के स्थान पर श्री आर. विश्वनाथन को 16 अप्रैल 1998 से मनोनीत किया है। निदेशक मंडल श्री आर.सी. शर्मा को उनकी सेवाओं के लिए आभार व्यक्त करता है।

(य) श्री अशोक झाझड़िया एवं श्री प्रदीप अग्रवाल आगामी वार्षिक साधारण सभा में क्रमानुसार अवकाश ग्रहण करते हैं व पुनः नियुक्ति के योग्य हैं।

#### 9. कार्मिक

आपकी कम्पनी का कर्मचारियों व श्रमिकों से सभी स्तर पर सौहार्दपूर्ण सम्बन्ध रहा है। निदेशक मंडल कर्मचारियों व श्रमिकों के योगदान की सराहना करता है। कम्पनी अधिनियम 1956 की धारा 217 (2A) के अनुसार कर्मचारियों की सूची परिशिष्ट-II में संलग्न है।

#### 10. अंकेक्षक

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

#### 11. आभार प्रदर्शन

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

निदेशक मंडल की ओर से

स्थान : नोयडा  
दिनांक : 28 मई, 1998

अरुण कुमार चूड़ीवाल  
अध्यक्ष व प्रबन्ध निदेशक





## ANNEXURE-I

- 1) STATEMENT OF PARTICULARS RELATED TO ENERGY CONSERVATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH,1998.

## A) POWER &amp; FUEL CONSUMPTION

	CURRENT YEAR	PREVIOUS YEAR
<b>1. Electricity</b>		
a) Purchased		
Units (Lacs)	83.71	61.72
Total Amount (Rs. in Lacs)	300.87	208.15
Rate/Unit	3.59	3.37
b) Own Generation through Diesel Generator		
Units (Lacs)	61.66	62.90
Units per litre of Diesel Oil	3.63	3.66
Cost/Unit	2.81	2.23
Through steam turbine/generator	-	-
Units	-	-
Units per litre of Fuel Oil/Gas	-	-
Cost/Unit	-	-
<b>2. Coal</b>		
Quantity Tons	-	-
Total Cost	-	-
Average Rate	-	-
<b>3. Furnace Oil</b>		
Quantity	-	-
Total Cost	-	-
Average Rate	-	-
<b>4. Others</b>		
Quantity	-	-
Total Amount	-	-
Average Rate	-	-


**BSL LIMITED**
**B) CONSUMPTION PER UNIT OF PRODUCTION**
**1. PRODUCTION**

Grey Fabrics (Lac Mtrs.)	112.17	101.44
Yarn (Lac Kgs.)	8.30	6.37
Electricity Unit per Mtr.	0.74	0.68
Electricity Unit per kg.	7.57	8.65
Furnace Oil	—	—
Coal	—	—
Others	—	—

**2. TECHNOLOGY ABSORPTION**

Expenditure incurred on Research and Development during the year is as follows: (Rs.in lacs)

Capital	—
Recurring	50.32
Total Expenditure as % of total turnover	0.35

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of foreign exchange earning and outgo during the year are as under: (Rs. in lacs)

	1997-98	1996-97
Earning	3524.02	3281.77
Outgo		
(Revenue A/c)	1199.61	807.25
(Capital A/c)	312.10	1511.71
		—
		807.25