

CONTENTS

Corporate Information	2
Management Discussion and Analysis	3
Directors' Report	4-7
Annexure to the Directors' Report	8-9
Report on Corporate Governance	10-16
Auditors' Report	17-19
Balance Sheet	20
Profit & Loss Account	21
Schedules	22-39
Cash Flow Statement	40
Balance Sheet Abstract	41
Statistics	42-43

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

ADVISOR

R. N. Gupta

BUSINESS HEAD

J. C. Soni

CFO & COMPANY SECRETARY

Praveen Jain

KEY EXECUTIVE

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

BANKERS

State Bank of India
 Oriental Bank of Commerce
 The Bank of Rajasthan Ltd.
 Union Bank of India
 IDBI Bank Ltd.

AUDITORS

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

REGISTERED OFFICE

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

WORKS

Mandpam, Dist. Bhilwara - 311 001 (Rajasthan)

WIND ENERGY PLANT

Village Gorera, Jaisalmer - 345 001 (Rajasthan)

FINANCIAL HIGHLIGHTS

(Rs. in Crore)

PARTICULARS	2007-2008	2008-2009	2009-2010
Turnover	178.88	188.17	218.02
Exports	103.37	110.44	122.91
P B I D T	13.91	22.53	29.55
Interest	12.81	12.64	11.03
Depreciation	9.96	9.64	12.38
Taxation	(2.31)	0.20	2.35
PAT	(6.55)	0.05	3.79
Gross Block	205.41	206.03	257.73
Less : Depreciation	115.91	124.40	160.17
Net Block	89.50	81.63	97.56
Net Worth	40.12	40.17	59.29

MANAGEMENT DISCUSSION AND ANALYSIS

(1) INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Indian Textile Industry's performance overall has been better during the financial year 2009-2010 compared to global economic recession period of 2008-2009. The Economies particularly Domestic have made good recovery.

Our company's Exports has increased during this period in terms of volume and per meter price realization. The Company is focusing on strengthening domestic market.

(2) OPPORTUNITIES, THREATS & OUTLOOK :

With the introduction of new designs and high end silk fabrics and New Expansion projects of (i) 12 Nos. Picanol Weaving Machines and (ii) 400 Spindles of Vortex Spinning Company's turnover and profitability is expected to improve.

In Export front, Company has increased its volume and per unit price resulting higher profitability and turnover. The volatile exchange rate affects the profitability of the company.

(3) PERFORMANCE :

The product wise performance during the year is as under :

(Rs. in Crore)

	Particulars	This year		Previous year	
		Qty.	Value	Qty.	Value
a)	Fabrics (Lac Mtrs.)	158.42	186.93	154.93	173.76
b)	Yarn (MT)	946.28	15.44	712.55	10.41
c)	Job Work		11.94		1.01
d)	Readymade Garments	33889	1.36	33015	1.18
e)	Wind Power (Lac Units)	35.06	1.30	36.69	1.34
f)	Others : Export Incentives		1.05		0.47
Grand Total			218.02		188.17

The Profitability of the Company is as under :-

(Rs. in Crore)

Particulars	2009-10	2008-09
i) PBIDT	29.55	22.53
ii) PBDT	18.52	9.89
iii) PBT	6.14	0.25

(4) RISK & CONCERNS :

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

FOREIGN EXCHANGE RISK

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

INTEREST RATE RISK

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

RAW MATERIAL PRICES RISK

The Company is exposed to the risk of raw material prices of Polyester, Viscose, P/V blended yarn, Silk and Wool. The Company manage this risk by way of inventory management, vendor selection process and forward booking.

OTHER RISKS

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

(5) INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

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

(6) HUMAN RESOURCES AND INDUSTRIAL RELATION :

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

(7) CAUTIONARY STATEMENT

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

DIRECTORS' REPORT

To The Members,

The Board of Directors have pleasure to present the 39th Annual Report and Statement of Accounts for the year ended 31st March, 2010.

1. FINANCIAL RESULTS (Rs. in Crore)

Particulars	This Year		Previous Year	
Total Turnover				
a) Domestic	95.11		77.73	
b) Exports	122.91	218.02	110.44	188.17
Profit before interest and Depreciation	29.55		22.53	
Less : Interest (Net)	11.03		12.64	
Profit before Depreciation	18.52		9.89	
Less : Depreciation	12.38		9.64	
Profit before Tax	6.14		0.25	
Taxation – Current year	1.21		–	
– Deferred Tax	1.23		0.07	
– Fringe Benefit Tax	–		0.21	
– Earlier years	(0.09)		(0.08)	
Profit after Tax	3.79		0.05	

2. OPERATIONS

The division wise performance is as under :

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
a) Fabric (Lac Mtrs.)				
– Domestic	59.13	65.72	61.75	65.09
– Exports	99.29	121.21	93.18	108.67
Total	158.42	186.93	154.93	173.76
b) Yarn (MT)				
– Domestic	920.60	14.94	657.10	9.25
– Exports	25.68	0.50	55.45	1.16
Total	946.28	15.44	712.55	10.41
c) Job Work				
Job Fabric Processing (Lac Mtrs.)	94.35	10.64	–	–
Top, Fibre and Yarn Dyeing (MT)	108	0.26	–	–
Job Spinning (MT)	93	1.04	113	1.01
Total	11.94			1.01

(Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
d) Readymade Garments				
– Domestic (No. of Pcs.)	33889	1.20	33015	1.05
– Exports	–	0.16		0.13
Total		1.36		1.18
e) Wind Power				
Generation (Lac Units)	35.06	1.30	36.69	1.34
f) Export Incentives		1.05		0.47
Grand Total		218.02		188.17

3. EXPORTS

The Company's Export turnover during the year was Rs.122.91 Crores. Despite global recessionary conditions, Company has been able to increase its volume and per meter price realization resulting into higher profitability during the year.

4) OUT LOOK FOR COMPANY'S ACTIVITIES

The Company is focusing more on Institutional Domestic sales as it is now a Composite Textile Mill. In export markets, Company plans to increase volumes by entering into new markets of Eastern Europe and Africa.

5) AMALGAMATION OF BHILWARA PROCESSORS LTD. WITH THE COMPANY

The Hon'ble High Court, Jodhpur vide its order dated 27th January, 2010 approved the Scheme of Amalgamation of Bhilwara Processors Limited with the Company w.e.f. 1st April, 2009. The Company therefore issued 29,57,469 Equity shares to the shareholders of Bhilwara Processors Limited as per scheme. After Amalgamation, Company will now use its resources more economically resulting into higher profitability for combined entity. The Company has also obtained status of Composite Mill from The Office of Textile Commissioner

6) EXPANSION PLANS

- During the Current Year, Company is planning to install 12 Nos. New Picanol Weaving Machines and replacing some machines in its processing division . The total capital expenditure will be Rs.11.00 Crores (aprox)
- The Company is also planning to install 400 Spindles of Vortex Synthetic Spinning to be imported from Japan for production of Grey yarn at total capital cost of Rs.22.00 Crores. Both the Expansions will be funded through term loans and internal accruals.

The above expansions will improve turnover and overall profitability of the Company.

7) WIND POWER PROJECT

The Company's Wind Power Project at Jaisalmer had generated 35.06 Lac units during the year, as against 36.69 Lac units last year.

DIRECTORS' REPORT

8) DIVIDEND

The Board of Directors recommend a dividend @ 7.50% on the Equity shares of the Company.

9) DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors Confirm :-

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

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

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

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

b) Particulars of Employees

The information of employees getting salary in excess of the limits as prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars

of Employees) Rules, 1975, who were employed throughout or for part of the financial year under review is given as **Annexure-II** forming part of this report.

11) INTERNAL CONTROL SYSTEMS

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

12) HUMAN RESOURCE DEVELOPMENT

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

13) DIRECTORS

Shri Sushil Jhunjunwala and Shri Shekhar Agarwal retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

14) AUDITORS

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

15) APPRECIATION

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

For and on behalf of the Board

Place : Noida
Date : 29th April, 2010

(ARUN CHURIWAL)
Chairman & Managing Director
DIN : 00001718

निदेशकों का प्रतिवेदन

सदस्यगण,

निदेशक मंडल आपके समक्ष 39 वीं वार्षिक रिपोर्ट एवं 31, मार्च 2010 को समाप्त हुए वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे हैं।

1. वित्तीय परिणाम

(रुपये करोड़ में)				
मद	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य
कुल बिक्री – घरेलू	95.11		77.73	
– निर्यात	122.91	218.02	110.44	188.17
ब्याज व मूल्यह्रास पूर्व लाभ	29.55		22.53	
घटाया: शुद्ध ब्याज	11.03		12.64	
मूल्यह्रास पूर्व लाभ	18.52		9.89	
घटाया: मूल्यह्रास	12.38		9.64	
आयकर पूर्व लाभ	6.14		0.25	
कराधान – आयकर	1.21		–	
– विलम्बित कर	1.23		0.07	
– अनुषंगी हितलाभ कर	–		0.21	
– पूर्व वर्षों के कर	(0.09)		(0.08)	
कर पश्चात् लाभ	3.79		0.05	

2. संचालन

विभागानुसार विक्रय की स्थिति इस प्रकार है:–

मूल्य (रुपये करोड़ में)				
मद	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य
(अ) वस्त्र (लाख मीटर में)				
घरेलू	59.13	65.72	61.75	65.09
निर्यात	99.29	121.21	93.18	108.67
कुल	158.42	186.93	154.93	173.76
(ब) धागा (टनों में)				
घरेलू	920.60	14.94	657.10	9.25
निर्यात	25.68	0.50	55.45	1.16
कुल	946.28	15.44	712.55	10.41

मूल्य (रुपये करोड़ में)

मद	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य

(स) उपकार्य

वस्त्र प्रक्रियांकन उपकार्य (लाख मीटर में)	94.35	10.54	–	–
टोप, फाईबर और धागा डाईंग (एम.टी.)	108	0.26	–	–
स्पिनिंग उपकार्य (एम.टी.)	93	1.04	113	1.01
कुल		11.94		1.01

(द) पोषाक (संख्या)

घरेलू	33889	1.20	33015	1.05
निर्यात		0.16		0.13
कुल		1.36		1.18

(य) पवन ऊर्जा

ऊर्जा उत्पादन (लाख ईकाई)	35.06	1.30	36.69	1.34
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(र) निर्यात प्रोत्साहन

कुल	218.02		188.17	
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3. निर्यात

कम्पनी का इस वर्ष रु. 122.91 करोड़ का निर्यात रहा। वैश्विक मन्दी के बावजूद, कम्पनी के निर्यात मात्रा में व प्रति मीटर मूल्य प्राप्ति में वृद्धि से इस वर्ष कम्पनी का लाभ बढ़ा है।

4. कम्पनी की गतिविधियों पर दृष्टिकोण

कम्पनी अब एक संकलित इकाई होने के कारण घरेलू बाजार में संस्थागत विक्रय पर अधिक प्रयास कर रही है। कम्पनी नये बाजार विशेष रूप से पूर्वी यूरोप व अफ्रीका में विक्रय वृद्धि का प्रयास कर रही है।

5. भीलवाड़ा प्रोसेसर्स लिमिटेड का कम्पनी में विलय

माननीय उच्च न्यायालय जोधपुर ने अपने आदेश दिनांक 27.01.2010 द्वारा भीलवाड़ा प्रोसेसर्स लिमिटेड का कम्पनी में विलय की योजना को अनुमोदित किया। परिणाम स्वरूप कम्पनी ने 29,57,469 समता अंशों का भीलवाड़ा प्रोसेसर्स लिमिटेड के अंशधारकों को विलय योजना के अनुसार निर्गमित किया। विलय के फलस्वरूप संसाधनों का समन्वित उपयोग होने से लाभ में वृद्धि होगी। कम्पनी ने वस्त्रआयुक्त

निदेशकों का प्रतिवेदन

कार्यालय से संकलित इकाई के रूप में मान्यता प्राप्त कर ली हैं।

6. विस्तारीकरण योजना

(अ) इस वर्ष के दौरान, कम्पनी 12 नयी वीविंग मशीन पिकानोल, वेल्जियम से आयात कर रही है। वीविंग और प्रोसेसिंग विभाग में मशीनों का नवीनीकरण किया जा रहा है। इसकी अनुमानित पूँजीगत लागत रु. 11 करोड़ होगी।

(ब) कम्पनी नयी तकनीक से विशिष्ट प्रकार के धागे उत्पादन के लिए 400 स्पीन्डल्स वोरटेक्स कम्पनी जापान से आयात कर रही है। इस पर अनुमानित पूँजीगत लागत रु. 22 करोड़ होगी।

दोनों योजनाओं का वित्तीयकरण दिर्घावधि ऋण व आंतरिक संसाधनों से किया जाएगा।

विस्तारीकरण योजना से कम्पनी के विक्रय आवर्त एवं सम्पूर्ण लाभदायकता में वृद्धि होगी।

7. पवन ऊर्जा परियोजना

इस वर्ष कम्पनी के जैसलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 35.06 लाख यूनिट रहा। गत वर्ष यह उत्पादन 36.69 लाख यूनिट था।

8. लाभांश

निदेशक मंडल साधारण अंशो पर 7.50 प्रतिशत लाभांश घोषित करने की अनुशंसा करता है।

9. निदेशकों के उत्तरदायित्व का वर्णन

आपके निदेशक सुनिश्चित करते हैं—

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

10. कम्पनी अधिनियम 1956 की धारा 217 का विवरण

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

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

(ब) कर्मचारियों का विवरण

कम्पनी अधिनियम 1956 की धारा 217(2ए) तथा कम्पनीज (कर्मचारियों का विवरण) नियम 1975 के अन्तर्गत वर्णित सीमा से अधिक पारिश्रमिक प्राप्त करने वाले कर्मचारियों जो कि सम्पूर्ण वर्ष अथवा उसके किसी भाग में नियोजित रहे, का विवरण परिशिष्ट-II में उल्लेखित है जो इस विवरण के साथ सलग्न है।

11. आन्तरिक नियन्त्रण पद्धति

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

12. मानव संसाधन विकास

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

13. निदेशक

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

14. अंकेक्षक

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

15. आभार प्रदर्शन

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

निदेशक मंडल की ओर से

स्थान : नोएडा

तारीख : 29 अप्रैल, 2010

अरुण चूड़ीवाल

अध्यक्ष व प्रबन्ध निदेशक

ANNEXURE-I & II TO DIRECTORS' REPORT

1. STATEMENT OF PARTICULARS RELATED TO ENERGY CONSERVATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2010.

A. POWER AND FUEL CONSUMPTION

	Current Year	Previous Year
1) Electricity		
a) Purchased		
Units (Lac)	312.59	200.03
Total Amount (Lac Rs.)	1397.25	886.88
Rate/Unit	4.47	4.43
b) Own Generation		
(i) Through Diesel Generator		
Units(Lac)	2.83	0.17
Units per litre of Diesel oil	3.09	2.33
Cost/Unit	10.92	14.17
(ii) Through HFO Generator		
Units (Lac)	31.77	71.39
Units per litre of HFO / Diesel	3.90	4.05
Cost/Unit	9.53	6.44
2) Coal		
Quantity (MT)	7985	N.A.
Total Amount (Lac Rs.)	461.35	N.A.
Average Rate/Unit	5777.72	N.A.
3) Steam		
Quantity (MT)	444	N.A.
Total Amount (Lac Rs.)	2.22	N.A.
Average Rate/Unit	500.90	N.A.
4) Furnace Oil		
Qty. in Kilo Literes	814	1765
Total amount (Lac Rs.)	141.64	262.34
Average Rate (Rs. / Ltr.)	17.41	14.87
5) Other/Integral Generation	N.A.	N.A.
B) CONSUMPTION PER UNIT OF PRODUCTION		
A. Weaving:-		
Electricity Unit per Mtr.		
– Weaving	0.65	0.67
– Others	0.03	0.03
	0.68	0.70

	This Year	Previous Year
B. Spinning:-		
Electricity Unit per Kg.	5.70	5.61
C. Processing:-		
i) Electric Unit		
– Per Mtr. of Fabric	0.26	N.A.
– Per Kg. of Top, Fibre & Yarn Dyeing	0.57	N.A.
ii) Coal		
– Per Mtr. of Fabric	0.29	N.A.
– Per Kg. of Top, Fibre & Yarn Dyeing	0.38	N.A.
2. TECHNOLOGY ABSORPTION		
Details of Expenditure incurred on Research and Development during the year is as follows :		(Rs. in lac)
Capital	2.84	4.54
Recurring	117.28	102.74
Total Expenditure as % of total turnover	0.55	0.57
3. FOREIGN EXCHANGE EARNINGS AND OUTGO		
The details of foreign exchange earning and outgo during the year are as under :		
	2009-2010	2008-2009
Earning	11939.99	10707.02
Outgo :		
(Revenue A/c)	2309.43	1716.84
(Capital A/c)	24.86	2334.29
	19.88	1736.72

ANNEXURE-II TO DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956

(A) PERSONS EMPLOYED THROUGHOUT THE FINANCIAL YEAR

Name of Employee	Designation	Remuneration (Rs. Lac)	Qualification	Experience (Years)	Commencement of Employment	Age (Years)	Organization	LAST EMPLOYED Post Held	Duration (Years)
Arun Churiwal	Chairman & Managing Director	41.16	B.A. (Hons)	32	1/9/1997	59	–	–	–

(A) PERSONS EMPLOYED FOR PART OF THE FINANCIAL YEAR

R.N.Gupta	Advisor	17.38	DT Tech	40	1/10/2009	70	Bhilwara Spinners Ltd.	Managing Director	22
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REPORT ON CORPORATE GOVERNANCE

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

1. Company's Philosophy on Corporate Governance

BSL Ltd., a unit of LNJ Bhilwara Group has over the years followed best practices of Corporate Governance by adhering to practices laid down by Group. BSL's business objective and that of its management & employees is to manufacture & market the company's products in such a way to create value that can be sustained over the long term for consumers, shareholders, employees, lenders and various stakeholders resulting up-lifting of social and economic goals. BSL believes that success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. BSL endeavours to ensure that highest standards of ethical and good governance is met throughout the organization.

2. Board of Directors

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

Board Meetings & Annual General Meeting (AGM) :

During the year under review, Five Board meetings were held, the dates being 29th April, 2009, 20th June, 2009, 30th July, 2009, 29th October'2009 and 28th January'2010. The last AGM was held on 23/09/2009. Details of Attendance during 2009-2010 and other particulars are as given below:-

Sl. No.	Name	Title	Category	Directorship in Other Companies			No. of Board Meetings for 2009-2010		Whether Attended Last AGM
				Member of Board	Board Committees		Total Held	Attended	
					Chairman	Member			
1.	Shri Arun Churiwal	Chairman & Managing Director	Promoter - Executive	4	-	-	5	5	Yes
2.	Shri Ravi Jhunjunwala	Director	Promoter - Non Executive	9	5	1	5	4	No
3.	Shri Sushil Jhunjunwala	Director	Independent Non-executive	3	—	1	5	5-	No
4.	Shri Shekhar Agarwal	Director	Promoter - Non Executive	6	—	2	5	4	No
5.	Shri Nivedan Churiwal	Executive Director	Promoter Executive	—	—	—	5	5	No
6.	Shri Sushil Kumar Churiwala	Director	Independent Non Executive	2	—	2	5	1	No
7.	Shri Salil Bhandari	Director	Independent Non Executive	5	1	4	5	4	Yes
8.	Shri Amar nath Choudhary w.e.f. 30/07/2009	Director	Independent Non Executive	2	—	—	3	2	No

3. Audit Committee

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

1. Shri Salil Bhandari, Chairman (w.e.f. 29/04/2009)
2. Shri Shekhar Agarwal (w.e.f. 29/04/2009)
3. Shri Sushil Jhunjunwala

The broad terms of reference of Audit Committee are in accordance with the prescribed guidelines, as set out in the Listing Agreement. During the year under review, four meetings of the Audit committee were held, the dates being 29th April' 2009, 30th July'2009, 29th October'2009 and 28th January'2010.