

**NOTICE**

Notice is hereby given that the Thirty Nine Annual General Meeting of the Company will be held at Steel Club, Sector-8, Bhilai- 490 006 (Chattisgarh) on 12th, August, 2011 (Friday) at 4.30 P.M to transact the following business:

**A. ORDINARY BUSINESS :**

1. To consider and adopt the accounts of the company for the financial year ended 31st March, 2011 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.

**B. SPECIAL BUSINESS :**

4. To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:

"Resolved that Shri.Malay Sengupta be appointed as a Director of the Company whose period of office would be liable to be determined by retirement of the Directors by Rotation."

By order of the Board  
**FOR BWL LIMITED**

Place: Bhilai

Dated: 9th May, 2011

**(SUNIL KHETAWAT)**  
MANAGING DIRECTOR

**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 9th August'2011 TO 12th August'2011 (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 E-mail ID and Bank details to update our record as well as to serve them efficiently.

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

- 4 Shri.Malay Sengupta, who was appointed as an Additional Director of the Company by the Board of Directors on 23.10.2010, vacates his office at the Annual General Meeting. Due Notice under Section 257 of the Companies Act, 1956. accompanied by the requisite deposit amount have been received from a member proposing such appointment of Shri.Sengupta. His period of office shall be liable to determination by retirement of Directors by rotation. Shri.Sengupta has filed his consent pursuant to the provision of section 264 (i) of the Companies Act'1956. His induction will strengthen proportion of independent directors in the composition of Board as required under statute.

No. Director of the company other than Shri.Malay Sengupta is interested in this resolution. Your Directors recommend this Resolution for your approval.

**REPORT OF DIRECTORS' & MANAGEMENT DISCUSSION AND ANALYSIS:**

Your Directors submit their report and Audited account for the year ended 31st March, 2011.

**1. FINANCIAL RESULTS:**

	Financial Year ended 31st March' 2011 (Rs.)	Financial Year ended 31st March' 2010 (Rs.)
Turn Over	—	4,08,865
Profit/(Loss) before interest, Depreciation & Taxes.	14,33,486	(18,89,171)
Add (Less) : Interest	—	—
Depreciation	(3,98,507)	(6,83,139)
Profit/(Loss) for the Year	10,34,979	(25,72,310)
Less: Extra Ordinary Item	1,08,77,678	95,93,000
Reversal of impairment loss		
Net Profit/(Loss) after Extra Ordinary Item	1,19,12,657	70,20,690
Balance brought forwarded From last year.	(43,25,15,600)	(43,95,36,290)
(Loss) carried to Balance Sheet	(42,06,02,943)	(43,25,15,600)

**2. DIVIDEND :**

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

**3. SEGMENT WISE PERFORMANCE :**

Pursuant to the decision of the management duly approved by the shareholders, all assets of OFC Division have been disposed of on April 7, 2011 i.e. subsequent to the date of Balance Sheet under this report. The unit was more or less defunct during the year, there by not calling for segment report under AS-17 there on.

**3.1. STEEL WIRE:**

The division hardly operated during the year under review like previous year.

As reported earlier, resources of the promoters were substantially exhausted towards meeting the dues of Banks and Financial Institutions under OTS. Existing working capital base proving inadequate to achieve break-even-production, further production from the unit has been kept under suspension since July'2008.

The management deeply regrets it's inability to gear up performances 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, it will be able to resume activity in the steel wire unit in a viable perspective.

**3.2 OPTICAL FIBRE CABLE**

As stated earlier, the unit has already been disposed of subsequent to the date of Balance Sheet.

**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. Barring power generating units run by various electricity boards, which are doing well, condition of other major consumer of steel wire product are more or less stable at present. Once production is commenced the company is unlikely to face any serious hurdle in finding safe outlet of its product among its notable clientele due to its years old association with them and its market goodwill.

**4. HUMAN RESOURCES & INDUSTRIAL RELATIONS :**

Industrial relations remained more or less cordial during the year.

**5. BANK & INSTITUTIONAL DUES :**

The company has no dues to Banks & or Institution 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 its Sick status.

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 under the provisions of SICA. As per instruction of the Hon'ble BIFR the company has submitted revised Draft Rehabilitation Scheme (DRS) to IDBI Bank (OA) after sale of Land & Building of OFCD. DRS is in the process of further revision following instruction from IDBI Bank (OA) to the effect. Your company is hopeful that the revised DRS will be approved in course of a few months.

**8. DIRECTORS:**

Mr. P. Choudhury retired in ensuing annual general meeting and being eligible has offered himself for reappointment. Shri. Malay Sengupta who was appointed as an Additional Director of the Company by the Board of Directors on 23.10.2010, vacates his office at the Annual General Meeting and being eligible has offered himself for appointment as regular director.

**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 its shares are listed. A separate report on Corporate Governance along with the auditors certificate on its 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 which form part of this report.

**12. PARTICULARS OF EMPLOYEES:**

No one was employed during the whole or part of the year drawing remuneration attracting disclosure 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,2011 and of the profit of the company for the year ended on that date.
- c) Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities .
- d) Prepared the Annual Accounts on a going concern basis notwithstanding negative net worth on the ground of confidence of Board of Directors on the potentiality of the company to revive, subject to application of working rehabilitation strategy.

**15. ACKNOWLEDGEMENT:**

Your directors express their appreciation for support extended by the employees, customers, vendors and other agencies. The members wish to place on record their sincere appreciation for the wise counsel, guideline and co-operation extended, by all . The Board express thanks and gratitude to shareholders for their continued confidence reposed on the management.

For and on behalf of the Board

(SUNIL KHETAWAT)

(Managing Director)

Place: Bhilai

Dated: 9th May,2011

**ANNEXURE TO THE DIRECTOR'S REPORT**

Statement pursuant to section 217(1)(e) read with the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2011.

#### 1. CONSERVATION OF ENERGY :

- a) As suggested by petroleum Conservation Research Association (under the ministry of Petroleum and Natural Gas, Government of India) few modification have been done in the Galvanising Plant in earlier years.
- b) Additional investment and proposals, if any, for reducing consumption of energy : The company intend to make investment during the current financial year after restart of the unit as suggested by the energy auditor to reduce the energy consumption.
- c) Impact of measures at (a) & (b) above for reducing energy consumption and consequent impact on the cost of production of goods. The impact is expected during the current fiscal once the units restart.
- d) Total energy consumption per unit of production are given below :-

#### A. POWER AND FUEL CONSUMPTION

	Financial Year ended 31st March' 2011 (Rs.)	Year ended 31st March' 2010 (Rs.)
<b>ELECTRICITY:</b>		
a) Purchased		
Unit (in KWH)	58068	88737
Total Amount (Rs.in Lacs)	4.28	6.95
Rate per Unit (in Rs.)	7.38	7.82
b) Own generation:		
(I) Through Diesel Generator:		
Unit (in KWH)	-	-
Unit generated/lr.of diesel	-	-
Cost/Unit (in Rs.)	-	-
(II) Furnace Oil:		
Quantity (in K.Ltr)	-	-
Total Amount (Rs.in Lacs)	-	-
Average rate/K.Ltr (in Rs.)	-	-

#### B. CONSUMPTION PER UNIT OF PRODUCTION:

## Steel Wire Division:

Production (MT)(Conversion Job)	-	326
Electricity (KWH/MT)	-	272
Furnace Oil (Ltrs/MT)	-	-

## Optical Fibre Cable Division:

Production (CKM)	—	—
Electricity (KWH/CKM)	—	—

**2. TECHNOLOGY ABSORPTION:**

- a) Benefit derived as a result of above R&D.

The brightness in the finished wires have been improved.

- b) Future plan on R&D:

R&D activities will be continued in the specific areas for production of various qualities of wire in wide range of Hardware Fixture required for installation of Optic Fibre Cable and Transmission Tower etc..

- c) Expenditure on R&D: NIL

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Earned	Rs. Nil
Out go	Rs. Nil

**CORPORATE GOVERNANCE:****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Your Company has consistently followed the principles of good corporate governance through transparency in dissemination of information to stakeholders and adhering to objectives, and the doctrine of corporate governance.

Your Company believes that the Code on Corporate Governance provides a structure by which the rights and responsibilities amongst different participants in the organisation, such as the Board of Directors, employees, shareholders and other parties are clearly defined and coordinated, so as to ensure that the Company's performance against its basic objectives are adequately measured and monitored for accomplishment.

As a listed company, BWL Limited adheres to listing requirements. It has generally complied with in all material respect with the requirements of corporate Governance specified in the Listing Agreement with the BSE barring few exceptions referred to in audit certificate which were beyond control of the management on economic and other practical grounds.

**2. BOARD OF DIRECTORS - COMPOSITION**

As on the date of this report, the Board of Directors of your Company consists of 4 (four) members comprising of 2 (two) Executive Directors and 2 (two) Independent Non-executive Director. Chairman of the Board of Directors is an Executive Director. Two Executive directors are not member of Board of Directors in any other public company. Mr. P. Choudhury holds the office of director in an unlisted public company where he is not member in any committee of Board of Directors. Shri Malay Sengupta holds the office of Director of a listed public company and two unlisted public companies. Lone committee membership of Board of Directors held by him relates to the listed company where he is chairman of audit committee.

**Board Meetings held during the year:**

Five Board meetings were held during the year ended 31st March, 2011, respective dates of meeting being 22nd April'10, 31st July'10, 28th Aug'10, 23rd Oct'10 and 11th Feb'11.

Attendance of Directors at the Board Meetings and the last AGM:

<b>Name</b>	<b>Number of Board Meeting attended</b>	<b>Attendance of the last AGM held on 30.09.2010</b>
Sunil Khetawat	2	Yes
Sandeep Khetawat	5	Yes
Prabir Choudhury	4	No
Malay Sengupta	2	No

**3. AUDIT COMMITTEE**

The Audit Committee was constituted on 31st January, 2001 and has been entrusted with the roles as hereunder:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with management the annual financial statement before submission to the Board, focusing primarily on;
  - a) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statement before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department if any, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, share holders (in case of non payment of declared dividends) and creditors.
12. Carrying out any other function as is mentioned in terms of reference of the audit committee including those laid down under section 292-A of companies Act.
13. Review of report on management discussion and analysis of financial condition and results of operations, significant related party transactions, management matters/latter or internal control weakness issued by statutory auditors, internal audit reports and appointment, removal and terms of remuneration of internal auditors.

During the course of performing its role, the audit committee is conferred with the power to investigate any activity, seek information from any employee, obtain professional and legal advice from outside professionals and secure attendance of outside experts, if needed.

The Audit Committee is comprised of Two independent Directors and one Executive Directors. DGM(F&A) & Compliance Officer is the Secretary of the audit committee. The committee met five times during the year ended 31.03.2011, i.e. on 22.04.2010, 31.07.2010, 28.08.2010, 23.10.2010 and 11.02.2011.

Shri.Malay Sengupta has been inducted to the audit committee on 23.10.2010 as chairman of the committee.

Attendance of Members at the meeting of the Audit Committee held during the Financial year ended 31.03.2011 were as under :-

Members	No. of Meetings attended
Malay Sengupta (chairman)	2
Sandeep Khetawat	5
Sunil Khetawat(up to 11.02.2011)	2
Prabir Choudhery	4

#### 4. REMUNERATION COMMITTEE

The Remuneration Committee was constituted on 31st August,2002 to consider and fix from time to time the remuneration payable to the Managing/ Whole time Directors .

As on date the committee comprises three directors out of that two non-Executive and independent Directors and the other is an Executive Director. The committee is chaired by Mr. Prabir Chaudhury. During the financial year ended 31st March, 2011, the committee met on 28.08.2010:

Members	No. of meeting attended
Prabir Choudhary(Chairman)	01
Sunil Khetawat	01
Sandeep Khetawat(up to 28-08-2010)	01
Malay Sengupta	N.A.

Remuneration Committee has been entrusted with the task of formulating/reviewing the remuneration policy of the company apart from recommending remuneration package of whole time directors and financial benefit/compensation of any nature to non-executive directors.

Shri. Malay Sengupta Independent Director has been inducted as a member of remuneration committee w.e.f.23.10.2010

#### REMUNERATION POLICY:

##### a) Whole time Directors/ Executive Directors :

The Remuneration Committee is authorised to recommend the remuneration of the Executive Directors for onward approval of same by Board of directors, Share holders or central government as the case may be. The remuneration structure of Executive Directors comprises of salary,

additional allowance and perquisites. The Executive Directors are paid remunerations as per the agreements entered in to between them and the Company.

Details of the Remunerations paid/payable to whole time Directors for the financial year ended 31.03.2011 are as under :

<b>Name</b>	<b>Salary (Rs.)</b>	<b>Allowance &amp; Perquisites (Rs.)</b>	<b>Cont. to Prov. &amp; other Fund (Rs.)</b>	<b>Total (Rs.)</b>
Sunil Khetawat	72000	24551	100846	197397
Sandeep Khetawat	66240	26341	99778	185363

The Company does not have any other scheme of remuneration to the Whole time Director. In view of dismal performance of company and sick industrial status the whole time directors have foregone their salary and house rent allowance w.e.f.01.10.2008 till the time, the company earn operational profit. However from 01.04.2010 they have been drawing salary to the extent of their contribution towards Provident Fund.

b) **Non-Executive Directors :**

Non-Executive independent Directors get sitting fees for attending Board/ Committee Meetings. The details of Fees paid/payable to the Non-executive independent Directors for the financial year ended 31st March 2011 are as under :-

<b>Name</b>	<b>Sitting Fees</b>			<b>Total</b>
	<b>Board Meeting/ Annual General Meeting Rs.</b>	<b>Audit Committee Meeting Rs.</b>	<b>Remuneration Communittee meeting Rs.</b>	<b>Rs.</b>
Prabir Choudhury	12000	12000	3000	27,000
Malay Sengupta	6000	6000	—	12,000

**5. Share holders/Investors Grievance Committee:**

The investors grievances committee of the company was first constituted on 30.10.1973 as a “ Share Transfer committee” .

The Committee deals with various matters relating to the transfer/transmission of Share, issue of the duplicate share certificates, approving the split/consolidation of shares and other matters relating to the share holders complaints.

The committee comprises of three Directors, chaired by Mr.Prabir Chaudhury, an independent Non executive Director. Remaining two are two Executive Directors of the company.

The Board has authorised the Members of the Committee to approve the Transfer of Shares.

During the 12 months Financial year, the Company received 04 complaints from the share holders. The Company endeavors to reply all complaints received from Share holders within a period of 15 days. As on date 06 complaints are pending. The status of Investor's Compliance is tabulated below :