

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 EXECUTIVES

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

BANKERS

State Bank of India
Oriental Bank of Commerce
IDBI Bank Ltd.
Union Bank of India
ICICI 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)

CONTENTS

Financial Highlights	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

FINANCIAL HIGHLIGHTS

BSL LIMITED

(Rs. in Crore)

PARTICULARS	2008-2009	2009-2010	2010-2011
Turnover	188.17	218.02	271.78
Exports	110.44	122.91	155.83
P B I D T	22.53	29.55	34.84
Interest	12.64	11.03	12.63
Depreciation	9.64	12.38	12.70
Taxation	0.20	2.35	3.85
PAT	0.05	3.79	5.66
Gross Block	206.03	257.73	282.57
Less : Depreciation	124.40	160.17	168.85
Net Block	81.63	97.56	113.72
Net Worth	40.17	59.29	63.15

MANAGEMENT DISCUSSION AND ANALYSIS

(1) INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Indian Textile Industry plays very important role in our Country's Economy. The Indian Textile Industry is one of the largest in the world with a massive raw material and textile-manufacturing base and also currently India has the second highest spindleage in the world after China. Indian Economy is largely dependent on the textile manufacturing and trade in addition to other major industries about 30 per cent of the exchange earning are on account of export of textiles and clothing alone.

In line with its aspiration of ongoing growth, BSL is investing its resources in core business. It is also taking initiatives of investing in new technologies that help meet changing aspiration of millions of Indian and overseas customers. These strategies and initiatives are aimed to ensure that BSL delivers long-term growth and creates unprecedented value for its stakeholders.

Financial year 2010-11 was a strong year for its upstream textile business. During the year company's performance was better. The turnover increased from Rs. 218.02 crore to Rs.271.78 crore which reflects a growth of 24.66%. During the year the export has increased in terms of volume and per meter price realisation.

(2) OPPORTUNITIES :

Growth in the Indian Economy and demand have created unprecedented opportunities for BSL to invest significantly in its business. The company is proposing to install 20 Nos. of Airjet weaving machines at its weaving facility and planning for balancing and modernisation of its Spinning and Processing divisions.

All the above capital expenditures will enable the company to improve the quality of its products and economise the cost of production, which will ultimately support top-line as well as the bottom-line.

(3) THREATS & OUTLOOK :

After the Global recession the world economies are now coming out of the recession but the business environment is very challenging as customers are cutting down on inventory level & making pricing competitive. Highly fluctuating Raw Material Prices of Polyester and Viscose on one hand and only northward Wool and Silk Prices on the other are putting continuous challenges.

The outlook for textile industry is very optimistic. It is expected that Indian textile industry would continue to grow at an impressive rate.

(4) 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.)	177.78	224.73	158.42	186.93
b)	Yarn (MT)	1585.53	31.47	946.28	15.44
c)	Job Work		11.19		11.94
d)	Readymade Garments (No. of Pcs.)	40376	1.34	33889	1.36
e)	Wind Power (Lac Units)	30.94	1.17	35.06	1.30
f)	Others : Export Incentives		1.88		1.05
	Grand Total		271.78		218.02

The profitability of the Company is as under:

(Rs. in Crore)

	Particulars	2010-11	2009-10
i)	PBIDT	34.84	29.55
ii)	PBDT	22.21	18.52
iii)	PBT	9.51	6.14

(5) 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 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.

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.

(6) 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.

(7) 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.

(8) 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 40th Annual Report and Statement of Accounts for the year ended 31st March, 2011.

1) FINANCIAL RESULTS

(Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
Total Turnover				
a) Domestic	115.95		95.11	
b) Exports	155.83	271.78	122.91	218.02
Profit before interest and Depreciation	34.84		29.55	
Less : Interest (Net)	12.63		11.03	
Profit before Depreciation	22.21		18.52	
Less : Depreciation	12.70		12.38	
Profit before Tax	9.51		6.14	
Taxation – Current year	2.07		1.21	
– Deferred Tax	1.78		1.23	
– Earlier years	–		(0.09)	
Profit after Tax	5.66		3.79	

2) OPERATIONS

The Division wise performance is as under :-

Value (Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
a) Fabrics (Lac Mtrs.)				
– Domestic	65.32	75.05	59.13	65.72
– Exports	112.40	149.68	99.29	121.21
Total	177.72	224.73	158.42	186.93
b) Yarn (MT)				
– Domestic	1381.61	27.23	920.60	14.94
– Exports	203.92	4.24	25.68	0.50
Total	1585.53	31.47	946.28	15.44
c) Job Work				
Job Fabric Processing (Lac Mtrs.)	80.40	9.10	94.35	10.64
Top, Fibre and Yarn Dyeing (MT)	177	0.48	108	0.26
Job Spinning (MT)	177	1.61	93	1.04
Total		11.19		11.94

Value (Rs. in Crore)

Particulars	This Year		Previous Year	
	Qty.	Value	Qty.	Value
d) Readymade Garments				
– Domestic (No. of Pcs.)	40376	1.31	33889	1.20
– Exports	–	0.03	–	0.16
Total		1.34		1.36
e) Wind Power				
Generation (Lac Units)	30.94	1.17	35.06	1.30
f) Export Incentives		1.88		1.05
Grand Total		271.78		218.02

3) EXPORTS

The Company's Export turnover during the year was Rs. 155.83 Crores. During the year, the export performance of the company was satisfactory and Company has been able to increase its volume and per meter price realization resulting into higher profitability during the year.

4) EXPANSIONS

A) WEAVING

The Company has installed 12 new Weaving Machines of Picanol, Belgium. The Machines have started giving value added products from 1st September, 2010.

B) NEW TECHNOLOGY IN SPINNING

In the Spinning Department, the Company has introduced new generation of Technology from Japan. The Vortex Spinning is producing better quality of yarn.

5) OUT LOOK FOR COMPANY'S ACTIVITIES

The Company is focusing more on Exports markets by getting better price realisation and developing new products and exploring new markets in various continents for Fabric and Yarn businesses. New Domestic markets are also being explored as well as Institutional Sales.

6) NEW EXPANSION PLANS

In the Current Year, the Company plans to install 20 Toyota Airjet Weaving Machines, and is modernising its weaving and processing divisions. It also plans to double its Vortex Spinning capacity. The Total Capital Expenditure will be Rs.40.00 Crores. The Expansions will be funded through Term Loans and Internal Accruals.

These Expansions will improve overall profitability of the Company.

7) WIND POWER PROJECT

The Company's Wind Power Project at Jaisalmer had generated 30.94 Lac units during the year, as against 35.06 Lac units last year.

DIRECTORS' REPORT

8) DIVIDEND

The Company has paid an Interim dividend of 7.50% (Rs. 0.75 per Equity share) during the year. The directors are pleased to recommend a final dividend of 7.50% (Rs. 0.75 per Equity share). Thus the aggregate dividend for the financial year 2010-11 works out to 15 % (Rs 1.50 per Equity share), and total payout will be Rs.179.72 lac , including dividend distribution tax of Rs. 25.34 lac.

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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- 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

There was no employee who was in receipt of remuneration in excess of the ceiling prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

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

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

13) DIRECTORS

Shri Salil Bhandari and Shri A. N. Choudhary 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, U.P

Date : 28th April, 2011

(ARUN CHURIWAL)

CHAIRMAN & MANAGING DIRECTOR

DIN : 00001718

निदेशकों का प्रतिवेदन

सदस्यगण,

निदेशक मंडल आपके समक्ष 40 वीं वार्षिक रिपोर्ट एवं 31, मार्च, 2011 को समाप्त हुए वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे हैं।

1. वित्तीय परिणाम

(रुपये करोड़ में)				
मद	इस वर्ष		गत वर्ष	
कुल बिक्री — घरेलू	115.95		95.11	
— निर्यात	155.83	271.78	122.91	218.02
ब्याज व मूल्यहास पूर्व लाभ	34.84		29.55	
घटाया: शुद्ध ब्याज	12.63		11.03	
मूल्यहास पूर्व लाभ	22.21		18.52	
घटाया: मूल्यहास	12.70		12.38	
आयकर पूर्व लाभ	9.51		6.14	
कराधान — आयकर	2.07		1.21	
— विलम्बित कर	1.78		1.23	
— पूर्व वर्षों के कर	—		(0.09)	
कर पश्चात् लाभ	5.66		3.79	

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	65.32	75.05	59.13	65.72
निर्यात	112.40	149.68	99.29	121.21
कुल	177.72	224.73	158.42	186.93
(ब) धागा (टनो में)				
घरेलू	1381.61	27.23	920.60	14.94
निर्यात	203.92	4.24	25.68	0.50
कुल	1585.53	31.47	946.28	15.44

मूल्य (रुपये करोड़ में)

मद	इस वर्ष		गत वर्ष	
	परिमाण	मूल्य	परिमाण	मूल्य
(स) उपकार्य				
वस्त्र प्रक्रियांकन उपकार्य (लाख मीटर में)	80.40	9.10	94.35	10.64
टोप, फाईबर और धागा डाईंग (टनो में)	177	0.48	108	0.26
स्पिनिंग उपकार्य (टनो में)	177	1.61	93	1.04
कुल		11.19		11.94
(द) पोशाक (संख्या)				
घरेलू	40376	1.31	33889	1.20
निर्यात	—	0.03	—	0.16
कुल		1.34		1.36
(य) पवन ऊर्जा				
ऊर्जा उत्पादन (लाख ईकाई)	30.94	1.17	35.06	1.30
(र) निर्यात प्रोत्साहन				
		1.88		1.05
कुल		271.78		218.02

3. निर्यात

कम्पनी का इस वर्ष रु. 155.83 करोड़ का निर्यात रहा। वर्ष के दौरान कम्पनी के निर्यात संतोषप्रद रहा है तथा कम्पनी के निर्यात मात्रा में एवं प्रति मीटर मूल्य प्राप्ति में वृद्धि से इस वर्ष कम्पनी का लाभ बढ़ा है।

4. विस्तारीकरण

(अ) विविंग — कम्पनी ने वर्ष के दौरान 12 नयी विविंग मशीन पिकानोल, बेल्जियम से आयातित को स्थापित किया है। जिसका उत्पादन 1 सितम्बर, 2010 से शुरू हुआ।

(ब) स्पिनिंग क्षेत्र में नयी तकनीक — स्पिनिंग के क्षेत्र में, कम्पनी ने नयी जापानी तकनीक से वोरटेक्स स्पिनिंग मशीनें स्थापित की है। इससे उन्नत प्रकार के धागे का उत्पादन किया जा रहा है।

5. कम्पनी की गतिविधियों पर दृष्टिकोण

मूल्य वृद्धि एवं नये उत्पादों के विकास तथा कपड़े व धागे के नये बाजारों के विकास के साथ कम्पनी निर्यात बाजार पर अधिक ध्यान

निदेशकों का प्रतिवेदन

दे रही है। घरेलू बाजार के विकास व संस्थागत विक्रय वृद्धि के अधिक प्रयास किये जा रहे हैं।

6. विस्तारीकरण योजना

इस वर्ष के दौरान कम्पनी की 20 टोयटा एयरजेट विविंग मशीनें लगाने की योजना है तथा विविंग व प्रोसेसिंग विभाग में मशीनों का नवीनीकरण किया जा रहा है। कम्पनी अपने वोरटेक्स स्पिनिंग की क्षमता को दुगुना करने का विचार कर रही है। विस्तारीकरण की अनुमानित पूंजीगत लागत 40 करोड़ रुपये होगी। योजनाओं का वित्तीयकरण दिर्घावधि ऋण व आंतरिक संसाधनों से किया जायेगा। विस्तारीकरण योजना से कम्पनी की सम्पूर्ण लाभदायकता में वृद्धि होगी।

7. पवन ऊर्जा परियोजना

इस वर्ष कम्पनी के जैसेलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 30.94 लाख यूनिट रहा। गत वर्ष यह उत्पादन 35.06 लाख यूनिट था।

8. लाभांश

वर्ष के दौरान कम्पनी ने 7.50% (75 पैसे प्रति साधारण अंश) के हिसाब से अन्तरिम लाभांश का भुगतान किया। निदेशक मण्डल 7.50% (75 पैसे प्रति साधारण अंश) अन्तिम लाभांश घोषित करने की अनुशंसा करता है। इस प्रकार वित्तीय वर्ष 2010-11 के लिए कुल लाभांश 15% (रुपये 1.50 प्रति साधारण अंश) होगा तथा कुल भुगतान रुपये 179.72 रुपये होगा जिसमें लाभांश वितरण कर के रुपये 25.34 लाख सम्मिलित है।

9. निदेशकों के उत्तरदायित्व का वर्णन

आपके निदेशक सुनिश्चित करते हैं—

1. कि वार्षिक खातों की तैयारी में यथोचित लेखांकन सिद्धांतों का पालन किया गया है, साथ ही महत्वपूर्ण विचलनों की दशा में उपयुक्त स्पष्टीकरण भी दिये हैं।
2. कि निदेशकों में ऐसी लेखांकन नीतियों का चयन कर उन पर लगातार अमल किया और उपयुक्त निर्णय और अनुमान लगाये, 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।
3. कि निदेशकों ने कम्पनी की सम्पत्तियों की सुरक्षा और धोखाधड़ी एवं अनियमितता की जाँच व रोक के संबंध में कम्पनी अधिनियम वर्णित नियमों का पालन करते हुए योग्य लेखांकन पुस्तकों के रखरखाव के लिए यथोचित व पर्याप्त सावधानी का पालन किया।
4. 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 कोई भी कर्मचारी नहीं था।

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 करने का मुख्य लक्ष्य रखती है।

13. निदेशक

श्री सलील भण्डारी एवं श्री अमरनाथ चौधरी 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 (उ० प्र०)
तारीख : 28 अप्रैल, 2011

अरुण चूड़ीवाल
अध्यक्ष व प्रबन्ध निदेशक

ANNEXURE - I TO DIRECTORS' REPORT

1. STATEMENT OF PARTICULARS RELATED TO ENERGY CONSERVATION PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2011.

A. POWER & FUEL CONSUMPTION

	Current Year	Previous Year
1) Electricity		
a) Purchased		
Units (Lac)	361.68	312.59
Total Amount (Lac Rs.)	1462.99	1397.25
Rate/Unit	4.05	4.47
b) Own Generation		
(i) Through Diesel Generator		
Units (Lac)	1.49	2.83
Units per litre of Diesel oil	3.08	3.09
Cost/Unit	11.72	10.92
(ii) Through HFO Generator		
Units (Lac)	5.03	31.77
Units per litre of HFO / Diesel	3.98	3.90
Cost/Unit	34.73	9.53
2) Coal		
Quantity (MT)	7876	7985
Total Amount (Lac Rs.)	640.07	461.35
Average Rate (Rs. /MT)	8126.75	5777.72
3) Steam		
Quantity (MT)	-	444
Total Amount (Lac Rs.)	-	2.22
Average Rate (Rs. /MT)	-	500.90
4) Furnace Oil		
Qty. in Kilo Literes	127	814
Total amount (Lac Rs.)	28.11	141.64
Average Rate (Rs. / Ltr.)	22.21	17.41
5) Other/Integral Generation	N.A.	N.A.

B) CONSUMPTION PER UNIT OF PRODUCTION

A. Weaving:-

Electricity Unit per Mtr.		
- Weaving	0.65	0.65
- Others	0.02	0.03
	0.67	0.68

B. Spinning:-

Electricity Unit per Kg.	5.45	5.70
--------------------------	------	------

	Current Year	Previous Year
C. Processing:-		
i) Electric Unit		
– Per Mtr. of Fabric	0.26	0.26
– Per Kg. of Top, Fibre & Yarn Dyeing	0.62	0.57
ii) Coal		
– Per Mtr. of Fabric	0.28	0.29
– Per Kg. of Top, Fibre & Yarn Dyeing	0.40	0.38
2. TECHNOLOGY ABSORPTION		
Details of Expenditure incurred on Research and Development during the year is as follows :		
		(Rs. in lac)
Capital	–	2.84
Recurring	143.72	117.28
Total Expenditure as % of total turnover	0.53	0.55
3. FOREIGN EXCHANGE EARNINGS AND OUTGO		
The details of foreign exchange earning and outgo during the year are as under :		
	2010–2011	2009–2010
Earning	15066.52	11939.99
Outgo :		
(Revenue A/c)	3307.07	2309.43
(Capital A/c)	1305.02	24.86
	4612.09	2334.29

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

Corporate Governance is a set of system to control and operate the company in such a manner to ensure that the affairs of the company are being managed to achieve long term strategic goals which are beneficial for the company and its stakeholders, shareholders, customers, lenders, creditors, suppliers and employees and to ensure accountability, transparency, fairness in all transactions with a view to improve company's credentials at all levels as well as complying with the legal and regulatory requirements timely .

BSL endeavours to ensure that highest standards of ethical and good governance is met throughout the organization. The company is led by distinguished Board, which includes Independent directors with high profiles .

2) Board of Directors

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

Board Meetings & Annual General Meeting (AGM) :

During the year under review, Five Board meetings were held, the dates being 29th April,2010, 26th July,2010, 26th October'2010, 3rd February,2011 and 10th February, 2011. The last AGM was held on 15th September, 2010. Details of Attendance during 2010-2011 and other particulars are as given below:-

S. No.	Name	Title	Category	Directorship in Other Companies			No. of Board meetings for 2010-2011		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	2	1	5	4	No
3.	Shri Sushil Jhunjunwala	Director	Independent Non-executive	3	–	–	5	4	No
4.	Shri Shekhar Agarwal	Director	Promoter - Non Executive	5	–	3	5	4	No
5.	Shri Nivedan Churiwal	Executive Director	Promoter Executive	–	–	–	5	4	No
6.	Shri Sushil Kumar Churiwala	Director	Independent Non Executive	2	–	2	5	1	No
7.	Shri Salil Bhandari	Director	Independent Non Executive	5	–	4	5	3	Yes
8.	Shri Amar nath Choudhary	Director	Independent Non Executive	2	–	1	5	5	No

Notes: * Excludes Directorship in Private Limited companies, foreign companies, memberships of management committees of various chambers, bodies and Section 25 Companies.

Includes Audit and Shareholders' / Investors' Grievance Committees only.

3) Audit Committee

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

1. Shri Salil Bhandari, Chairman
2. Shri Shekhar Agarwal
3. Shri Sushil 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', 2010, 26th July', 2010, 26th October' 2010 and 2nd February' 2011.

Shri Amar Nath Choudhary has been co-opted as member w.e.f. 2nd February, 2011 .