

NOTICE

Notice is hereby given that the Thirty Eight Annual General Meeting of the Company will be held at Sai Mangal Bhavan, Sector-6, Bhilai- 490 006 (Chattisgarh) on 30th September, 2010 at 4.30 P.M to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the accounts of the company for the financial year ended 31st March,2010 and the report of the Board of Directors and Auditors thereon.
2. To appoint Director in the place of Shri.Prabir Choudhury who retire by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS :

- 4 (a) Re-appointment of Shri. Sunil Khetawat Managing Director : To consider and if thought fit to pass with or without modification the following resolution as a special resolution:
"Resolved that pursuant to the provisions of section 198, 269, 309, 310 and 311 and other applicable provision, if any of the Companies Act, 1956 (including any statutory modifications, or re-enactment thereof, for the time-being in force) and further subject to the provision of Schedule-XIII to the said act, the company accords its approval and consent to the re appointment with remuneration payable to Shri Sunil Khetawat, Whole time Director presently designated as Managing Director with effect from 01.04.2011 for a further period of 5(five) years as specified in the explanatory statement attached here to (Annexure - I).
- (b) Re-appointment of Shri. Sandeep Khetawat Whole time Director : To consider and if thought fit to pass with or without modification the following resolution as a special resolution:
"Resolved that pursuant to the provisions of section 198, 269, 309, 310 and 311 and other applicable provision, if any of the Companies Act, 1956 (including any statutory modifications, or re-enactment thereof, for the time-being in force) and other subject to the provision of Schedule-XIII to the said act, the company accords its approval and consent to the re appointment with remuneration payable to Shri Sandeep Khetawat, Wholetime Director presently designated as Executive Director with effect from 01.06.2011 for a further period of 5(five) years as specified in the explanatory statement attached here to (Annexure - I).
- (c) To consider and, if thought fit, to pass with or without modification the following Resolution as an ordinary resolution:
"Resolved that pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1956 the existing clause V of the Memorandum of Association of the company be and is hereby substituted by the following :-
- V. The Authorised share capital of the company is Rs. 20,00,00,000 (Rs. Twenty Crores) divided into 1,20,00,000 Nos. Equity Shares of Rs.10 each, 30,00,000 Nos Zero Dividend Redeemable Preference shares of Rs. 10/- each and 5000 Nos Redeemable preference shares of Rs. 10,000/- each with power to increase, reduce, sub-divide into various classes of shares and attached there to such preferential/deferred, special rights/ privileges/conditions as may be determined by the company in accordance with its regulations.
- d) Issue of Redeemable Preference Shares : To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.
"Resolved that pursuant to section 81(IA) of the Companies Act, 1956 that not exceeding 5000 nos Redeemable preference shares of Rs. 10,000/- each being the unissued share capital of the company, be issued at par and allotted by way of private placement not being for listing to any person or persons/ Body corporate or corporate or in such manner and at such time as the Board of Directors may deem fit."

- (e) To consider and if thought fit to pass with or without modification the following resolution as a special resolution.

"Resolved that the existing article 4 of the articles of association of the company be and is hereby altered by deleting the same and substituting in its place the following article".

4. "The authorised share capital of the company is Rs. 20,00,00,000/- (Rupees Twenty Crore) divided into 1,20,00,000 Nos. Equity Shares of Rs.10 each, 30,00,000 Nos Zero Dividend Redeemable Preference shares of Rs. 10/- each and 5,000 Nos Redeemable preference shares of Rs. 10,000/- each with power to increase, divide, sub-divide into various classes of shares and attached there- to such preferential/deferred, special rights/ privileges/conditions as may be determined by the company in accordance with its regulations.

- f) To approve if thought fit the following resolution to be carried by way of an ordinary resolution.

"Resolved that availment of following loans during financial year 2009-10 from the following companys, Individuals etc. covered under the Register maintained u/s 301 of the companies act 1956 be and hereby approved.

Name of the party	Loan obtained (Rs.)
Bhavin Polyplast (P) Ltd. 11/1-B, Chakrabaria Road (N), Kolkata - 700020	3080000/-
BWL Industries (P) Ltd. Industrial Area, Bhilai - 490026	1260000/-
Sulabh Sales (P) Ltd. 319/67, Jessore Road, Khudiram Colony, Kolkata - 700074	4620000/-
H.P. Khetawat 11/1-B, Chakrabaria Road, Kolkata - 700030	160000/-
H.P. Khetawat (HUF) 11/1-B, Chakrabaria Road, Kolkata - 700030	115000/-
	<u>9235000/-</u>

- g) To approve if thought fit the following resolution to be carried by way of an ordinary resolution.

"Resolved that purchase of a Innova Car costing Rs.1033556/- from M/s. BWL Industries (P) Ltd. be and hereby approved."

By order of the Board
FOR BWL LIMITED

SUNIL KHETAWAT
(Managing Director)

Place : Bhilai
Date : 28th August, 2010

NOTES

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member.
- 2) Instrument appointing proxy should be deposited at the Registered office of the company not less than 48 hours before the time fixed for the meeting.
- 3) The Register of Members and Share Transfer Books of the company will remain closed from 27th September 2010 TO 30th September, 2010 (both days inclusive).
- 4) The practice of distributing copies of Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copies of Annual Report at the meeting.
- 5) Members are requested to notify any change of address as well as Bank details to update our record as well as to serve them efficiently.

ANNEXURE - I TO NOTICE :**EXPLANATORY STATEMENT**

As required by section 173(2) of the Companies Act, 1956 the following explanatory statement set out material facts relating to the business under Item No.4 of the accompanying notice dated 28th August,2010.

Item No. 4(a)

Shri Sunil Khetawat was reappointed as Managing Director of the company with effect from 01.04.2006 with a remuneration of Rs.50000/- per month with scale of Rs.50000/- - Rs. 4000/- Rs. 66000/- for further five years. Perquisites and allowances were as per rules. But in view of financial constraint of the company, he has last drawn remuneration @ Rs. 50,000/- per month till September'2008. From April 2010 he is drawing salary @Rs.6000/- per month to the extent of 12% EPF (Employee contribution) on last drawn salary of Rs.50000/- per month. The company is contributing Rs.6000/- per month towards employer's cont. to PF.

As the terms of service of Shri Sunil Khetawat, Managing Director will expire on 31.03.2011, it is necessary to accord the approval and consent to the remuneration payable to shri Sunil Khetawat, Managing Director for a further period of five years i.e. from 01.04.2011 to 31.03.2016.

The proposed terms and conditions of remuneration of Shri Sunil Khetawat are as under :-

- (A) (i) Salary Rs.50,000/- (Rs.Fifty Thousand only) per month in the scale of Rs.50,000 - Rs.4,000 - Rs. 66,000.
- (ii) Commission : 1% of the net profits of the company as per section 309(5) of the companies Act, 1956 subject to a ceiling of 50% of the Annual Salary.

PERQUISITES & ALLOWANCES :-

- i) Furnished Residential Accommodation with water, Gas, Electricity etc. monetary value of which may be evaluated as per Rule 3(a) of the Income Tax Rules, 1962 or House Rent Allowance. The above is subject to the following :
 - a) The expenditure incurred by the company on having accommodation for him will be subject to ceiling of 50% of salary over and above 10% payable by him.
 - b) the expenditure incurred by the company of Gas, Electricity, water and furnishing will be evaluated as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary paid to him.
- ii) Medical facilities of self and family reimbursement of expenses actually incurred, the total cost of which to the company shall not exceed one month, salary for in a year or three months salary over a period of three years.
- iii) Leave travel concession for self, wife and minor children once a year and to & fro any place in India subject to the conditions only actual fare and no Hotel expenses etc. will be allowed.
- iv) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Personnel Accident insurance of an amount the annual premium of which does not exceed Rs.1000/-.
- vi) Company's contribution towards Provident fund as per the Rules of the Company but not exceeding 12% of the salary.
- vii) Company's contribution towards pension superannuation fund as per rules of the company but it shall not together with company's contribution to the provident fund, exceed 25% of the salary.

However, contribution to provident fund and pension/superannuation fund will not be included in the computation of the ceiling of perquisites to the extent there, either singly or put together are not taxable under the Income Tax Act, 1961.

- viii) Gratuity not exceeding one half month salary for each completed year of services, subject to a ceiling as per provision of payment of gratuity Act or as the Board of the Company decide.
- ix) Free use of Car with driver, for company's business, the monetary value of which may be evaluated as per income tax rules, 1962.
- x) Free telephone facilities at residence, all personnel long distance calls shall be billed by the company.
- xi) Encashment of leaves as per company's rules at the end of the tenure.
- c) He shall not be paid any sitting fees for attending meeting of Board of Director's or committee thereof.

- d) Minimum remuneration - Not with standing any thing to the contrary contained here in, where in any financial year during the continuance of the tenure of Shri Sunil Khetawat, the company has not profits or its profits are inadequate, the company will pay salary and perquisites as specified above as permitted under the companies Act, 1956. The above may be regarded as an abstract of terms and memorandum of interest under section 302 of companies Act, 1956. None of the Directors except Shri Sunil Khetawat himself and Shri Sandeep Khetawat, relative of Shri Sunil Khetawat are concerned or interested in the said resolution.

Item 4(b)

Shri Sandeep Khetawat was appointed as Whole time Director, designated as Executive Director with effect from 01.06.2006 with a remuneration of Rs.46000/- per month with scale of Rs.46000/- - Rs.4500 - Rs. 62000/- for five years. Perquisites and allowances were as per rules. But in view of financial constraint of the company , he has drawn remuneration @ Rs. 46000/- per month upto September,2008. From April 2010 he is drawing salary @Rs.5520/- per month to the extent of 12% EPF(Employee contribution) on last drawn salary of Rs.46000/- per month. The company is also contributing Rs.5520/- per month towards Employer's cont. on PF. As the terms of service of Shri Sandeep Khetawat, Executive Director will be expired on 31.05.2011, it is necessary to accord the approval and consent to the reappointment and remuneration payable to Shri Sandeep Khetawat, Executive Director for a further period of five years i.e, from 01.06.2011 to 31.05.2016. The proposed terms and conditions of remuneration of Shri Sandeep Khetawat are as under :-

- (i) Salary Rs.46,000/- (Rs.Forty Six Thousand only) per month in the scale of Rs.46,000 Rs.4,000 - Rs. 62,000.
- (ii) Commission : 1% of the net profits of the company as per section 309(5) of the companies Act, 1956 subject to a ceiling of 50% of the Annual Salary.

Perquisites & Allowances :-

- i) Furnished Residential Accommodation with water, Gas, Electricity etc. monitory value of which may be evaluated as per Rule 3(a) of the Income Tax Rules, 1962 or House Rent Allowance. The above is subject to the following :
 - a) The expenditure incurred by the company on having accommodation for him will be subject to ceiling of 50% of salary over and above 10% payable by him.
 - b) the expenditure incurred by the company of Gas, Electricity, water and furnishing will be evaluated as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary paid to him.
- ii) Medical facilities of self and family reimbursement of expenses actually incurred, the total cost of which to the company shall not exceed one month salary for in a year or three months salary over a period of three years.
- iii) Leave travel concession for self, wife and minor children once a year and to & fro any place in India subject to the conditions only actual fare and no Hotel expenses etc. will be allowed.

- iv) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Personnel Accident insurance of an amount the annual premium of which does not exceed Rs.1000/-.
- vi) Company's contribution towards Provident fund as per the Rules of the Company but not exceeding 12% of the salary.
- vii) Company's contribution towards pension superannuation fund as per rules of the company but it shall not together with company's contribution to the provident fund, exceed 25% of the salary.

However, contribution to provident fund and pension/superannuation fund will not be included in the computation of the ceiling of perquisites to the extent there, either singly or put together are not taxable under the Income Tax Act, 1961.

- viii) Gratuity not exceeding one half month salary for each completed year of services, subject to a ceiling as per provision of payment of gratuity Act or as the Board of the Company decide.
- ix) Free use of Car with driver, for company's business, the monetary value of which may be evaluated as per income tax rules, 1962.
- x) Free telephone facilities at residence, all personnel long distance calls shall be billed by the company.
- xi) Encashment of leaves as per company's rules at the end of the tenure.
- c) He shall not be paid any sitting fees for attending meeting of Board of Director's or Committee thereof.
- d) Minimum remuneration - Not with standing any thing to the contrary contained here in, where in any financial year during the continuance of the tenure of Shri Sandeep Khetawat, the company has not profits or its profits are inadequate, the company will pay salary and perquisites as specified above as permitted under the companies Act, 1956.

The above may be regarded as an abstract of terms and memorandum of interest under section 302 of companies Act, 1956.

None of the Directors except Shri Sandeep Khetawat himself, and Shri Sunil Khetawat, relative of Shri Sandeep Khetawat are concerned or interested in the said resolution.

Item No. 4(c) :

In view of proposed enlargement of subscribed capital base discussed in agenda 4(c) it has become impartive to raise authorised capital based of the company to cater to exigency of type of share proposed for issue.

None of the directors except Shri Sunil Khetawat and Shri Sandeep Khetawat are interested under section 302 of the companies Act, 1956.

Item No. 4(d) :

Strengthening of net worth base need of the company for the purpose of manivaring affairs of the company to move in viable prospective.

Considering this proposal has been made herein to convert existing unsecured loans from promoters sources - whole or in part to Zero Coupen Redeemable preference shares (Redeemable at the option of the company not exceeding twenty years) to be issued by way of private placement not been for listing.

None of Directors except Shri Sunil Khetawat and Shri Sandeep Khetawat are interested under section 302 of the companies Act, 1956.

Item No.4(e) :

Considering change in Memorandum refer to in agenda No.4(e) amendment in articals to give way to proposed authorised capital base has become obligatory for the company with consequent proposal for dissolution by members.

None of directors except Shri Sunil Khetawat and Shri Sandeep Khetawat are interested under section 302 of the companies Act, 1956.

Item No. 4(f) :

Considering the fact that the Board of Directors constitute only three members out of two of them being interested party to aforesaid loans within the meaning of section 300 of the companies Act. The Board of Directors are not authorised U/s.292 of companies act to approve aforesaid borrowings obtained to meet fund based exigencies of business. Considering this, members are being proposed to sanction the borrowings.

None of Directors except Shri Sunil Khetawat and Shri Sandeep Khetawat are interested under section 302 of the companies Act, 1956.

Item No.4(g) :

Considering disposal of three vehicles owned by the company its become extreemly important to buy atleast one vehicle to cater day to day exigencies. Considering this a new purchased Innova car by BWL Industries (P) Ltd. was repurchased by the company at cost as former had hardly any utility with said vehicle. The company having three directors two of them being interested in BWL Industries (P) Ltd. within the meaning of section 300 of the companies act the deal cause for regularation through members approval and as such lies the proposal.

None of directors except Shri Sunil Khetawat and Shri Sandeep Khetawat are interested under section 302 of the companies Act, 1956.

The special resolution set out under item No.4 (a), (b), (c), (d), (e), (f) & (g) of the Notice is intended to obtain the approval of shareholders to the proposed in the Memorandum & Article of Association, issue of Redeemable Preference shares on conversion of unsecured loan, receipt of unsecured loan and Reappointment and fix remuneration of directors, alteration of Authorized capital purchase of vehicle subject however to the consents/approvals/sanctions/permission mentioned therein and the Board recommends the acceptance thereof. The directors of the company may be considered to be interested in the aforesaid resolutions.

REPORT OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS :

Your Directors submit their report and Audited account for the year ended 31st March, 2010.

1. FINANCIAL RESULTS:

	Financial Year ended 31st March 2010 (Rs.)	18th months period ended 31st March' 2009 (Rs.)
Turn Over	4,08,865	3,92,11,399
Profit/(Loss) before interest, depreciation & Taxes.	(18,89,171)	(1,09,11,055)
Add: Interest	-	(24,40,633)
Depreciation	(6,83,139)	(18,18,545)
Profit/(Loss) for the Year	(25,72,310)	(1,51,70,233)
Less: Extra Ordinary Item reversal of impairment loss (Previous period waiver of Interest by Banks)	95,93,000	72,19,29,758
Net Profit/(Loss) after Extra Ordinary Item	70,20,690	70,67,59,525
Balance brought forwarded from last year.	(43,95,36,290)	(1,14,62,95,815)
(Loss) carried to Balance Sheet	(43,25,15,600)	(43,95,36,290)

2. DIVIDEND :

In view of accumulated loss, your Directors regret their inability to recommend any dividend.

3. SIGMENTWISE PERFORMANCE :

Pursuant to the decision of the management duly approved by the shareholders to dispose of all assets of OFC Division apart from discontinuing its operation , the company at present operate in one segment only i.e. SWD without further calling for furnishing segment report under AS-17.

3.1. STEEL WIRE:

The turnover of this division for the year under review was meager Rs.4.09 Lacs as against Rs.392.11 Lacs in previous period.

As reported earlier outflow from resources mobilised by the promoters towards meeting the dues of Banks and Financial Institution under OTS affected the working capital base so adversely that our achivement of production of the division area of break-even-level is proving too difficult a task. This led to suspension of work in lone working division since July'2008.

From December'2009 the division started conversion of wire rod to HB wires but the said activity was also discontinued in early of Feb.'2010 for want of bulk order.

The management deeply regrets its inability to strict to its assurance to the effect of operational improvement subsequent to completion of OTS for reason beyond its control. However, management is hopeful that after sanction of the rehabilitation scheme by the Hon'ble BIFR and sale of Land & Building of Optical Fibre Cable Division situated at Shoghi Shimla in H.P. they will be able to restart activities in the steel wire unit in a viable proposition. Asset sale committee for disposal of assets of OFC Division has already been formed.

3.2. OPTICAL FIBRE CABLE :

The unit continues to be defunct like previous period, Profit of the year before interest and depreciation was Rs.12.38 lacs excluding extraordinary item Rs. 95.93 lacs for reversal of impairment loss on building (against loss of Rs.30.48 lacs in previous period). This is mainly on account of realisation Rs.34.67 lacs from a erstwhile customer which was earlier written off as bad debts.

The unit has been declared discontinued operation. Assets therein are held for sale at present.

3.3 CLASS OF BUSINESS IN WHICH COMPANY HAS AN INTEREST :

Power cable industry, transmission industry, power generating units and railways are the major consumer of Steel Wire Product. Baring power generating units run by various electricity boards, condition of other major consumer of steel wire product are more or less stable at present. As such notwithstanding prolonged suspension of production exceeding over a year the company unlikely to face any serious hardle in making break through among its notable clinets due to its years old association added by considerable goodwill at their end.

Proposed issue of zero coupon Redeemable Preference shares redeemable at the option of the company within a period not exeeding twenty years. Subject to approval for amendments of Memorandum and Articals of Association and issuance of unlisted preference shares for private placement within the meaning of section 81 of the companies act, 1956 whole or substantial part of unsecured loans poised for conversion atpar into Zero coupon Redeemable Preference Shares redeemable at the option of the company within a period not exceeding Twnety Years. Such measures is aimed at enhancing the capital base of the company with the object of running its affairs in relatively more viable perspective.

4. HUMAN RESOURCES & INDUSTRIAL RELATIONS :

Industrial relationship remained more or less cordial during the year.

5. BANK & INSTITUTIONAL DUES :

The company has no dues to the Bank & Institutional at present.

6. STATUTORY DUES :

The Directors have pleasure to state that the company continues to pay / deposit all statutory dues to the extent lying undisputed generally in time notwithstanding Sick status accorded to it by Hon'ble BIFR. There is also no default in payment to creditors for goods and services.

7. BIFR STATUS :

As reported earlier that the company has been declared sick by the Hon'ble BIFR. As per instruction of the Hon'ble BIFR the company will have to submit revised Draft Rehabilitation Scheme to IDBI Bank (OA) which will be furnished after sale of Land & Building of OFCD.

8. DIRECTORS :

There is no change in the Director during the year under review. Mr. P. Choudhury retired in ensuing annual general meeting and being eligible has offered for reappointment.

9. AUDITORS :

M/s G. Basu & Co, retires as auditor of the company and being eligible, offer themselves for re-appointment.

10. CORPORATE GOVERNANCE :

Your company has generally complied with the applicable provisions of the listing Agreements with the Stock Exchanges where it's shares are listed. A separate report on Corporate Governance along with the auditors certificate on it's compliance is annexed in this Annual Report.

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

The particulars as prescribed under subsection (i)(e) of Section -217 of the Companies Act,1956, read with the Companies(Disclosure of particulars in the report of the Board of Directors) Rules, 1988, are set-out in the annexure included in this report.

12. PARTICULARS OF EMPLOYEES :

No one was employed during the whole or part of the year drawing remuneration attracting disclosure of particulars under section 217(2A) of companies act 1956.

13. AUDITORS REPORT :

The observations of the Auditors when read with corresponding reference in Notes on Account will be found self explanatory.

14. DIRECTORS RESPONSIBILITY STATEMENT :

As required under section 217 (2AA) of the companies Act,1956, your directors confirm having:

- a) followed in the preparation of the Annual Accounts, the applicable accounting standards with proper explanation relating to departures, if any.
- b) 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 your company as at 31st March,2010 and of the profit of the company for the year ended on that date.