



PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL

# BSL Ltd.

REGD. OFFICE : 26, Industrial Area,  
Gandhi Nagar, BHILWARA-311 001 (Rajasthan) INDIA  
Tel. : (91 1482) 249101-102, 245000

E-mail : [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com), Website : [www.bslltd.com](http://www.bslltd.com)  
C.I.N. : L24302RJ1970PLC002266



[www.bslltd.com](http://www.bslltd.com)

REF: BSL/CS/2020-21/  
Dated: 3<sup>rd</sup> September, 2020

<p><b>National Stock Exchange of India Ltd</b> Listing Department Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai- 400 051 <b>NSE Symbol: BSL</b></p>	<p><b>BSE Ltd</b> Department of Corporate Services 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers Dalal Street Kala Ghoda, Fort, Mumbai, Maharashtra 400 001 <b>BSE Scrip Code: 514045</b></p>
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## Ref: AGM Notice & Annual Report-2020

Dear Sir,

We are attaching herewith Notice of 49<sup>th</sup> Annual General Meeting of BSL Limited to be held on Tuesday, 29<sup>th</sup> September, 2020 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") alongwith Annual Report 2019-20.

Kindly take the same on record and acknowledge.

Thanking You

For BSL Limited

Aanchal Patni  
Company Secretary  
M. No.:-ACS-43134

Enc: a/a





PROUD TO BE INDIAN  
PRIVILEGED TO BE GLOBAL

## Annual Report | 2019 - 2020



**BSL LIMITED**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Shri Arun Churiwal**

*Chairman & Managing Director*

**Shri Ravi Jhunjunwala**

*Director*

**Shri Nivedan Churiwal**

*Joint Managing Director*

**Shri Shekhar Agarwal**

*Director*

**Shri Amar Nath Choudhary**

*Independent Director*

**Shri Sushil Jhunjunwala**

*Independent Director*

**Shri Giriraj Prasad Singhal**

*Independent Director*

**Smt. Abhilasha Mimani**

*Independent Director*

### PRESIDENT & CHIEF FINANCIAL OFFICER

Shri Praveen Jain

### COMPANY SECRETARY

Ms. Aanchal Patni

### KEY EXECUTIVES

**A. K. Mehta**

Sr. Vice – President (Processing)

**M. S. Khiria**

Vice – President (Export Marketing)

**P. Phogat**

Vice – President (Spinning)

**R. K. Katyal**

Vice – President (Weaving )

**Arun Shraff**

Vice – President (Furnishing)

**R. Chowdhary**

Vice – President (Domestic Marketing)

### BANKERS

State Bank of India

IDBI Bank Ltd.

Punjab National Bank

UCO Bank

Export Import Bank of India

### STATUTORY AUDITORS

**M/s SSMS & Associates**

*Chartered Accountants*

*Bhilwara*

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### REGISTERED OFFICE

26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan)

CIN: L24302RJ1970PLC002266

Phone: + 91-01482 249101-102, 245000

E-mail: [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com), Website: [www.bslltd.com](http://www.bslltd.com)

### WORKS

Chittorgarh Road, Biliakalan, Mandpam, Bhilwara-311001 (Rajasthan)

### WIND ENERGY PLANT

Village Gorera, Jaisalmer – 345001 (Rajasthan)

Village Ola, Jaisalmer – 345001 (Rajasthan)

## FINANCIAL HIGHLIGHTS

## FINANCIAL HIGHLIGHTS

(₹ in Crore)

PARTICULARS	2017-18	2018-19	2019-20
Turnover	403.20	437.31	<b>390.04</b>
Exports	181.91	226.37	<b>201.30</b>
PBIDT	32.73	34.68	<b>30.61</b>
Financial Expenses	13.95	17.50	<b>18.41</b>
PBDT	18.78	17.18	<b>12.20</b>
Depreciation & Amortisation Expense	17.03	16.02	<b>13.07</b>
PBT	1.75	1.16	<b>(0.87)</b>
Taxation	0.72	0.29	<b>(2.52)</b>
PAT	1.03	0.87	<b>1.66</b>
PAT (Net of OCI)	0.14	0.30	<b>(1.70)</b>
Gross Block	149.27	151.53	<b>152.45</b>
Less : Depreciation	34.08	50.27	<b>63.21</b>
Net Block	115.19	101.26	<b>89.24</b>
Net Worth	77.69	76.75	<b>75.05</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Overview

#### **Global Textile & Apparel:**

The global apparel demand is expected to boost at a steady CAGR of 5% to grow from the current US\$ 1.9 trillion to reach US\$ 2.6 trillion by 2025. Among the top ten markets of apparel, Asian giants China and India are expected to deliver the most promising growth rates of 10% and 12%, respectively, when compared to the world aggregate of 5%. China at US\$ 450 billion, is set to become the largest apparel market in the world by 2025, while India will be propelled to fourth on the list with an expected market size of US\$ 164 billion. Higher economic growth and rise in per capita income of individuals will lead to the growth in the apparel market in these developing countries.

EU and the USA dominate the global apparel market with a combined share of over 41% while they account for only 11% of the world population. While, highly populated Asian countries, such as China, India and Japan, home to 38% of the world population collectively account for a market of 21%.

The global trade of Textile & Apparel (T & A) is expected to grow from the current US\$ 823 billion to US\$ 1,000 billion in 2025, while growing at a promising rate of over 3% when compounded annually. China has continued to be the largest T&A exporter. India had maintained the position of the second largest supplier of T&A globally in the past decade. However, Germany with exports worth US\$ 39.7 billion has resulted in India becoming the third largest supplier.

#### **Indian Textile & Apparel:**

##### **Domestic Market:**

The textile industry in India is largest industry after agriculture and is also highly labour intensive offering the largest volume of employment. India has traditionally been a major producer of textiles. Along with this factor, a young population boom in the 20<sup>th</sup> century led to an increased demand of textile and apparel in India. Besides the population, a rapid growth can be seen in the disposable income of the middle and lower middle class sections of the society and it is expected to grow even further in the foreseeable future. In value terms, India's domestic textile and apparel market is worth US\$ 106 billion in 2019-20 and it is estimated to reach US\$ 223 billion by 2021. Apparel demand at US\$ 78 billion, dominated the domestic market with a share close to 74% of the total textile and apparel market in India. This industry plays a very vital role in the Indian economy.

##### **Indian Exports:**

Textile and apparel exports of India stood at US\$ 37 billion in the financial year 2018-19. However, analyzing the trade trend of first half of FY 2020, it seems that the exports in FY 2020 might reduce to US\$ 36 billion. Being a promising sourcing destination for global buyers, India's T&A exports are expected to still reach US\$ 82 billion

by 2021, growing at a CAGR of 12%. The exports have grown at a 5% CAGR since the year 2005-06.

##### **Indian Imports:**

*Textile and apparel imports have been increasing steadily over the last decade.* India's textile and apparel imports in 2019-20 was estimated to reach around US\$ 8.2 billion. The imports of textile and apparel have been growing at a CAGR of 8% over the last 14 years. The first half of the year 2019-20 has shown a tremendous increase in the fibre imports, which is expected to increase the overall yearly imports and result in a year on year growth of about 10%.

##### **Economic Scenario**

The textile sector assumes a significant place in India's economic landscape. It caters to consumer tastes that range from exquisite handmade craftsmanship to modern, mechanised, contemporary fashion. The textile sector spans with a wide canvas of products demanding a focused and dedicated approach to enable each product category have a competitive advantage in India's textile exports.

Presently, the industry due to international and domestic challenges is losing its competitiveness and global presence. Some of the challenges are:

- rising competition from neighboring countries such as China, Bangladesh, Vietnam, and Sri Lanka in areas such as cotton fabric, apparels, MMF and carpets
- sluggish demand in major export destinations, EU and USA as a result of global economic crisis and
- domestic challenges such as lack of technology up-gradation, inefficient infrastructure and fragmented industry structure among others.

The present Government is making rigorous efforts to restructure and to revamp the Indian textile and apparel industry under the ambit of its highly ambitious '**Make in India**' program which envisages making India as a 'manufacturing' and 'sourcing hub' in the coming times.

The textile industry contributes to 7% of industry output in value terms, 2% of India's GDP and to 15% of the country's export earnings. It is one of the largest sources of employment generation in the country with over 45 million people employed directly, and another 6 crore people in allied sectors, including a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment.

In keeping with goal of making India's development inclusive and participative, the Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology, fostering innovation, enhancing skills and traditional strengths in the textile sector.

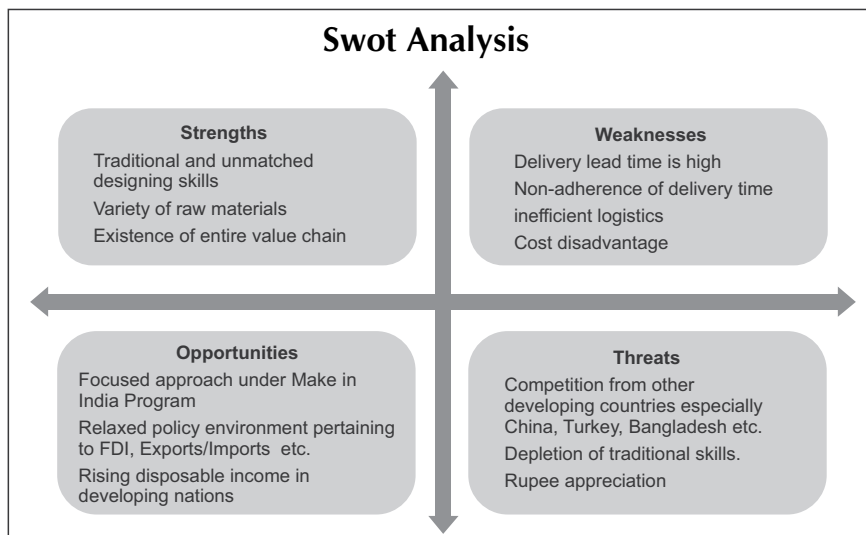
## MANAGEMENT DISCUSSION AND ANALYSIS

### Growth Outlook

There is an immense growth potential in Indian textiles and apparel industry due to several reasons. One, revival of demand in India's major export destinations two, rising per capita income and disposable income in the country three, shift in demographics four, changing lifestyles five, increasing demand for quality products, six, increase in participation of women in workforce seven, increased penetration of the organised retail and eight, highly focused approach and favourable policy support of the Government; all are set to fuel the demand of various textile and apparel products in the coming future.

Several inherent advantages of Indian textile industry viz. abundant availability of raw materials such as cotton, wool, silk, jute and manmade fibres; presence of traditional skill sectors, handloom and handicraft; existence of entire value chain for textile production, comparative advantage in terms of skilled manpower and cost of production over major textile producers across the globe are also attracting major global textiles and apparel players to invest in India.

Thus, the overall Indian textile industry possesses enormous opportunities and strengths and along with huge challenges and bottlenecks. Therefore, it is crucial to decide what should be done differently this time so we do not miss out on opportunities available.



### Major Challenges and Suggested Interventions

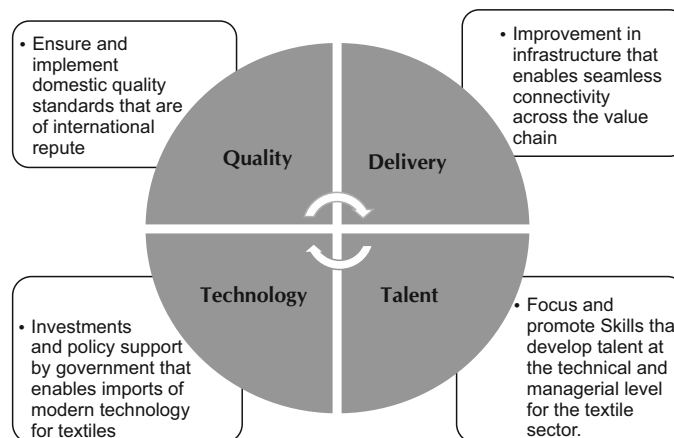
Challenges Related to Quality	Challenges related to Delivery	Challenges related to product responsiveness	Challenges related to Pricing
<ul style="list-style-type: none"> <li>Blending and Versatility of Fabrics</li> <li>Design and Sampling</li> <li>Quality of accessories, Quality of Dyes and consistency of color</li> <li>Depletion of skills in traditional hand woven sectors</li> </ul>	<ul style="list-style-type: none"> <li>Inordinate delay in meeting delivery lead time</li> <li>Bottlenecks in infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Lack of backward and forward integration in value chain</li> <li>Outdated Technology and Machinery</li> </ul>	<ul style="list-style-type: none"> <li>Lack of standardization in pricing of cotton yarn</li> <li>Differential taxation</li> </ul>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Some Recommendations

- Big Investments in Textile machinery and technology
- Design Centers and Sample making factories
- Increase last mile connectivity with production hubs about quality compliances
- Training, Better Wage rates and Better Designer – Weaver Buyer Connect
- A nationwide policy to create world class infrastructure
- Consistency and Continuation of Government Policies that impact supplier performance
- Standardization in Cotton procurement
- Fair and equitable levy of taxes

### Roadmap for improving India's Textile Competitiveness



### Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- Under Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs 1,480 crore (US\$ 211.76 million).
- In 2020, New Textiles Policy 2020 is expected to be released by the Ministry of Textiles.
- CCEA approved mandatory packaging of foodgrains and sugar in jute material for the Jute Year 2019-20.
- In September 2019, textile exports witnessed an increase of 6.2 per cent post GST as compared to period pre-GST.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from two per cent to four per cent.
- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.

- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20. As of August 2019, 16 states have signed pacts with the Ministry of Textiles to partner with it for skilling about four lakh workers under the scheme.

### Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

### Indian textile industry post COVID-19 outbreak

The continued lockdown in India in April 2020 has affected the entire textile industry and disrupted exports, according to India Ratings and Research (Ind-Ra), which expects the export demand to be weak until the first half of fiscal 2020-21 till the economic recovery of the United States and Europe, which are the major hubs for Indian products.

Furthermore, the domestic demand as a discretionary product is expected to pick up gradually in the second quarter of this fiscal, but will be lower than a normal year demand. For this fiscal, the agency expects textile players to record a substantial fall in their top line and operating profits.

Due to countrywide lockdown, however, the industry is grappling with major hurdles in the following areas:



## MANAGEMENT DISCUSSION AND ANALYSIS

**Labour force and employment:**

T&A provides direct employment to over 45 million people but the nationwide lockdown has led to a temporary closure of factories and lay-offs have already begun among low wage workers.

**Import & Exports of raw material and readymade garment:**

The Covid-19 pandemic is primarily expected to adversely impact exports and with second order impact on the domestic markets with both exports as well as domestic sales falling.

The pandemic has affected the majority of India's export market (the US and EU together constitute for approximately, 60% of the total apparel exports from India in value terms), causing order cancellations/deferral of order leading to inventory build-up and expectation of slower realization of export receivables leading to higher working capital requirements.

**Cash flow constraints:**

The sector has been grappling with profitability issues due to a sharp decline in yarn exports, cheaper imports etc. these issues only look to get aggravated further with the current crisis.

**Supply chain disruption:**

The Garment manufacturers need to look at local sourcing opportunities, due impact on imports and export.

**Consumer sentiment:**

If nationwide lockdown continues and the situation persists, it will impact consumer sentiment on the higher side, due to closure of the market and mall also to maintaining social distancing, safety and health.

The extent of the outbreak and lockdown would directly impact the length of the recovery cycle. However, to minimize the impact the Confederation of Indian Textile Industry (CITI) has requested the government to immediately announce a relief package for the textile and apparel sector to mitigate the crisis being faced by the capital and labour-intensive textile Industry, post the corona virus spread.

**Company Overview****The Dawn**

In the days when the idea of manufacturing poly-viscose suiting was a unique concept in India, the second member of the LNJ Bhilwara Group, BSL Ltd., was born in the desert state of Rajasthan. The year was 1971 and the town where this happened was Bhilwara.

Over the years, with the belief that there are no shortcuts to excellence, at BSL we have moved from strength to strength. Today, as a multi-million dollar company, and having put the Group firmly on the international map of premium suiting, we are one of the prominent members of the US\$ 900 million LNJ Bhilwara Group.

**Experience**

With over quarter of a century of experience in textile manufacturing, BSL is currently producing over 18 million meters of fabric every year.

Product profile covers wool, wool-blended and premium lightweight fabrics, to wool modal, Trevira wool and other specialized fabrics blended with Lycra, Silk, Linen, Tencel etc. Our commitment to quality through technology and human ingenuity, has earned BSL numerous awards like the National Certificate of Merit for outstanding export performance. We are ready to meet the challenge in the years to come and take BSL to higher pinnacles of success.

BSL, products are manufactured under IS/ISO 9001-2008 the quality management system in accordance with IS/ISO-9001-2008 and this unit is accredited with Environmental management system IS/ISO 14001-2004.

Further during last year the Company has received Vegan Certificate for its product. BSL LTD. has become India's first textile manufacturing company having this certificate. It is the privilege that BSL's fabric 100% Polyester and Polyester blends with Cellulose comply the requirements of Vegan certification such as No animal ingredients or Proteins is used at any stage of production of the fabric and No harm is caused to nature and life.

**Product Wise Performance**

The Product wise performance during the year is as under:

(₹ in Crore)

Particulars		For the year ended			
		31.03.2020		31.03.2019	
		Qty.	Value	Qty.	Value
a)	Fabrics (Lac Mtrs.)	195.55	308.45	226.25	353.93
b)	Yarn ( MT)	1996	62.82	2126	62.66
c)	Readymade Garments (No. of Pcs.)	65922	2.23	228729	6.98
d)	Wind Power (Lac Units)	28.15	1.08	28.95	1.14
e)	Job Work		11.64		7.17
f)	Export Incentives		3.82		5.43
	<b>Total</b>		<b>390.04</b>		437.31

**Risks and Concerns**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are:

1. **COMPETITIVE RISK:**

The apparel industry is subject to rapidly evolving fashion trends, and we must continuously offer innovative and upgraded products to maintain and grow our existing businesses. Investments in the industries have started picking up with no barriers for entry of new players. Your Company continues to focus on increasing its market share and focusing more on R&D, Quality, Cost and Timely delivery that help create differentiation and provide optimum service to its customers to expose competition risk.

2. **FINANCIAL (FUNDING RISK):**

Any increase in interest rate can affect the finance cost. The Company's policy is to borrow long term borrowing in Indian Rupee to avoid any rate variation risks. The Company has adopted a prudent and conservative risk mitigation strategy to minimize interest costs.

3. **FOREIGN EXCHANGE RISK:**

Foreign exchange risks are quantified by identifying contractually committed future currency transactions. The

## MANAGEMENT DISCUSSION AND ANALYSIS

Company's policy is to hedge all long term foreign exchange risk as well as short term exposures within the defined parameters. The long term foreign exchange liability is hedged and hedging reserve is maintained as per requirement of Ind-AS.

#### 4. COMPLIANCE AND CONTROL RISK:

The evolution of the global regulatory environment has resulted into increased regulatory scrutiny that has raised the minimum standards to be maintained by BSL Limited. This signifies the alignment of corporate performance objectives, while ensuring compliance with regulatory requirements. The Company is regularly monitoring and reviews the changes in regulatory framework and also monitoring its compliance mechanism so as to ensure that instances of non-compliance do not occur.

#### 5. RAW MATERIAL PRICE 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.

#### 6. HUMAN RESOURCES RISK:

Retaining the existing talent pool and attracting new manpower are major risks. The Company hedges this risk by setting benchmark of the best HR practices and carrying out necessary improvements to attract and retain the best talent. The Company has initiated various measures such as rollout of strategic talent management system, training and integration of learning activities.

### Company Response: COVID-19 outbreak

#### Impact of the CoVID-19 pandemic on the business:

Due to the countrywide Lockdown the production activities of the Company situated at Mandapam, Bhilwara was halted from 22<sup>nd</sup> March, 2020. The Company's production and operation activities have started w.e.f. 27<sup>th</sup> April, 2020 with limited no. of workforce engaged in the same and full-fledged from 8<sup>th</sup> May, 2020. The Company is complying with all the safety measures viz. Social Distancing and mandatory to wear face mask, face cover and proper sanitizations and thermal screening at the entry gate in premises. Further this is to report that it has affected our sales realisation process also and as a result our collections have dropped down a bit; however, we are trying to push hard and to improve the sales as well as collection. During quarter ended 31<sup>st</sup> March, 2020, it may estimate that we face 30% loss of our revenue, and could achieve 70% only of our targeted revenue.

#### Steps taken to ensure smooth functioning of operations:

Even before the much impact of Corona Virus in India we have started to provide guidance to our Workers and Staff about the safety measures. When the operations were resumed a detailed ready tips for back to office were also communicated to our workers and staffs. Safety systems have been implemented with appropriate training, factory roads, entrance areas and offices are being regularly sanitized. Moreover social distancing norms being strictly followed at factories and offices, Sanitization and thermal screening of employees at the entry gate of Factory and ensure safety of all the employees at the work place like making use of sanitizers, enforcing wearing of masks and maintaining social distance.

#### Details of impact of CoVID-19 on capital and financial resources:

Due to disruption of production and shutdown of transport the Company's supply chain has been affected but we are in continuous touch with all the stakeholders to bring it to its normal phase. Consequently profitability has been affected badly, Company is making all efforts for the betterment. The Company have availed Term Loan installment deferment as allowed by RBI in order to normalize the Liquidity position. Further, all debts of Company are serviced regularly. The demand of products may downside as lower demand from all the market worldwide. There is no impact on Internal Financial Reporting and Control. No non- fulfillment or cancellations of any obligations by any party has been reported. We ensure that your Company is at safe hands and grappling smartly in this tough time.



## MANAGEMENT DISCUSSION AND ANALYSIS

### **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures. In discharging their role and responsibilities, the department is supported by an external audit firm.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen them. The Company has a robust Management Information System, which is an integral part of the control mechanism.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

This part has been discussed in Board's Report.

### **HUMAN RESOURCE AND INDUSTRIAL RELATION**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has a structured induction process and management development programs to upgrade skills of the employees. As at 31<sup>st</sup>

March, 2020, 3250 employees (Staff & Workers) employed in the Company.

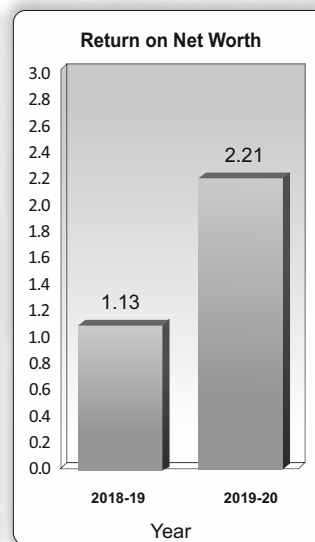
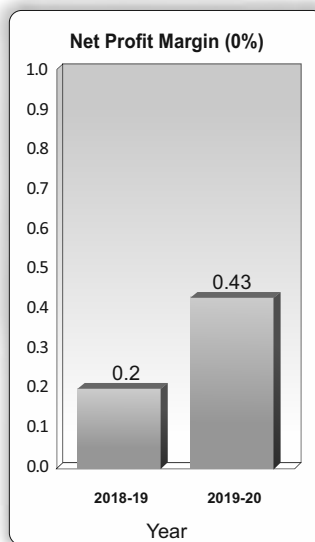
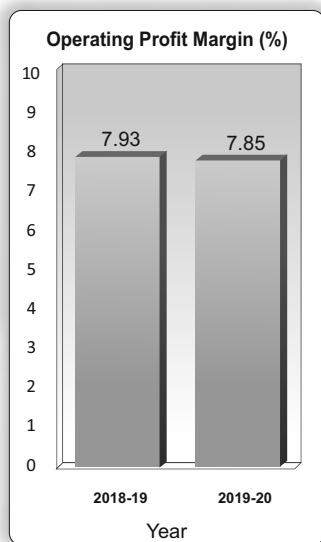
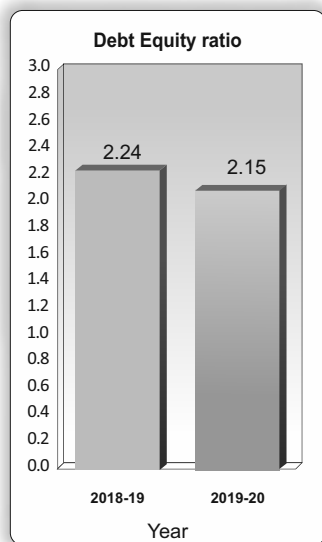
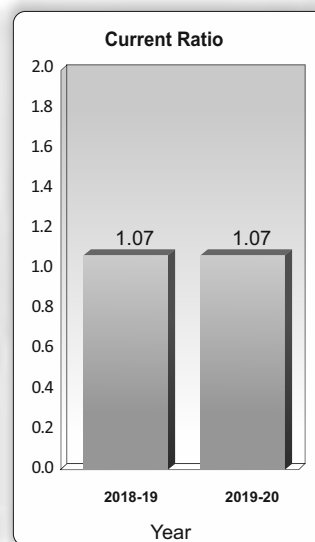
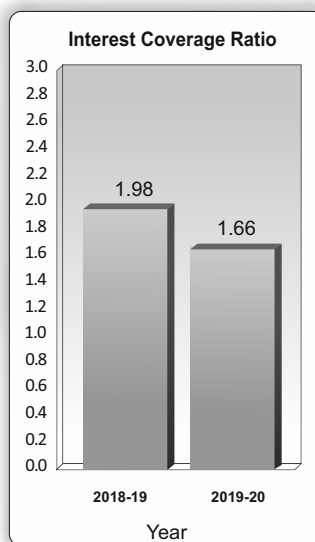
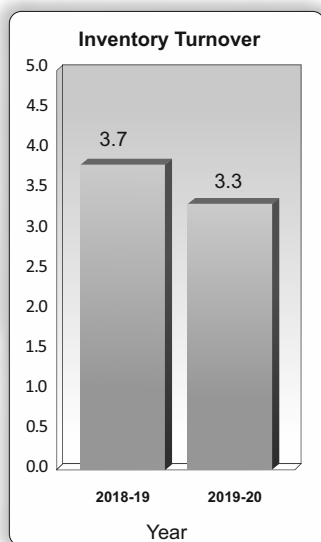
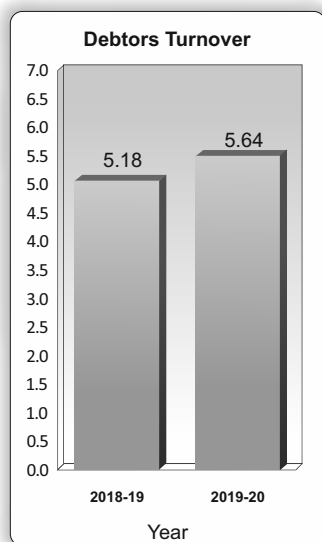
The Company's HR practices, systems and people development initiatives are focused on deployment and scouting for the "Best Fit" talent for all key roles. Pay for performance, reward and recognition programmes, job enrichment and lateral movements provide opportunity for growth & development of the talent pool.

The Company is committed to nurturing, enhancing and retaining top talent through superior Learning & Organization Development interventions. Corporate learning and Organization Development is a part of Corporate HR function. It is a critical pillar to support the organization growth and its sustainability over the long run.

### **CAUTIONARY STATEMENT**

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

## KEY FINANCIAL RATIO



**Note:**

1. There is no Significant Changes (change of 25% or more) as compared to the previous financial year 2018-19 in Key Financial Ratio except Net Profit Margin and Return on Net worth.
2. The Return on Net Worth is Higher this year resulting higher Profit after tax during 2019-20 as compared to 2018-19, mainly due to reversal of deferred tax.

## BOARD'S REPORT

**To The Members,**

Your Directors have pleasure in presenting the 49th Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2020.

**1. Financial Highlights**

(₹ in Crore)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Turnover – a) Domestic	188.74	210.94
- b) Exports	201.30	226.37
Profit before Interest, Depreciation and Tax	30.61	34.68
Less : Financial Expenses	18.41	17.50
Profit before Depreciation and Tax	12.20	17.18
Less : Depreciation & Amortisation	13.07	16.02
Profit before Tax	(0.87)	1.16
Taxation – Current Tax	0.75	0.31
- Deferred Tax	(3.27)	(0.24)
Profit after Tax	1.66	0.87

**2. Operations**

The division wise performance is as under:

(₹ in Crore)

Particulars	For the year ended			
	31.03.2020		31.03.2019	
	Qty.	Value	Qty.	Value
<b>a) Fabrics (Lac Mtrs.)</b>				
- Domestic	87.19	125.94	106.21	141.87
- Exports	108.36	182.51	120.04	212.06
<b>Total</b>	<b>195.55</b>	<b>308.45</b>	<b>226.25</b>	<b>353.93</b>
<b>b) Yarn (MT)</b>				
- Domestic	1693	47.85	1808	54.65
- Exports	303	14.97	318	8.01
<b>Total</b>	<b>1996</b>	<b>62.82</b>	<b>2126</b>	<b>62.66</b>
<b>c) Readymade Garments (No. of Pcs.)</b>				
- Domestic	65922	2.23	196119	6.11
- Exports	-	-	32610	0.87
<b>Total</b>	<b>65922</b>	<b>2.23</b>	<b>228729</b>	<b>6.98</b>
<b>d) Wind Power</b>				
Generation (Lac Units)	28.15	1.08	28.95	1.14
<b>e) Job Work</b>		<b>11.64</b>		<b>7.17</b>
<b>f) Export Incentives</b>		<b>3.82</b>		<b>5.43</b>
<b>Grand Total</b>		<b>390.04</b>		<b>437.31</b>

Your Directors informs the members that the financial statements of your Company had been drawn on basis of the Ind-AS for the financial year ended March 31, 2020 with comparatives. Your Company took various steps to overcome the situation

which included rationalization, modernization and Capex programme on need/ priority basis. Company also focused on cost reduction to improve the profitability along with better product mix and improving efficiency. The above measures are expected to result positively in the current financial year.

In view of Coronavirus pandemic all India lockdown was declared on 23<sup>rd</sup> March, 2020. However, the local Bhilwara administration directed all the operations be closed down from 22<sup>nd</sup> March, 2020. Thus, the Company's all operations came to a complete halt from 22<sup>nd</sup> March, 2020 and continued till 27<sup>th</sup> April, 2020. Due to this lockdown, the Company's production in the last 9 days of 2019-20 was Nil. The Company's major dispatches takes place in the last week of the month, so the March dispatches were badly affected. The Company's average sale, between April 2019 and February 2020 was Rs. 35 Crore per month and accordingly up to February, 2020 the Company's turnover was Rs. 381.65 Crores, in March 2020 the turnover plummeted to just Rs. 8.39 Crores due to the lockdown. This sudden event has had severe impact on 4<sup>th</sup> quarter results.

**3. Exports**

The Company's Export turnover during the year was ₹ 201.30 Crores as against previous year ₹ 226.37 Crores.

**Best Overall Export Performance:** During the year the Company won Gold Trophy, awarded by The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) for Best Overall Export Performance in the Category of Exports of Fabrics/Made-ups to "Focus LAC" Countries Sector for the year 2018-19.

**Silk Export Award:** During the year, The Indian Silk Export Promotion Council has awarded the Company Silver Trophy in the category of silk fabrics for the year 2017-18.

**4. Outlook for Company's Activities**

The first quarter of 2021 is nearing completion. Due to national lockdown the sales in April was near zero, it was little better in May. However, in June the Company expects a revival. But the first quarter numbers, like global economy seems under cloud. The company expects near normalcy from 2<sup>nd</sup> quarter onwards, if lockdowns not reintroduced. Even in the challenging times, the Company is confident of maintaining its performance in export markets. The Company, since May, has started exporting fabrics to its traditional and new markets and expects the momentum to continue.

**5. Wind power Project**

The Company's Wind Power Projects at Jaisalmer had generated 40.83 Lac units during the year, as against 40.70 Lac units last year.

**6. Dividend**

The Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

**7. Contribution to Exchequer**

Your Company has contributed an amount of ₹ 15.89 Crores as against previous year ₹ 18.85 Crores in terms of Taxes & Duties to the Exchequer.

## BOARD'S REPORT

### 8. National Movements

**“An investment in knowledge pays the best interest.”** Having this thought in mind, it is an immense pleasure to inform the members that the Company has been on the spearhead to fulfill its obligation towards the society at large and accordingly made its contribution in social activities such as Construction of School Buildings, Providing Computers at schools, Distribution of Artificial Limbs to the needy people, organizing Blood Donation Camp, promoting National/ State/ Rural Sports and helping in reducing inequalities faced by socially and economically backward groups etc.

On the occasion of 49<sup>th</sup> National Safety Day on 4<sup>th</sup> March, 2020 the Factory and Boiler Department (Government of Rajasthan) has awarded the Company “Safety Award” to play a positive role in Safety, Health and Welfare Sector and to be a pioneer in pursuing the important provisions of the Factories Act, 1948.

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020. It is a black swan event which has affected ones lives in exceptional way. In this tough time, the Company has performed its social responsibility by providing Ration kits to the needy people of factory's surrounding area.

### 9. Green Energy

The Company on the one hand adhering to ZLD norms, at the same time it is focusing on the Green Energy. The Company is having Wind Power capacity of 4.40 MW. It has already installed 3.67 MW roof top Solar Plant at its existing site under OPEX Model. Currently the Company is consuming 4.00 Cr. Units P.A. out of which about 24% Power is produced by the Company through renewable energy sources. Thus focus of the Company is on Sustainability both in terms of effluent Management and non fossil energy consumption.

The Company is fully committed to green movement, it continues to have vegan certificate, V-label of Switzerland. The Company is focusing more and more on Green Fiber. It is increasing the use of recycled polyester staple fibre. In 2019-20, the Company consumed 46 % of total polyester fiber as recycled polyester fiber.

### 10. Extract of Annual Return as per Sec 92 in form MGT 9

The details forming part of extract of Annual Return in Form No. MGT 9 is enclosed herewith as per **Annexure I** and also available on the Company's Website at the web link as: <https://www.bslltd.com/disclosures.html>.

### 11. Statutory Auditors

M/s SSMS & Associates, Chartered Accountants (FRN: 019351C) were appointed as Statutory Auditors of your Company at the AGM held on September 26, 2017 for a term of five consecutive years i.e. until the conclusion of the 51<sup>st</sup> AGM. Further, M/s SSMS & Associates have confirmed their independence and eligibility under the provisions of the Companies Act, 2013 and (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory

Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

The report of the Statutory Auditors along with notes to Schedules is enclosed to this Report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

### 12. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s V. M. & Associates, Company Secretaries, Jaipur**, (FRN: P1984RJ039200) to undertake the Secretarial Audit of the Company. Further, M/s V. M. & Associates have confirmed their independence and eligibility under the provisions of the Act and Listing Regulations. The details forming part of Secretarial Audit Report for financial year 2019-20 in Form MR -3 is enclosed herewith as per **Annexure II**. There are no reservations, qualifications, adverse remark or disclaimer contained in the Secretarial Audit Report.

### 13. Reporting of frauds by auditors

During the year under review, the Statutory Auditors, Secretarial Auditors and Cost Auditors have not reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

### 14. Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed M/s A.L. Chechani & Co., Chartered Accountants (FRN: 05341C) as the internal auditors of the Company. The role of internal auditors includes but not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and their amendments, if any.

### 15. Maintenance of Cost Records

The Company has maintained required cost accounts and records as prescribed under sub-section (1) of section 148 of the Companies Act, 2013.

### 16. Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to Textile Divisions every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s N.D. Birla & Co., Cost Accountants, (FRN: 000028) as Cost Auditor to audit the cost accounts of the Company for the financial year 2020-21. As required under the Companies Act, 2013, a resolution seeking

## BOARD'S REPORT

member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

### 17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as per **Annexure III**.

### 18. Particulars of Loans given, Guarantees given, Investments made and Securities provided

During the year under review, the Company has not given any Loans, Guarantees, Investments and Securities covered under the provisions of section 186 of the Companies Act, 2013.

### 19. Contracts and Arrangements with Related Parties

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, Directors, key managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web link as: <https://www.bslltd.com/policy.html>.

Particulars of Related Parties contracts or arrangements u/s section 188 of the Companies Act, 2013 are given in Form AOC-2 and enclosed herewith as per **Annexure IV**.

### 20. Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

### 21. Internal Control Systems

The Company has adequate Internal Control Systems, commensurate with the size, scale and complexity of its operations. The Audit committee quarterly reviews the Executive summary on the internal audit findings along with the recommendations and management comments. Further, the Action Taken Report/ Compliances as discussed in the previous meeting is placed in the next meeting along with the detailed report. The Internal Auditors also ensure proper compliance of all policies and Standard Operating Procedures (SOPs) adopted by the Company. Based on the report of Internal Auditors, management undertakes corrective action in their respective areas and thereby strengthens the controls.

### 22. Human Resource Development

There is no doubt about the fact that the human asset is the key intangible asset for any organization. In today's dynamic business world, it is the human assets that differentiate an organization from its competitors. The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The HR department continuously strives to maintain and promote harmony and co-ordination among workers, staff and members of the senior management. The Company imparts monthly IT training program for the employees of the Company. The Company has organized following awareness programs during the year with the active participation of its employees and workers.

- **Environment Awareness:** To create Environment Conservation awareness, on the 48th World Environment Day on 5<sup>th</sup> June, 2019 an awareness Programme on "Beat Air Pollution & Save Environment", training sessions and poster or slogan competitions for Staffs & Workers have been organized. Air pollution is both a health risk and a climate challenge so Plantation Programme has commemorated in the plant premises. Moreover the Company has distributed Fabric Bags to nearby Villagers to stop use of plastic bags.
- **Emergency Preparedness & Response plan (EPRP):** A training programme of the EPRP has been organized on 12th August, 2019 in which workers were trained about identified emergencies and its impacts, emergencies group/team and their actions, acquaint them about necessary do & don'ts and communication/emergency contact numbers and importance actions /movement in case of flood and during others emergencies.
- **Safety Awareness:** To create safety awareness among our working people, on the 49<sup>th</sup> National Safety Day on 4<sup>th</sup> March, 2020, a training programme has been organized. It is a national movement which is carried out on annual basis to prevent and lessen the loss of life including various human beings problems and losses through availing them with safety, health and environment related support services. Celebration of such safety event also gives an opportunity to contribute to the cause by taking up activities to promote the concept. Your Directors feel proud to inform that the Company has received a **Safety Award by Rajasthan Government**.
- Various types of training programs related to EHS (Environment, Health & Safety) have been organized from time to time during the financial year 2019-20 by our security officers and HR & Admin team. As part of the Emergency Preparedness and Response Plan, we also periodically conduct mock drills to maintain alertness among the workers/staffs.
- First Aid Team also conducting First Aid Training Program for workers and staffs even various health awareness programs also.
- We are also organizing protection against sexual harassment training program for lady workers and staffs as per training calendar schedules time to time.

## BOARD'S REPORT

Considering the health and safety of the employees of the Company and in line with the advisories, orders and directions issued by both State and Central Government in order to prevent the spread the coronavirus (Covid 19) outbreak, the Company has suspended its operations on 22<sup>nd</sup> March, 2020. The HR Department of the Company has continuously created the awareness of Covid-19 among the employees of the Company through E-mails and has also educated the employees in respect of personal hygiene and precautions which needs to be taken in this situation of pandemic.

### 23. Vigil Mechanism/ Whistle Blower Policy

The Company has a vigil Mechanism named Whistle Blower policy to deal with instance of fraud and mismanagement, if any. The Details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the Company's website at the web link as: <https://www.bslltd.com/policy.html>. None of the personnel of the Company have been denied access to the Audit Committee. During the year, the Company has not received any Whistle Blower Complaints.

### 24. Nomination & Remuneration Policy

The Nomination and Remuneration Committee recommended the 'Nomination and Remuneration Policy' of the Company which was duly approved by the Board. The Policy reflects on certain guiding principles of the Company such as the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully, Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to Directors, Key Managerial Personnel and Senior Management involves a pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. It also lay down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors. The same has been posted on company's Website and can be accessed via Link <http://www.bslltd.com/policy.html>.

### 25. Corporate Social Responsibility

As per section 135 of Companies Act, 2013, Company has constituted CSR Committee and also framed CSR policy. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report. Details about the CSR policy and initiatives taken by the Company on CSR during the year are available on the Company's website at the web link as: <https://www.bslltd.com/policy.html>.

The Annual Report on our CSR activities is enclosed herewith as per **Annexure V**.

### 26. Meetings

During the year four Board meetings were convened and held. The details of such meetings are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act,

2013, Secretarial Standards-1 issued by Institute of Company Secretaries of India (ICSI) on Board meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 27. Directors & Key Managerial Personnel

### 1. Change in Directors and Key Managerial Personnel

- The Board of Directors had appointed Shri Jagdish Chandra Laddha (DIN: 00118527) as Additional Director of the Company in the category of Independent Directors with effect from 10<sup>th</sup> February, 2020 to hold office till the conclusion of next AGM. Further, he will be appointed as Independent Director for 5 years subject to approval of Shareholders, the approval for which has been sought in the Notice of this AGM.
- Shri Ravi Jhunjunwala (DIN: 00060972), Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment.
- The tenure of Shri Arun Kumar Churiwal (DIN: 00001718), Chairman and Managing Director is going to be completed on 31/08/2020. The Board recommends his re-appointment for further one year. The proposal for confirmation of his re-appointment as Chairman and Managing Director for further one year in accordance with Schedule V of the Companies Act, 2013 shall be put up before the ensuing Annual General Meeting.
- The tenure of Shri Nivedan Churiwal (DIN: 00001749), Joint Managing Director is going to be completed on 25/07/2020. The Board recommends his re-appointment for further one year. The proposal for confirmation of his re-appointment as Joint Managing Director for further one year in accordance with Schedule V of the Companies Act, 2013 shall be put up before the ensuing Annual General Meeting.
- Shri Amar Nath Choudhary, Independent Director has attained the age of 75 Years on 06/03/2019, approval of members has been taken for continuation of his directorship at the Extra Ordinary General Meeting held on 10/04/2019 as required under Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Shri Shekhar Agarwal has retired by rotation and re-appointed in previous Annual General Meeting.
- Re-appointment of Shri Sushil Kumar Jhunjunwala, Shri Amar Nath Choudhary, Smt. Abhilasha Mimani and Shri Giriraj Prasad Singhal as Independent Directors for Second Term of 5 years in previous Annual General Meeting.
- During the financial year 2019-20, there was no change in the Key Managerial Personnel.



## 2. Statement on Declaration given by Independent Directors

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and affirmed the compliance of Code of Independent Directors as laid down in Schedule IV of the Companies Act, 2013. Further, the Independent Directors have confirmed that they are Independent of the Management.

## 3. Annual Evaluation of Board

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance Note on Board Evaluation issued by SEBI, your Board of Directors, during the financial year under review, carried out annual evaluation of its own performance as well as its Committees and also of the individual Directors in the manner as enumerated in the Nomination and Remuneration Policy of the Company viz. Leadership & stewardship abilities, Assess policies, structures & procedures, Regular monitoring of corporate results against projections, Contributing to clearly define corporate objectives & plans, Obtain adequate, relevant & timely information, Review achievement of strategic and operational plans, objectives, budgets, Identify, monitor & mitigate significant corporate risks, Directly monitor & evaluate KMPs, senior officials, Review management's Succession Plan, Effective meetings, Clearly defining role & monitoring activities of Committees and Review of ethical conduct etc.

Your Directors feel pleasure in informing the members that the performance of the Board as a whole and its members individually was adjudged satisfactory. More detail on the same is given in the Corporate Governance Report.

## 28. Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by the SEBI. The Nomination and Remuneration Committee shall ensure that the Board of Directors has the combination of Directors from different areas/ fields or as may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/financial management expertise. The Report on Corporate Governance along with the Certificate of Auditors M/s SSMS & Associates, Chartered Accountants, 16, Basement Heera Panna Market, Pur Road, Bhilwara (Rajasthan) confirming compliance to conditions of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Annual Report.

## 29. Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure VI**.

Disclosures required in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as per **Annexure VII**.

## 30. Other Disclosures Under Companies Act, 2013

- The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2020. There were no unclaimed or unpaid deposits as on March 31, 2020.
- There is no change in the nature of business during the financial year 2019-20.
- The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.
- There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- Details about risk management have been given in the Management Discussions & Analysis.
- The Company does not have any subsidiary, joint venture & associate company.
- During the year, the Company has not received any complaint under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. More detail on the same is given in the Corporate Governance Report.
- The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- During the year the Company has not transferred any amount of unpaid dividend to IEPF Account.
- During the year the Company has not transferred shares (the dividend of which was unpaid/unclaimed for a period of 7 years) to IEPF Account.
- There is no change in capital structure of the Company.
- During the year under review, there have been no revisions in Credit Rating obtained by the Company.

### 31. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained, we make the following statements in terms of section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note one of the notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that the internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and

- f. that the system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### 32. Acknowledgements

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. We would like to thank all our clients, customers, vendors, dealers, bankers, investors, other business associates, Central and State Government for their continued support and encouragement during the year and their confidence towards the management.

**For and on behalf of the Board**

**(ARUN CHURIWAL)**  
**CHAIRMAN &**  
**MANAGING DIRECTOR**  
**DIN: 00001718**

Place : Kolkata (W.B.)  
Date : 23rd June, 2020

**Regd. Office :**  
24, Industrial Area,  
Gandhi Nagar,  
Bhilwara - 311001  
Rajasthan

## निदेशक मंडल का प्रतिवेदन

## सदस्यगण,

निदेशक मंडल आपके समक्ष 49वीं वार्षिक रिपोर्ट एवं 31, मार्च, 2020 को समाप्त हुए वित्तीय वर्ष का लेखा विवरण सहर्ष प्रस्तुत कर रहे है।

## 1. वित्तीय विशिष्टता

मूल्य (₹ करोड़ में)

मद	समाप्त हुए वर्ष			
	31.03.2020		31.03.2019	
बिक्री – घरेलू	188.74		210.94	
– निर्यात	201.30	390.04	226.37	403.20
ब्याज, मूल्यहास व कर पूर्व लाभ		30.61		34.68
घटाया: वित्तीय व्यय		18.41		17.50
मूल्यहास व कर पूर्व लाभ		12.20		17.18
घटाया: मूल्यहास एवं परिशोधन		13.07		16.02
कर पूर्व लाभ		(0.87)		1.16
कराधान – आयकर		0.75		0.31
– विलम्बित कर		(3.27)		(0.24)
कर पश्चात् लाभ		1.66		0.87

## 2. संचालन

विभागानुसार विक्रय की स्थिति इस प्रकार है:-

मूल्य (₹ करोड़ में)

मद	समाप्त हुए वर्ष			
	31.03.2020		31.03.2019	
	परिमाण	मूल्य	परिमाण	मूल्य
<b>(अ) वस्त्र (लाख मीटर में)</b>				
घरेलू	87.19	125.94	106.21	141.87
निर्यात	108.36	182.51	120.04	212.06
कुल	195.55	308.45	226.25	353.93
<b>(ब) धागा (टनो में)</b>				
घरेलू	1693	47.85	1808	54.65
निर्यात	303	14.97	318	8.01
कुल	1996	62.82	2126	62.66
<b>(स) पोशाक (संख्या)</b>				
घरेलू	65922	2.23	196119	6.11
निर्यात			32610	0.87
कुल	65922	2.23	228729	6.98
<b>(द) पवन ऊर्जा</b>				
ऊर्जा उत्पादन (लाख ईकाई)	28.15	1.08	28.95	1.14
<b>(य) उपकार्य</b>		11.64		7.17
<b>(र) निर्यात प्रोत्साहन</b>		3.82		5.43
कुल		390.04		437.31

निदेशक मंडल आपको सूचित करते हैं कि 31 मार्च 2020 को समाप्त वित्तीय वर्ष के वित्तीय विवरण इंड-एएस के आधार पर बनाए गए है। आपकी कंपनी ने स्थिति को सुधारने के लिए कई कदम उठाए, जिसमें आवश्यकता/प्राथमिकता के आधार पर युक्तिकरण, आधुनिकीकरण और कैपेक्स कार्यक्रम शामिल थे। कंपनी ने बेहतर उत्पाद मिश्रण और दक्षता में

सुधार के साथ लाभप्रदता में सुधार के लिए लागत में कमी पर भी ध्यान केंद्रित किया। उपरोक्त उपायों से चालू वित्त वर्ष में सकारात्मक परिणाम आने की उम्मीद है।

कोरोनावायरस महामारी के मद्देनजर 23 मार्च, 2020 को अखिल भारतीय लॉकडाउन की घोषणा की गई थी। हालांकि, स्थानीय भीलवाड़ा प्रशासन ने 22 मार्च, 2020 से सभी परिचालन को बंद करने का निर्देश दिया। इस प्रकार, कंपनी का परिचालन 22 मार्च, 2020 से 27 अप्रैल, 2020 तक पूरी तरह से बंद रहा। इस लॉकडाउन के कारण, 2019-20 के अंतिम 9 दिनों में कंपनी का उत्पादन शून्य था। कंपनी के प्रमुख प्रेषण महीने के अंतिम सप्ताह में होते हैं, इसलिए मार्च के प्रेषण बुरी तरह प्रभावित हुए। अप्रैल 2019 से फरवरी 2020 के बीच कंपनी का औसत टर्नओवर प्रति माह रु 35 करोड़ रहा और इस प्रकार फरवरी, 2020 तक कंपनी का टर्नओवर रु 381.65 करोड़ रहा, लॉकडाउन के कारण, मार्च 2020 में टर्नओवर घटकर सिर्फ रु 8.39 करोड़ रह गया। लॉकडाउन का 4 वीं तिमाही के परिणामों पर गंभीर प्रभाव पड़ा है।

## 3. निर्यात

कम्पनी का निर्यात आलोच्य वर्ष में रु. 201.30 करोड़ रहा, यह गत वर्ष रु. 226.37 करोड़ था।

सर्वश्रेष्ठ समग्र निर्यात प्रदर्शन: वर्ष के दौरान कम्पनी को 2018-19 में “फोकस एल. ए. सी.” देशों को सर्वाधिक वस्त्र निर्यात करने के लिए सिन्थेटिक एवं रेयान एक्सपोर्ट प्रमोशन काउन्सिल द्वारा गोल्ड ट्रॉफी से सम्मानित किया गया।

रेशम निर्यात पुरस्कार: वर्ष 2017-18 के लिए भारतीय रेशम निर्यात संवर्धन परिषद ने कंपनी को रेशम कपड़ों की श्रेणी में सिल्वर ट्रॉफी से सम्मानित किया है।

## 4. कम्पनी की गतिविधियों पर दृष्टिकोण

2020-21 की पहली तिमाही पूरी होने वाली है। राष्ट्रीय लॉकडाउन के कारण अप्रैल माह में कंपनी की बिक्री शून्य के करीब थी और यह मई माह में थोड़ी बेहतर थी। हालांकि, जून माह में कंपनी को एक पुनरुद्धार की उम्मीद है। लेकिन पहली तिमाही का परिणाम वैश्विक अर्थव्यवस्था की तरह ही संदेह में है। कंपनी को उम्मीद है कि यदि लॉकडाउन वापस नहीं हुआ तो कंपनी दूसरी तिमाही के बाद सामान्य स्थिति के करीब होगी। चुनौतीपूर्ण समय में भी, कंपनी निर्यात बाजारों में अपने प्रदर्शन को बनाए रखने के लिए आश्वस्त है। कंपनी, मई माह के बाद से, अपने पारंपरिक और नए बाजारों में कपड़ों का निर्यात शुरू कर चुकी है और उम्मीद है कि आगे भी जारी रहेगी।

## 5. पवन ऊर्जा परियोजना

इस वर्ष कम्पनी के जैसेलमेर स्थित पवन ऊर्जा उत्पादक संयंत्र का उत्पादन 40.83 लाख यूनिट रहा, गत वर्ष यह उत्पादन 40.70 लाख यूनिट था।

## 6. लाभांश

आपकी कंपनी के निदेशक मंडल ने समग्र रूप से प्रासंगिक परिस्थितियों पर विचार करने के बाद, यह निर्णय लिया है कि वित्तीय वर्ष 2019-20 के लिए किसी भी लाभांश की अनुशंसा नहीं करता है।

## निदेशक मंडल का प्रतिवेदन

### 7. राजकोषीय अंशदान

आपकी कम्पनी ने कर एवं शुल्क के रूप में रु. 15.89 करोड़ की धन राशि का (गतवर्ष रु.18.85 करोड़) राजकोष में अंशदान दिया।

### 8. राष्ट्रीय गतिविधि

“ज्ञान में निवेश सर्वोत्तम ब्याज का भुगतान करता है।” इस विचार को ध्यान में रखते हुए, सदस्यों को यह सूचित करने में बहुत खुशी है कि कंपनी बड़े पैमाने पर समाज के प्रति अपने दायित्व को पूरा करने के लिए तत्पर रही है और तदनुसार सामाजिक गतिविधियों जैसे स्कूल बिल्डिंग का निर्माण, स्कूलों में कंप्यूटर प्रदान करना, जरूरतमंद लोगों को कृत्रिम अंग का वितरण, रक्तदान शिविर का आयोजन, राष्ट्रीय / राज्य / ग्रामीण खेलों को बढ़ावा देना और सामाजिक और आर्थिक रूप से पिछड़े समूहों द्वारा सामना की जाने वाली असमानताओं को कम करने में मदद करना आदि में अपना योगदान दिया है।

4 मार्च राष्ट्रीय सुरक्षा दिवस, 2020 (49वें नेशनल सेप्टी डे) के उपलक्ष्य में कारखाना एवं बॉयलर विभाग (राजस्थान सरकार) द्वारा जिला अलवर में आयोजित एक राज्यस्तरीय समारोह पर “बीएसएल लिमिटेड” को कारखाना प्रबंधन एवं श्रमिकों द्वारा सुरक्षा, स्वास्थ्य एवं कल्याण के क्षेत्र में सकारात्मक भूमिका निभाने तथा कारखाना अधिनियम, 1948 के महत्वपूर्ण प्रावधानों की पालना हेतु उत्कृष्ट कार्य कर अग्रणी रहने पर “सुरक्षा पुरस्कार” प्रदान किया।

विश्व स्वास्थ्य संगठन ने 11 फरवरी, 2020 को नोवेल कोरोनावायरस बीमारी (COVID-19) की वैश्विक महामारी घोषित की। इस घटना ने लोगों को असाधारण तरीके से प्रभावित किया है। इस कठिन समय में, कंपनी ने कारखाने के आसपास के क्षेत्र के जरूरतमंद लोगों को राशन किट प्रदान करके अपनी सामाजिक जिम्मेदारी निभाई है।

### 9. हरित प्रयास

कंपनी हरित आंदोलन के लिए पूरी तरह से प्रतिबद्ध है, आपकी कंपनी के उत्पाद को वेगान प्रमाणपत्र प्राप्त हुआ है। स्विट्जरलैंड के वी-लेबल जीएमबीएच द्वारा यह अनुमोदन प्रदान किया गया है। कंपनी ग्रीन फाइबर पर अधिक से अधिक ध्यान केंद्रित कर रही है। यह पुनर्चक्रित पॉलिएस्टर स्टेपल फाइबर का उपयोग बढ़ा रहा है। 2019-20 में, कंपनी ने कुल पॉलिएस्टर फाइबर का 46% पुनर्चक्रित पॉलिएस्टर फाइबर के रूप में उपभोग किया है।

### 10. वार्षिक विवरण के मुख्य अंश (धारा 92-एमजीटी-9)

वार्षिक विवरण के मुख्य अंश का विवरण फार्म एमजीटी-9 के परिशिष्ट-1 में संलग्न है और कंपनी की वेबसाइट <https://www.bsltd.com/disclosures.html> पर भी उपलब्ध है।

### 11. सांविधिक अंकेक्षण

मैसर्स एसएसएमएस एंड एसोसिएट्स, चार्टर्ड एकाउंटेंट्स (फर्म पंजीकरण संख्या 019351C) को 26 सितंबर, 2017 को आयोजित एजीएम में लगातार पांच साल की अवधि के लिए 51 वीं एजीएम के समापन तक आपकी कंपनी के सांविधिक अंकेक्षणों के रूप में नियुक्त किया गया था। इसके अलावा, मैसर्स एसएसएमएस एंड एसोसिएट्स ने अधिनियम और लिस्टिंग विनियमों

के प्रावधानों के तहत अपनी स्वतंत्रता और योग्यता की पुष्टि की है। कंपनी (संशोधन) अधिनियम, 2017 द्वारा 7 मई, 2018 से प्रभावी कंपनी अधिनियम की धारा 139 के लिए किए गए संशोधनों के अनुसार, सांविधिक अंकेक्षणों की नियुक्ति के लिए सदस्यों के अनुसमर्थन की आवश्यकता को वापस ले लिया गया है। इसलिए इस एजीएम में उनकी नियुक्ति को जारी रखने के लिए सदस्यों के अनुसमर्थन के प्रस्ताव की मांग नहीं की जा रही है।

सांविधिक अंकेक्षणों की रिपोर्ट शेड्यूल और नोट्स के साथ बोर्ड रिपोर्ट के साथ संलग्न है। अंकेक्षण रिपोर्ट में दी गई सूचनाएं स्व-व्याख्यात्मक हैं तथा अन्य किसी टिप्पणी की आवश्यकता नहीं है।

### 12. सचिवीय अंकेक्षण

कम्पनी अधिनियम 2013 की धारा 204 तथा कम्पनी (प्रबन्धकीय कर्मचारी की नियुक्ति एवं पारिश्रमिक) नियम, 2014 के अनुसार, कम्पनी ने सचिवीय अंकेक्षण के लिए मैसर्स वी.एम. एण्ड एसोसिएट्स, कम्पनी सचिव; फर्म पंजीकरण संख्या: P1984RJ039200) जयपुर को नियुक्त किया। इसके अलावा, मैसर्स वी.एम. एण्ड एसोसिएट्स ने अधिनियम और लिस्टिंग विनियमों के प्रावधानों के तहत अपनी स्वतंत्रता और योग्यता की पुष्टि की है। सचिवीय अंकेक्षण प्रतिवेदन वित्तीय वर्ष 2019-20 का विवरण फार्म नं. एमआर-3 के अन्तर्गत परिशिष्ट - II में संलग्न है। सचिवीय अंकेक्षण प्रतिवेदन में कोई भी पूर्व धारणा, मान्यता विपरीत वर्णन या अस्वीकृति नहीं हैं।

### 13. धोखाधड़ी के मामले में सांविधिक अंकेक्षण की रिपोर्ट

समीक्षाधीन वर्ष के दौरान, सांविधिक अंकेक्षण, सचिवीय अंकेक्षण, लागत अंकेक्षण ने कंपनी अधिनियम, 2013 की धारा 143 (12) के तहत अंकेक्षण समिति के समक्ष कंपनी में धोखाधड़ी की किसी भी घटना की पुष्टि नहीं की है।

### 14. आंतरिक अंकेक्षण

कंपनी अधिनियम, 2013 की धारा 138 और कंपनी (लेखा) नियम, 2014 के अनुसार, कंपनी ने सर्व श्री ए. एल. चेचाणी एण्ड कम्पनी, चार्टर्ड एकाउंटेंट्स, (फर्म पंजीकरण संख्या 05341C) भीलवाड़ा को कंपनी के आंतरिक अंकेक्षणों के रूप में नियुक्त किया है। आंतरिक अंकेक्षणों की भूमिका में आंतरिक अंकेक्षण टिप्पणियों की समीक्षा और सुधारात्मक कार्यों के कार्यान्वयन की निगरानी, विभिन्न नीतियों की समीक्षा करने और इसके उचित कार्यान्वयन, एसओपी की समीक्षा शामिल है।

### 15. लागत रिकॉर्ड

कंपनी ने कंपनी अधिनियम, 2013 की धारा 148 की उप-धारा (1) के तहत निर्धारित लागत खातों और रिकॉर्ड को बनाए रखा है।

### 16. लागत अंकेक्षण

कंपनी अधिनियम, 2013 की धारा 148 और कंपनी (लागत रिकॉर्ड्स और ऑडिट) नियम, 2014 के समय-समय पर संशोधित नियम 6 (2) के अनुसार, आपकी कंपनी हर साल वस्त्र डिजीजन से संबंधित लागत अभिलेखों का लेखा-जोखा करती रही है।

## निदेशकों का प्रतिवेदन

लेखा परीक्षा समिति की सिफारिश पर निदेशक मंडल ने वित्तीय वर्ष 2020-21 के लिए कंपनी के लागत खातों की ऑडिट करने के लिए मैसर्स एनडी बिड़ला एंड कं, कॉस्ट एकाउंटेंट्स, (फर्म रजिस्ट्रेशन नंबर 000028) को लागत अंकेक्षक के रूप में नियुक्त किया है। कंपनी अधिनियम, 2013 के तहत जरूरी है कि, लागत अंकेक्षक को देय पारिश्रमिक के लिए सदस्य की मंजूरी मांगने का एक प्रस्ताव, उनके अनुसमर्थन के लिए वार्षिक सामान्य सभा आयोजित करने की सूचना का हिस्सा होता है।

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

कम्पनी अधिनियम 2013 की धारा 134 (3) (एम) तथा कम्पनीज (लेखांकन) नियम 2014 के नियम 8 के तहत ऊर्जा, संरक्षण, तकनीक समावेशन एवम् विदेशी मुद्रा आय व्यय का विवरण इस प्रतिवेदन की परिशिष्ट-III में दर्शाया गया है।

### 18. ऋण, साख, निवेश एवं प्रतिभूति प्रबन्ध का विवरण

समीक्षाधीन वर्ष के दौरान, कम्पनी अधिनियम 2013 की धारा 186 के अन्तर्गत कोई भी ऋण एवं साख नहीं दिया है एवं कोई भी प्रतिभूति में निवेश नहीं किया है।

### 19. सम्बन्धित पक्षों के साथ अनुबन्ध और व्यवस्था

वित्तीय वर्ष के दौरान सभी सम्बन्धित पक्षों के साथ किए गए व्यवसायिक लेन देन सामान्य व्यावसाय के अन्तर्गत एवं उचित हस्थ दूरी के आधार पर किए गये। प्रोत्साहकों, निदेशकों, प्रमुख प्रबन्धकीय कर्मियों एवं अन्य नामित व्यक्तियों के साथ कम्पनी ने कोई भी व्यावसायिक लेन देन नहीं किया गया है, जो कम्पनी के हित को प्रभावित करता है। सभी सम्बन्धित पक्षों का लेन देन का अंकेक्षण समिति के समक्ष अनुमति हेतु प्रदान किया है।

सम्बन्धित पक्ष के लिए बनाई गयी नीति को कम्पनी की वेबसाइट <https://www.bslltd.com/policy.html> पर दर्शाया गया है।

कम्पनी अधिनियम 2013 की धारा 188 के अन्तर्गत सम्बन्धित पक्ष के साथ लेन देन का विवरण फार्म एओसी-2 परिशिष्ट-IV में संलग्न है।

### 20. आंतरिक वित्तीय नियंत्रण

कंपनी द्वारा डिजाइन और कार्यान्वित वित्तीय विवरणों के संदर्भ में आंतरिक वित्तीय नियंत्रण पर्याप्त हैं। समीक्षाधीन वर्ष के दौरान, इस तरह की नियंत्रण की अक्षमता या अपर्याप्तता पर कंपनी के वैधानिक अंकेक्षकों और आंतरिक अंकेक्षकों से कोई सामग्री या गंभीर अवलोकन प्राप्त नहीं हुआ है।

### 21. आंतरिक नियन्त्रण पद्धति

कम्पनी के पास योग्य आंतरिक नियन्त्रण पद्धति है जो व्यवसाय के संचालन के आकार, माप, जटिलता के अनुरूप है। अंकेक्षण समिति हर तिमाही में प्रबंधन सिफारिशों और टिप्पणियों के साथ आंतरिक अंकेक्षण निष्कर्षों पर कार्यकारी सारांश की समीक्षा करती है। इसके अलावा, पिछली बैठक में चर्चा की गई एक्शन टेकन रिपोर्ट/ अनुपालनाओ को विस्तृत रिपोर्ट के साथ अगली बैठक में प्रस्तुत किया जाता है। आंतरिक लेखा परीक्षक कंपनी द्वारा अपनाई गई सभी नीतियों और मानक संचालन प्रक्रियाओं (एसओपी) का उचित अनुपालन

सुनिश्चित करते हैं। आंतरिक लेखा परीक्षकों की रिपोर्ट के आधार पर, प्रबंधन अपने संबंधित क्षेत्रों में सुधारात्मक कार्रवाई करता है और इस तरह नियंत्रणों को मजबूत करता है।

### 22. मानव संसाधन विकास

मानव संसाधन किसी भी संगठन के लिए महत्वपूर्ण अमूर्त संसाधन है। आज की गतिशील व्यावसायिक दुनिया में, यह मानव संसाधन है जो एक संगठन को उसके प्रतिद्वंद्वियों से अलग करती है। कंपनी व्यवसाय के सभी क्षेत्रों में अपने कर्मचारियों द्वारा दिखाई गई प्रतिबद्धता, क्षमता और समर्पण पर गर्व करती है। मानव संसाधन विभाग श्रमिकों, कर्मचारियों और वरिष्ठ प्रबंधन के सदस्यों के बीच सामंजस्य और समन्वय को बनाए रखने और बढ़ावा देने के लिए निरंतर प्रयास करता है। कंपनी के कर्मचारियों के लिए मासिक सुचना प्रौद्योगिकी प्रशिक्षण कार्यक्रम प्रदान करता है। कंपनी ने अपने कर्मचारियों और श्रमिकों की सक्रिय भागीदारी के साथ वर्ष के दौरान जागरूकता कार्यक्रमों का आयोजन किया है।

- पर्यावरण जागरूकता: पर्यावरण संरक्षण के प्रति जागरूकता पैदा करने के लिए, 5 जून, 2019 को 48 वें विश्व पर्यावरण दिवस पर, "वायु प्रदूषण खतम करो और पर्यावरण बचाओ" पर जागरूकता कार्यक्रम, प्रशिक्षण सत्र और पोस्टर या स्लोगन प्रतियोगिताओं का आयोजन किया गया था। वायु प्रदूषण एक स्वास्थ्य जोखिम और जलवायु चुनौती दोनों है इसलिए वृक्षारोपण कार्यक्रम को संयंत्र परिसर में मनाया जाता है। इसके अलावा कंपनी ने प्लास्टिक बैग के उपयोग को रोकने के लिए आस-पास के ग्रामीणों को फैब्रिक बैग वितरित किए हैं।

- आपातकालीन तैयारी और प्रतिक्रिया योजना (ईपीआरपी): ईपीआरपी का प्रशिक्षण कार्यक्रम 12 अगस्त, 2019 को आयोजित किया गया था जिसमें श्रमिकों को आपात स्थितियों और इसके प्रभावों, आपात समूह/टीम और उनके कार्यों के बारे में प्रशिक्षित किया गया था, उन्हें बाढ़ और अन्य आपात स्थितियों के दौरान क्या करना चाहिए और क्या नहीं करना चाहिए, इस बारे में परिचित कराया और आपातकालीन संपर्क नंबर की भी जानकारी दी।

- सुरक्षा जागरूकता: हमारे कामकाजी लोगों के बीच सुरक्षा जागरूकता पैदा करने के लिए, 4 मार्च को 49 वें राष्ट्रीय सुरक्षा दिवस पर, एक प्रशिक्षण कार्यक्रम आयोजित किया गया था। यह एक राष्ट्रीय आंदोलन है जो सुरक्षा, स्वास्थ्य और पर्यावरण संबंधी सहायता सेवाओं के साथ विभिन्न मानव समस्याओं और नुकसान को रोकने और कम करने के लिए वार्षिक आधार पर किया जाता है। आपके निदेशक यह जानकर गर्व महसूस करते हैं कि कंपनी को राजस्थान सरकार द्वारा सुरक्षा पुरस्कार मिला।

- ईएचएस (पर्यावरण, स्वास्थ्य और सुरक्षा) से संबंधित विभिन्न प्रकार के प्रशिक्षण कार्यक्रम हमारे सुरक्षा अधिकारियों और एचआर एंड एडमिन टीम द्वारा वित्तीय वर्ष 2019-2020 के दौरान समय-समय पर आयोजित किए गए हैं। आपातकालीन तैयारी और प्रतिक्रिया योजना के भाग के रूप में, हम समय-समय पर श्रमिकों/कर्मचारियों के बीच सतर्कता बनाए रखने के लिए मॉक ड्रिल भी करते हैं।

- प्राथमिक चिकित्सा टीम श्रमिकों और कर्मचारियों के लिए प्राथमिक चिकित्सा प्रशिक्षण कार्यक्रम भी आयोजित करती है और विभिन्न स्वास्थ्य जागरूकता कार्यक्रम भी आयोजित करती है।
- हम समय-समय पर महिला श्रमिकों और कर्मचारियों के लिए यौन उत्पीड़न रोधक प्रशिक्षण कार्यक्रम का आयोजन कर रहे हैं।

कंपनी के कर्मचारियों के स्वास्थ्य और सुरक्षा को ध्यान में रखते हुए और कोरोनावायरस (COVID-19) के प्रकोप को रोकने के लिए राज्य और केंद्र सरकार द्वारा जारी किए गए आदेशों, आदेशों और निर्देशों के अनुरूप कंपनी ने 22 मार्च को अपने परिचालन को निलंबित कर दिया है। कंपनी के मानव संसाधन विभाग ने लगातार ई-मेल के माध्यम से कंपनी के कर्मचारियों के बीच COVID-19 के बारे में जागरूकता पैदा की है और कर्मचारियों को व्यक्तिगत स्वच्छता और सावधानियों के संबंध में शिक्षित किया है।

### 23. जागरूकता/व्हीसल ब्लोअर नीति

कम्पनी में घोखाधड़ी और कुप्रबन्धन के उदाहरण से निपटने के लिए जागरूकता नीति नामक एक निगरानी तंत्र है। जागरूकता नीति का विवरण निगमित प्रशासन की रिपोर्ट में बताया गया है और यह भी कम्पनी की वेबसाइट <https://www.bslltd.com/policy.html> पर दर्शाया गया है। कंपनी के किसी भी कर्मों को ऑडिट कमेटी तक पहुंचने से वंचित नहीं किया गया है। वर्ष के दौरान, कंपनी को कोई व्हीसल ब्लोअर शिकायत नहीं मिली है।

### 24. नामांकन एवं पारिश्रमिक नीति

नामांकन और पारिश्रमिक समिति ने कंपनी की नामांकन और पारिश्रमिक नीति की सिफारिश की, जिसे बोर्ड द्वारा विधिवत अनुमोदित किया गया था। नीति कंपनी के कुछ मार्गदर्शक सिद्धांतों पर प्रतिबिंबित करती है जैसे कि पारिश्रमिक का स्तर और रचना कंपनी को सफलतापूर्वक चलाने के लिए और आवश्यक गुणवत्ता के कर्मचारियों को आकर्षित करने, बनाए रखने और प्रेरित करने के लिए पर्याप्त है या नहीं है और निदेशकों को पारिश्रमिक, मुख्य प्रबंधकीय कार्मिक और वरिष्ठ प्रबंधन में कंपनी और इसके लक्ष्यों के लिए उपयुक्त लघु और दीर्घकालिक प्रदर्शन उद्देश्यों को दर्शाने वाला वेतन शामिल है। इसने स्वतंत्र निदेशक और अन्य निदेशकों, निदेशक मंडल और निदेशक मंडल की समितियों के प्रदर्शन मूल्यांकन के मानदंड भी निर्धारित किए। यह भी कम्पनी की वेबसाइट <https://www.bslltd.com/policy.html> पर दर्शाया गया है।

### 25. निगमित सामाजिक उत्तरदायित्व

कम्पनी अधिनियम 2013 की धारा 135 के अनुसार कम्पनी के सीएसआर समिति का गठन किया गया है एवं सीएसआर नीति बनाई गई है। निगमित प्रशासन की रिपोर्ट जो कि निदेशक मण्डल की रिपोर्ट का एक हिस्सा है में समिति एवं इसके गठन की शर्तें विस्तार से बताई गई हैं। वर्ष के दौरान कम्पनी द्वारा जो सीएसआर के तहत कार्य किये गये हैं एवं सीएसआर नीति की जानकारी इसकी वेबसाइट [www.bslltd.com](http://www.bslltd.com) पर उपलब्ध है। सीएसआर गतिविधियों का विवरण इस प्रतिवेदन के परिशिष्ट-V में संलग्न है।

### 26. सभाएं

वर्ष के दौरान चार बोर्ड की सभाएं आयोजित की गई हैं। जिसका विवरण निगमित प्रशासन की रिपोर्ट में दिए गए हैं। कम्पनी अधिनियम 2013, ICSA के द्वारा प्रकाशित सचिवीय मानक-1 और सेबी

(लिरिंग दायित्व एवं प्रकटीकरण आवश्यकता) अधिनियम, 2015 के तहत बैठकों की अवधि के बीच अन्तर निर्धारित अवधि के भीतर था।

### 27. निदेशकों एवं प्रमुख प्रबंधकीय कर्मों

#### 1. निदेशकों एवं प्रमुख प्रबंधकीय कर्मों में परिवर्तन –

- निदेशक मंडल ने श्री जगदीश चंद्र लड्डा (डीआईएन: 00118527) को स्वतंत्र निदेशक की श्रेणी में कंपनी के अतिरिक्त निदेशक के रूप में 10 फरवरी, 2020 से अगले एजीएम के समापन तक पद संभालने के लिए नियुक्त किया था। उन्हें 5 वर्षों के लिए स्वतंत्र निदेशक के रूप में नियुक्त किया जाएगा, जो शेयरधारकों की मंजूरी के अधीन है, जिसके लिए इस एजीएम के नोटिस में स्वीकृति मांगी गई है।
- कम्पनी अधिनियम 2013 के प्रावधानों के अनुसार श्री रवि झुनझुनवाला (डीआईएन: 00060972) अवकाश ग्रहण करेंगे व पुनः नियुक्ति के योग्य हैं। बोर्ड उनकी पुनः नियुक्ति की सिफारिश करता है।
- श्री अरुण कुमार चूडीवाल ( डीआईएन: 00001718), अध्यक्ष और प्रबंध निदेशक का कार्यकाल 31 अगस्त 2020 को पूरा होने जा रहा है। बोर्ड ने एक वर्ष के लिए उनकी पुनः नियुक्ति की सिफारिश की। कंपनी अधिनियम, 2013 की अनुसूची ट के अनुसार एक वर्ष के लिए अध्यक्ष और प्रबंध निदेशक के रूप में उनकी पुनः नियुक्ति की पुष्टि के लिए प्रस्ताव आगामी आम सभा के समक्ष रखा जाएगा।
- श्री निवेदन चूडीवाल (डीआईएन: 00001749) का कार्यकाल, संयुक्त प्रबंध निदेशक 25 जुलाई 2020 को पूरा होने जा रहा है। बोर्ड ने एक वर्ष के लिए उनकी पुनः नियुक्ति की सिफारिश की। कंपनी अधिनियम, 2013 की अनुसूची ट के अनुसार एक वर्ष के लिए संयुक्त प्रबंध निदेशक के रूप में उनकी पुनः नियुक्ति की पुष्टि के लिए प्रस्ताव आगामी आम सभा के समक्ष रखा जाएगा।
- श्री अमर नाथ चौधरी, स्वतंत्र निदेशक ने 06 मार्च 2019 को 75 वर्ष की आयु प्राप्त कर ली थी, सेबी के 17 (1ए) (सूचीकरण और प्रकटीकरण आवश्यकताएं) विनियम, 2015 के तहत 10 अप्रैल 2019 को अतिरिक्त साधारण बैठक में उनके निर्देशन को जारी रखने के लिए सदस्यों की स्वीकृति ली गई है।
- श्री शेखर अग्रवाल पिछली वार्षिक आम बैठक में रोटेसन से सेवानिवृत्त हुए और फिर से नियुक्त हुए।
- श्री सुशील कुमार झुनझुनवाला, श्री अमर नाथ चौधरी, श्रीमती अभिलाशा मिमानी और श्री गिरिराज प्रसाद सिंघल पिछली वार्षिक आम बैठक में 5 साल के दूसरे कार्यकाल के लिए स्वतंत्र निदेशक के रूप में पुनः नियुक्त हुए हैं।
- वित्त वर्ष 2019-20 के दौरान, मुख्य प्रबंधकीय कार्मिक में कोई बदलाव नहीं हुआ।

## 2. स्वतन्त्र निदेशकों द्वारा की गई घोषणा –

सभी स्वतंत्र निदेशक कम्पनी अधिनियम 2013 की धारा 149(6) एवं सेबी (लिस्टिंग दायित्व एवं प्रकटीकरण आवश्यकता) अधिनियम, 2015 के नियम 16 (1) बी के अन्तर्गत बताई गई स्वतंत्रता के मानदंड की अनुपालना करते हैं और कम्पनी अधिनियम, 2013 की अनुसूची IV में निर्धारित स्वतंत्र निदेशकों के अनुपालन की पुष्टि की। स्वतंत्र निदेशकों ने पुष्टि की है कि वे प्रबंधन से स्वतंत्र हैं।

## 3. बोर्ड का वार्षिक मूल्यांकन–

कम्पनी अधिनियम 2013, सेबी (लिस्टिंग दायित्व एवं प्रकटीकरण आवश्यकता) अधिनियम, 2015 एवं सेबी द्वारा जारी किए गए बोर्ड मूल्यांकन पर मार्गदर्शन नोट के अनुपालन में, आपके निदेशक मंडल ने, समीक्षाधीन वित्तीय वर्ष के दौरान, कम्पनी के नामांकन और पारिश्रमिक नीति में गणना के अनुसार जैसे नेतृत्व और नेतृत्व क्षमता, नीतियों, संरचनाओं और प्रक्रियाओं का आकलन, अनुमानों के खिलाफ कॉर्पोरेट परिणामों की नियमित निगरानी, स्पष्ट रूप से कॉर्पोरेट उद्देश्यों और योजनाओं को परिभाषित करने में योगदान, पर्याप्त, प्रासंगिक और समय पर जानकारी प्राप्त करना, रणनीतिक और परिचालन योजनाओं, उद्देश्यों, बजट की समीक्षा उपलब्धि की पहचान करना निगरानी और महत्वपूर्ण कॉर्पोरेट जोखिमों को कम करना, केएमपी, वरिष्ठ अधिकारियों की सीधे निगरानी और मूल्यांकन करना, प्रबंधन की उत्तराधिकार योजना, प्रभावी बैठकें, समितियों की स्पष्ट रूप से परिभाषित भूमिका और निगरानी गतिविधियों और नैतिक आचरण की समीक्षा आदि स्तरों पर अपने स्वयं के प्रदर्शन के साथ-साथ अपनी समितियों के वार्षिक मूल्यांकन और व्यक्तिगत निदेशकों का भी मूल्यांकन किया। आपके निदेशकों को सदस्यों को सूचित करने में खुशी महसूस होती है कि बोर्ड का प्रदर्शन समग्र रूप से और इसके सदस्यों को व्यक्तिगत रूप से संतोषजनक माना गया। इस पर अधिक विवरण निगमित प्रशासन की रिपोर्ट में दिया गया है।

## 28. निगमित प्रशासन

कम्पनी निगमित प्रशासन के उच्चतम मानकों को बनाये रखने और सेबी द्वारा निगमित प्रशासन की अनुपालना के लिए प्रतिबद्ध है। नामांकन और पारिश्रमिक समिति यह सुनिश्चित करेगी कि निदेशक मंडल के पास विभिन्न क्षेत्रों से निदेशकों का संयोजन है, बोर्ड में कम से कम एक बोर्ड सदस्य होगा, जिसके पास लेखा/वित्तीय प्रबंधन विशेषज्ञता होगी। निगमित प्रशासन की शर्तों के अनुपालन की पुष्टि के लिए लेखा परीक्षक सर्व श्री एसएसएमएस एंड एसोसिएट्स, चार्टर्ड एकाउंटेंट्स, 16, बेसमेंट, हीरापन्ना मार्केट, पुर रोड़, भीलवाड़ा (राज.) द्वारा निगमित प्रशासन पर दी गयी रिपोर्ट एवं प्रमाण-पत्र, सेबी (लिस्टिंग दायित्व एवं प्रकटीकरण आवश्यकता) अधिनियम, 2015 के नियम 34 (3) में वर्णित अनुपालना की पुष्टि करती है।

## 29. कर्मचारी और सम्बन्धित के विवरण

कम्पनी अधिनियम 2013 की धारा 197 (12) एवं कम्पनी (प्रबन्धकीय कर्मियों का पारिश्रमिक एवं नियुक्ति) नियम, 2014 के नियम 5 (1) के अनुसार पारिश्रमिक से सम्बन्धित प्रकटीकरण एवं अन्य विवरण परिशिष्ट-VI में दर्शाया गया है।

कम्पनी अधिनियम 2013 की धारा 197 (12) एवं कम्पनी (प्रबन्धकीय कर्मियों का पारिश्रमिक एवं नियुक्ति) नियम, 2014 के नियम 5 (2) एवं 5 (3) के अन्तर्गत आवश्यक प्रकटीकरण परिशिष्ट-VII में दर्शाया गया है।

## 30. कम्पनी अधिनियम, 2013 के तहत अन्य प्रकटीकरण

- 31 मार्च 2020 को समाप्त हुए वर्ष के दौरान कम्पनी ने जनता से किसी भी जमा राशि को आमंत्रित/स्वीकार नहीं किया है। 31 मार्च, 2020 को कोई अनक्लेम्ड या अनपैड जमा नहीं थी।
- वित्त वर्ष 2019-20 के दौरान व्यवसाय की प्रकृति में कोई बदलाव नहीं हुआ है।
- आपकी कम्पनी के निदेशक मंडल ने समीक्षा के तहत वर्ष में जनरल रिजर्व के लिए कोई राशि हस्तांतरित नहीं करने का निर्णय लिया है।
- कम्पनी के वित्तीय वर्ष के अंत से रिपोर्ट की तिथि के बीच कम्पनी की वित्तीय स्थिति को प्रभावित करने वाले कोई भी भौतिक परिवर्तन और प्रतिबद्धता नहीं हैं।
- वर्ष के दौरान नियामकों या अदालतों या ट्रिब्यूनल द्वारा जारी किए गए ऐसे महत्वपूर्ण और भौतिक आदेश नहीं हुए हैं जो भविष्य में कम्पनी के संचालन को प्रभावित करते हैं।
- कम्पनी के जोखिम प्रबंधन के बारे में विवरण प्रबंधन चर्चाओं और विश्लेषण में परिभाषित किया गया है।
- कम्पनी के कोई सहायक, संयुक्त उद्यम और सहयोगी कम्पनी नहीं है।
- वर्ष के दौरान, कम्पनी को कार्यस्थल पर महिला उत्पीड़न (रोकथाम, निषेध और निवारण) अधिनियम, 2013 के तहत कोई शिकायत नहीं मिली।
- कम्पनी ने इंस्टीट्यूट ऑफ कम्पनी सेक्रेटरीज ऑफ इंडिया द्वारा लागू सचिवीय मानकों का अनुपालन किया है।
- वर्ष के दौरान कम्पनी ने किसी भी अनपैड लाभांश को IEPF खाते में स्थानांतरित नहीं किया है।
- वर्ष के दौरान कम्पनी ने IEPF खाते में शेयरों को स्थानांतरित नहीं किया है (जिसका लाभांश 7 साल की अवधि के लिए अनपैड / अनक्लेम्ड था)।
- कम्पनी की पूंजी संरचना में कोई बदलाव नहीं हुआ है।
- वर्ष के दौरान, कम्पनी द्वारा प्राप्त क्रेडिट रेटिंग में कोई संशोधन नहीं हुआ है।

## 31. निदेशकों के उत्तरदायित्व का वर्णन

कम्पनी के निदेशक, प्राप्त सर्वोत्कृष्ट ज्ञान एवं विश्वास तथा उन्हें प्राप्त सूचना व स्पष्टीकरण के आधार पर कम्पनी अधिनियम 2013 की धारा 134 (3) (स) के अनुपालना में आपके निदेशक सुनिश्चित करते हैं।

1. कि वार्षिक वित्तीय विवरण 31 मार्च 2020 को समाप्त हुए वर्ष 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 वित्तीय विवरण के नोट में उल्लेख वित्तीय वक्तव्यों के नोटों में से नोट 1 चुना गया है। उन पर लगातार अमल किया और उपयुक्त निर्णय और अनुमान लगाये, जो कि कम्पनी के वित्तीय वर्ष की समाप्ति 31 मार्च 2020 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 2013 में वर्णित नियमों का पालन करते हुए योग्य लेखांकन पुस्तकों के रखरखाव के लिए यथोचित व पर्याप्त सावधानी का पालन की है।
4. कि निदेशकों ने वार्षिक वित्तीय विवरण, व्यवसाय की निरन्तरता के सिद्धान्त को ध्यान में रखते हुए तैयार किये।
5. कि आन्तरिक वित्तीय नियंत्रण पद्धति पर्याप्त व प्रभावी है।
6. कि सभी उपयुक्त कानून के नियम की पालना करने की प्रणाली है जो पर्याप्त व प्रभावी है।

### 32. आभार प्रदर्शन

निदेशक मंडल वित्तीय संस्थाओं, बैंकों, केन्द्रीय व राज्य सरकारों के विभिन्न विभागों के प्रति सहयोग व बहुमूल्य मार्ग दर्शन हेतु आभार व कृतज्ञता व्यक्त करता है। वर्ष के दौरान निदेशकों द्वारा कम्पनी के हितधारकों, ग्राहकों, सदस्यों, व्यापारियों, दुकानदारों, बैंकों और अन्य व्यापारिक भागीदारों द्वारा प्राप्त उत्कृष्ट समर्थन के लिए कम्पनी उनके सतत् प्रतिबद्धता एवं निरन्तर सहयोग के लिए सभी कर्मचारियों के प्रति आभार व कृतज्ञता व्यक्त करती है।

निदेशक मंडल की ओर से

स्थान : कोलकाता (प.ब.)

तारीख : 23 जून, 2020

पंजीकृत कार्यालय:

28, इंडस्ट्रियल एरिया,  
गाँधी नगर, भीलवाड़ा  
(राजस्थान)– 311001

अरुण चूड़ीवाल

अध्यक्ष व प्रबन्ध निदेशक

नि. प. सं. 00001718



## ANNEXURE - I TO BOARD'S REPORT

Form No. MGT 9

**EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31st March, 2020**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L24302RJ1970PLC002266
ii) Registration Date	24TH OCTOBER 1970
iii) Name of the Company	BSL LTD
iv) Category / Sub-Category of the Company	Company Limited by Shares . Indian non-Government Company
v) Address of the Registered office and contact details	26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan) Tel: 01482 249101-102, 245000 Email: accounts@bslsuitings.com
vi) Whether listed company	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Ltd. Shri Venkatesh Bhawan, F-65, Okhla Industrial Area, Phase I, New Delhi- 110020 Tel: 011 41406148 Fax: 011 41709881 Email: admin@mcsregistrars.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products, services	NIC Code of the Product. service	% to total turnover of the company
1	Man-made fiber and man-made mixture fabrics	13124	79.08%
2	Spinning of man-made fiber including blended man-made fiber	13114	16.11%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S No.	Name of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable section
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NIL

## ANNEXURE - I TO BOARD'S REPORT

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category - wise Shareholding

Category of Shareholders		No of share held at the beginning of the year (As on 01-04-2019)				No of share held at the end of the year (As on 31-03-2020)				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
	a) Individual. HUF	3625762	-	3625762	35.23%	3625762	-	3625762	35.23%	0.00%
	b) Central Govt	-	-	-	-	-	-	-	-	-
	c) State Govt (s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	1896310	-	1896310	18.42%	1896310	-	1896310	18.42%	0.00%
	e) Banks . FI	-	-	-	-	-	-	-	-	-
	f) Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A)(1):</b>	<b>5522072</b>	<b>-</b>	<b>5522072</b>	<b>53.65%</b>	<b>5522072</b>	<b>-</b>	<b>5522072</b>	<b>53.65%</b>	<b>0.00%</b>
<b>(2)</b>	<b>Foreign</b>									
	a) NRI. Individuals	-	-	-	-	-	-	-	-	-
	b) Other- Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	287000	-	287000	2.79%	287000	-	287000	2.79%	0.00%
	d) Banks . FI	-	-	-	-	-	-	-	-	-
	e) Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A)(2):</b>	<b>287000</b>	<b>-</b>	<b>287000</b>	<b>2.79%</b>	<b>287000</b>	<b>-</b>	<b>287000</b>	<b>2.79%</b>	<b>0.00%</b>
	<b>Total shareholding of Promoter (A) = (A)(1) + (A) (2)</b>	<b>5809072</b>	<b>-</b>	<b>5809072</b>	<b>56.44%</b>	<b>5809072</b>	<b>-</b>	<b>5809072</b>	<b>56.44%</b>	<b>0.00%</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
	a) Mutual Funds	-	450	450	0.00%	406	450	856	0.01%	0.00%
	b) Banks. FI	31695	758	32453	0.32%	31695	758	32453	0.32%	0.00%
	c) Central Govt.	-	-	-	-	-	-	-	-	-
	d) State Govt. (s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurances Companies	399654	-	399654	3.88%	393235	-	393235	3.82%	-0.06%
	g) FIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
	i) others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub- total (B)(1):</b>	<b>431349</b>	<b>1208</b>	<b>432557</b>	<b>4.20%</b>	<b>425336</b>	<b>1208</b>	<b>426544</b>	<b>4.14%</b>	<b>-0.06%</b>
<b>2.</b>	<b>Non- Institutions</b>									
	a) Bodies Corp.									
	i) Indian	503400	5557	508957	4.95%	414541	5557	420098	4.08%	-0.86%
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									
	i) Shareholders holding nominal share capital upto Rs. 1 lakh	2025260	429609	2454869	23.85%	1971945	416515	2388460	23.21%	-0.65%

## ANNEXURE - I TO BOARD'S REPORT

Category of Shareholders	No of share held at the beginning of the year (As on 01-04-2019)				No of share held at the end of the year (As on 31-03-2020)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Shareholders holding nominal share capital in excess of Rs. 1 lakh	958559	-	958559	9.31%	1122285	-	1122285	10.90%	0.02
c) others (specify)									
NRI	82887	24130	107017	1.04%	80442	24130	104572	1.02%	-0.02%
IEPF Authority	21137	-	21137	0.21%	21137	-	21137	0.21%	0.00%
<b>Sub- total (B)(2):</b>	<b>3591243</b>	<b>459296</b>	<b>4050539</b>	<b>39.36%</b>	<b>3610350</b>	<b>446202</b>	<b>4056552</b>	<b>39.41%</b>	<b>0.06%</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>4022592</b>	<b>460504</b>	<b>4483096</b>	<b>43.56%</b>	<b>4035686</b>	<b>447410</b>	<b>4483096</b>	<b>43.55%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A + B + C)</b>	<b>9831664</b>	<b>460504</b>	<b>10292168</b>	<b>100.00%</b>	<b>9844758</b>	<b>447410</b>	<b>10292168</b>	<b>100.00%</b>	<b>0.00%</b>

## ii) Shareholding of Promoters

S No.	Shareholders Name	Shareholdings at the beginning of the year (As on 01-04-2019)			Shareholdings at the end of the year (As on 31-03-2020)			% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Shri Arun Kumar Churiwal	1025716	9.97	-	1025716	9.97	-	-
2	Shri Arun Kumar Churiwal - HUF	51200	0.50	-	51200	0.50	-	-
3	Giltedged Industrial Secu. Ltd.	0	0.00	-	0	0.00	-	-
4	Mandpam Vikas Pvt. Ltd.	23975	0.23	-	23975	0.23	-	-
5	Bharat Investment Growth Ltd.	257500	2.50	-	257500	2.50	-	-
6	Investors India Ltd.	190703	1.85	-	190703	1.85	-	-
7	Smt. Sudha Churiwal	874822	8.50	-	874822	8.50	-	-
8	Shashi Commercial Co. Ltd.	118600	1.15	-	118600	1.15	-	-
9	Churiwal Properties & Inv. P. Ltd.	239092	2.32	-	239092	2.32	-	-
10	Mandawa Niyojan Pvt. Ltd.	143419	1.39	-	143419	1.39	-	-
11	Shri Nivedan Churiwal	661071	6.42	-	661071	6.42	-	-
12	India Textfab Marketing Ltd.	62217	0.60	-	62217	0.60	-	-
13	PRC Niyojan Pvt. Ltd.	131634	1.28	-	131634	1.28	-	-
14	Smt. Subha Churiwal	625450	6.08	-	625450	6.08	-	-
15	Cornhill Investments Ltd.	120300	1.17	-	120300	1.17	-	-
16	Micro Base Ltd.	70700	0.69	-	70700	0.69	-	-
17	Microlight Investments Ltd.	96000	0.93	-	96000	0.93	-	-
18	Smt.Sudha Churiwal / Shri Nivedan Churiwal	230233	2.24	-	230233	2.24	-	-
19	Smt.Sushila Devi Chokhani	12559	0.12	-	12559	0.12	-	-
20	Shri Ravi Jhunjhunwala	84236	0.82	-	84236	0.82	-	-
21	Shri Lakshmi Niwas Jhunjhunwala	33070	0.32	-	33070	0.32	-	-
22	Shri Lakshmi Niwas Jhunjhunwala (HUF)	27405	0.27	-	27405	0.27	-	-
23	RSWM Limited	31396	0.31	-	31396	0.31	-	-
24	Akunth Textile Processors Pvt.Ltd.	697774	6.78	-	697774	6.78	-	-
	<b>Total</b>	<b>5809072</b>	<b>56.44</b>	<b>-</b>	<b>5809072</b>	<b>56.44</b>	<b>-</b>	<b>0.00%</b>

## ANNEXURE - I TO BOARD'S REPORT

### iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S No.	Particulars	Shareholdings at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	5809072	56.44%	5809072	56.44%
	Date wise increase/ Decrease in Promoters Share holding during the year	No Change			
	At the end of the year	5809072	56.44%	5809072	56.44%

### iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S No.	For each of the Top 10 Shareholders	Shareholdings at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1</b>	<b>Subramaniam P #</b>				
	At the beginning of the year	405733	3.94	405733	3.94
	Increase/ Decrease in Share holding during the year				
	08.11.2019 (Market Sale)	(405733)	(3.94)	0	0.00
	At the end of the year	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>2</b>	<b>Life Insurance Corporation of India</b>				
	At the beginning of the year	196204	1.91	196204	1.91
	Increase/ Decrease in Share holding during the year				
	06.03.2020 (Market Sale)	(6419)	(0.06)	189785	1.84
	At the end of the year	<b>189785</b>	<b>1.84</b>	<b>189785</b>	<b>1.84</b>
<b>3</b>	<b>Pranay Satish Mehta</b>				
	At the beginning of the year	112914	1.10	112914	1.10
	Increase/ Decrease in Share holding during the year				
	At the end of the year	<b>112914</b>	<b>1.10</b>	<b>112914</b>	<b>1.10</b>
<b>4</b>	<b>National Insurance Company Ltd.</b>				
	At the beginning of the year	108000	1.05	108000	1.05
	Increase/ Decrease in Share holding during the year				
	At the end of the year	<b>108000</b>	<b>1.05</b>	<b>108000</b>	<b>1.05</b>
<b>5</b>	<b>The Oriental Insurance Company Limited</b>				
	At the beginning of the year	95450	0.93	95450	0.93
	Increase/ Decrease in Share holding during the year				
	At the end of the year	<b>95450</b>	<b>0.93</b>	<b>95450</b>	<b>0.93</b>
<b>6</b>	<b>Premkumar Radhakrishan Garg #</b>				
	At the beginning of the year	76740	0.75	76740	0.75
	Increase/ Decrease in Share holding during the year				
	14.06.2019 (Market Sale)	(9093.00)	(0.09)	67647	0.66
	21.06.2019 (Market Sale)	(16721.00)	(0.16)	50926	0.49
	29.06.2019 (Market Sale)	(15875.00)	(0.15)	35051	0.34
	19.07.2019 (Market Sale)	(4583.00)	(0.04)	30468	0.30
	08.11.2019 (Market Sale)	(13586.00)	(0.13)	16882	0.16
	06.12.2019 (Market Sale)	(2787.00)	(0.03)	14095	0.14

## ANNEXURE - I TO BOARD'S REPORT

S No.	For each of the Top 10 Shareholders	Shareholdings at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	13.12.2019 (Market Sale)	(1493.00)	(0.01)	12602	0.12
	20.12.2019 (Market Sale)	(2192.00)	(0.02)	10410	0.10
	27.12.2019 (Market Sale)	(769.00)	(0.01)	9641	0.09
	31.12.2019 (Market Sale)	(1250.00)	(0.01)	8391	0.08
	03.01.2020 (Market Sale)	(250.00)	(0.00)	8141	0.08
	13.03.2020 (Market Sale)	(562.00)	(0.01)	7579	0.07
	At the end of the year	<b>7579</b>	<b>0.07</b>	<b>7579</b>	<b>0.07</b>
<b>7</b>	<b>Baghban Trades Pvt. Ltd.</b>				
	At the beginning of the year	70870	0.69	70870	0.69
	Increase/ Decrease in Share holding during the year	0	0	0	0
	At the end of the year	<b>70870</b>	<b>0.69</b>	<b>70870</b>	<b>0.69</b>
<b>8</b>	<b>Super Jupiter Courier Private Ltd</b>				
	At the beginning of the year	62000	0.60	62000	0.60
	Increase/ Decrease in Share holding during the year	0	0	0	0
	At the end of the year	<b>62000</b>	<b>0.60</b>	<b>62000</b>	<b>0.60</b>
<b>9</b>	<b>Karvy Stock Broking Limited #</b>				
	At the beginning of the year	41523	0.40	41523	0.40
	Increase/ Decrease in Share holding during the year				
	05.04.2019 (Market Sale)	(495.00)	(0.00)	41028	0.40
	09.08.2019 (Market Sale)	(314.00)	(0.00)	40714	0.40
	01.11.2019 (Market Sale)	(713.00)	(0.01)	40001	0.39
	08.11.2019 (Market Sale)	(996.00)	(0.01)	39005	0.38
	13.12.2019 (Market Sale)	(20100.00)	(0.20)	18905	0.18
	24.01.2020 (Market Sale)	(4751.00)	(0.05)	14154	0.14
	At the end of the year	<b>14154</b>	<b>0.14</b>	<b>14154</b>	<b>0.14</b>
<b>10</b>	<b>Genesis Exports Limited</b>				
	At the beginning of the year	50000	0.49	50000	0.49
	Increase/ Decrease in Share holding during the year				
	21.06.2019 (Market Purchase)	5000	0.05	55000	0.53
	26.07.2019 (Market Purchase)	6342	0.06	61342	0.60
	02.08.2019 (Market Purchase)	2858	0.03	64200	0.62
	At the end of the year	<b>64200</b>	<b>0.62</b>	<b>64200</b>	<b>0.62</b>
<b>11</b>	<b>Sangeetha S *</b>				
	At the beginning of the year	10690	0.10	10690	0.10
	Increase/ Decrease in Share holding during the year				
	08.11.2019 (Market Purchase)	405733	3.94	416423	4.05
	At the end of the year	<b>416423</b>	<b>4.05</b>	<b>416423</b>	<b>4.05</b>
<b>12</b>	<b>Mahendra Girdharilal *</b>				
	At the beginning of the year	31433	0.31	31433	0.31
	Increase/ Decrease in Share holding during the year				
	12.04.2019 (Market Purchase)	250	0.00	31683	0.31
	19.04.2019 (Market Purchase)	1921	0.02	33604	0.33

## ANNEXURE - I TO BOARD'S REPORT

S No.	For each of the Top 10 Shareholders	Shareholdings at the beginning of the year		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	26.04.2019 (Market Purchase)	10515	0.10	44119	0.43
	03.05.2019 (Market Purchase)	2962	0.03	47081	0.46
	10.05.2019 (Market Purchase)	5789	0.06	52870	0.51
	17.05.2019 (Market Purchase)	1870	0.02	54740	0.53
	24.05.2019 (Market Purchase)	774	0.01	55514	0.54
	27.09.2019 (Market Purchase)	871	0.01	56385	0.55
	04.10.2019 (Market Purchase)	4482	0.04	60867	0.59
	11.10.2019 (Market Purchase)	655	0.01	61522	0.60
	22.11.2019 (Market Purchase)	2178	0.02	63700	0.62
	06.12.2019 (Market Purchase)	15395	0.15	79095	0.77
	13.12.2019 (Market Purchase)	141	0.00	79236	0.77
	20.12.2019 (Market Purchase)	2000	0.02	81236	0.79
	27.12.2019 (Market Purchase)	3502	0.03	84738	0.82
	17.01.2020 (Market Purchase)	5275	0.05	90013	0.87
	24.01.2020 (Market Purchase)	50	0.00	90063	0.88
	28.02.2020 (Market Purchase)	1964	0.02	92027	0.89
	06.03.2020 (Market Purchase)	592	0.01	92619	0.90
	At the end of the year	<b>92619</b>	<b>0.90</b>	<b>92619</b>	<b>0.90</b>
<b>13</b>	<b>Madhu Singhvi *</b>				
	At the beginning of the year	30077	0.29	30077	0.29
	Increase/ Decrease in Share holding during the year				
	19.07.2019 (Market Purchase)	18712	0.18	48789	0.47
	04.10.2019 (Market Purchase)	1200	0.01	49989	0.49
	24.01.2020 (Market Purchase)	4000	0.04	53989	0.52
	At the end of the year	<b>53989</b>	<b>0.52</b>	<b>53989</b>	<b>0.52</b>

\* Not in the list of the Top 10 shareholders as on 01.04.2019. The same has been reflected above since the shareholders were one of the Top 10 shareholders as on 31.03.2020.

# Ceased to be in the list of Top 10 Shareholders as on 31.03.2020. The same is reflected above since the shareholders were one of the Top 10 Shareholders as on 01.04.2019.

### v) Shareholding of Directors and Key Managerial Personnel:

S No.	For each of the Directors and KMP	Shareholdings at the beginning (01-04-2019)/ end of the year (31-03-2020)		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1</b>	<b>Arun Churiwal-Director</b>				
	At the beginning of the year	1025716	9.97%	1025716	9.97%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	1025716	9.97%	1025716	9.97%
<b>2</b>	<b>Nivedan Churiwal-Director</b>				
	At the beginning of the year	661071	6.42%	661071	6.42%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	661071	6.42%	661071	6.42%

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S No.	For each of the Directors and KMP	Shareholdings at the beginning (01-04-2019)/ end of the year (31-03-2020)		Cumulative Shareholdings during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>3</b>	<b>Ravi Jhunjunwala-Director</b>				
	At the beginning of the year	84236	0.82%	84236	0.82%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	84236	0.82%	84236	0.82%
<b>4</b>	<b>Sushil Jhunjunwala- Director</b>				
	At the beginning of the year	20000	0.19%	20000	0.19%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	20000	0.19%	20000	0.19%
<b>5</b>	<b>Praveen Jain- KMP</b>				
	At the beginning of the year	5	0.00%	5	0.00%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	5	0.00%	5	0.00%
<b>6</b>	<b>Aanchal Patni- KMP</b>				
	At the beginning of the year	2	0.00%	2	0.00%
	Increase/ Decrease in Share holding during the year	0	0.00%	0	0.00%
	At the end of the year	2	0.00%	2	0.00%

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4388.63	613.54	-	<b>5002.17</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii)</b>	<b>4388.63</b>	<b>613.54</b>	-	<b>5002.17</b>
<b>Change in Indebtedness during the financial year</b>				
i. Addition	9.00	344.46	-	<b>353.46</b>
ii. Reduction	1493.47	-	-	<b>1493.47</b>
iii. Deferred revenue Expenditure	3.20	-	-	<b>3.20</b>
<b>Net Change</b>	<b>(1481.27)</b>	<b>344.46</b>	-	<b>(1136.81)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2907.35	958.00	-	<b>3865.35</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii)</b>	<b>2907.35</b>	<b>958.00</b>	-	<b>3865.35</b>

## ANNEXURE - I TO BOARD'S REPORT

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

(₹ in Lakhs)

S No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Arun Churiwal Chairman & Managing Director	Nivedan Churiwal Jt. Managing Director	
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	118.90	96.19	215.09
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9.98	8.08	18.06
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	* as % of profit	0.23	0.23	0.46
	* others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>129.12</b>	<b>104.50</b>	<b>233.62</b>
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013		

#### B. Remuneration to others directors:

(₹ in Lakhs)

S No.	Particulars of Remuneration	Name of Directors				Total Amount
		Amar Nath Choudhary	Sushil Jhunjunwala	Giriraj Prasad Singhal	Abhilasha Mimani	
1	<b>Independent Directors</b>					
	* Fee for attending Board, Committee meetings	2.30	1.50	1.50	0.60	5.90
	* Commission	-	-	-	-	-
	* Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>2.30</b>	<b>1.50</b>	<b>1.50</b>	<b>0.60</b>	<b>5.90</b>
2	<b>Other Non- Executive Directors</b>	Ravi Jhunjunwala	Shekhar Agarwal			
	* Fee for attending Board, Committee meetings	0.60	1.20			1.80
	* Commission	-	-			-
	* Others, please specify	-	-			-
	<b>Total (2)</b>	<b>0.60</b>	<b>1.20</b>			<b>1.80</b>
	<b>Total (B) = (1 + 2)</b>					<b>7.70</b>



## ANNEXURE - I TO BOARD'S REPORT

## C. Remuneration to key Managerial Personnel other than MD/ Manager/ WTD

(₹ in Lakhs)

S No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Praveen Jain Chief Financial Officer	Aanchal Patni Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961		43.79	4.22	48.01
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	4.09	-	4.09
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	* as % of profit	-	-	-	-
	* others, specify	-	-	-	-
5	others, please specify	-	-	-	-
	<b>Total</b>	-	<b>47.88</b>	<b>4.22</b>	<b>52.10</b>

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year, there were no Penalties / Punishment / Compounding of offences under Companies Act, 2013.

For and on behalf of the Board  
For BSL LTD.

Place : Kolkata (W.B.)  
Date : 23rd June, 2020

(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00001718

## ANNEXURE - II TO BOARD'S REPORT

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

**The Members,  
BSL Ltd**

26, Industrial Area, Gandhi Nagar  
Bhilwara – 311 001 (Rajasthan)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BSL Ltd** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

ANNEXURE - II TO BOARD'S REPORT

**We further report that** during the audit period the company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For V. M. & Associates  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)**

**Place : Jaipur  
Date : June 23, 2020  
UDIN: F003355B000370304**

**CS Manoj Maheshwari  
Partner  
FCS 3355  
C P No. : 1971**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**ANNEXURE A**

To,

**The Members,  
BSL Ltd**  
26, Industrial Area, Gandhi Nagar  
Bhilwara – 311 001 (Rajasthan)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For V. M. & Associates  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)**

**Place : Jaipur  
Date : June 23, 2020  
UDIN: F003355B000370304**

**CS Manoj Maheshwari  
Partner  
FCS 3355  
C P No. : 1971**

## ANNEXURE - III TO BOARD'S REPORT

### Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given here below and forms part of the Board Report.

#### A. Conservation of Energy

Energy conservation dictates how efficiently a Company can conduct its operations. BSL has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices. In line with the Company commitment towards becoming an environment friendly organisation, all divisions continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices.

##### (i) The step taken or impact on conservation of energy:

- Total energy saved in Year 2019-20 due to energy conservation steps is 191800 Units.
- The impact of these energy conservation measures will be around 3.45 Lakhs Units in the year 2020-21.

##### (ii) The steps taken by the Company for utilizing alternate source of energy:

- We installed 0.5 MW more solar Ground Mount Power System in Processing Division in the Year 19-20. Around 8.0 Lakhs power units will be generated and consumed from this system. Looking to install more 0.6 MW ground mount solar in coming years.

##### (iii) The Capital investment on energy conservation equipments:

- Total Capital Investment on Energy Conservation measures is around 10.1 Lakhs for year 2019-20.

The details of Conservation of Energy during the year are as under:

A)	POWER & FUEL CONSUMPTION	(₹ In Lakhs)	
		2019-20	2018-19
1)	<b>Electricity</b>		
	a) <u>Purchased</u>		
	Units (Lakh)	392.56	403.21
	Total Amount (Lakh ₹ )	2887.19	3076.64
	Rate/Unit	7.35	7.63
	b) <u>Own Generation</u>		
	(i) Through Wind Plant		
	Units(Lakh)	12.68	11.75
	Total Amount (Lakh ₹ )	99.56	92.25
	Cost/Unit	7.85	7.85
	(ii) Through Diesel Generator		
	Units (Lakh)	0.24	0.24
	Units per litre of Diesel oil	2.50	2.64
	Cost/Unit	27.94	26.39
2)	<b>Coal</b>		
	Quantity (MT)	16356	14898
	Total Amount (Lakh ₹ )	960.54	1008.68
	Average Rate (₹ /MT)	5872.72	6770.59
3)	<b>Other/Integral Generation</b>	-	-

## ANNEXURE - III TO BOARD'S REPORT

B) CONSUMPTION PER UNIT OF PRODUCTION		
<b>A. Weaving:-</b>		
Electricity Unit per Mtr.		
- Weaving	0.69	0.67
- Others	0.02	0.05
	0.71	0.72
<b>B. Spinning:-</b>		
Electricity Unit per Kg.	4.75	4.72
<b>C. Processing:-</b>		
i) Electric Unit		
- Per Mtr. Of Fabric	0.27	0.27
- Per Kg. of Top, Fibre & Yarn Dyeing	0.61	0.66
ii) Coal		
- Per Mtr. Of Fabric	0.53	0.50
- Per Kg. of Top, Fibre & Yarn Dyeing	0.81	0.86

**B. Technology absorption**

BSL focuses on new products, processes and catalyst development to support existing business and create breakthrough technologies for new businesses.

(i) The efforts made by the Company towards technology absorption during the year under review are:

- Installed Inverter drives on supply and return air fans of humidification plants of PV Spinning R/Frame for better control of humidity and temperature in the department. This measure also saved around 200 units/day.
- Adopted continuous compressed air leakage arresting program in all divisions.
- Reduced air pressure to 6.4 Kg/cm<sup>2</sup> from 7.0 Kg/cm<sup>2</sup> in Spinning division which impacted around 120 units/day saving.
- Installed Inverter drives on supply and return air fans of humidification plants of Silk Division for better control of humidity and temperature in the department. This measure also saved around 120 units/day.
- Installed inverter drive on P fans of Zinser R/Frame to save energy.
- One HT breaker installed with separate gang operated switches on main 33KV incomer line for better control and safety.
- Premiur ultimo rovo stop motion installed on PV1 and PV2 R/Frames to control bonda generation and better control on machines.
- Inverter on feed pump of ETP installed with automation to save energy and better control in process division.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Around 5.28 Lakhs unit generated and consumed through on grid solar ground mount system. Rs 11.0 Lakhs saved.
- Around 1.72 Lakh unit saved by different energy conservation measures adopted in Spinning, Weaving and Process.
- Continuous drive of air leakage arresting improved the working of compressors and reduced the power consumption also.

(iii) In case of imported technology ( imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

(iv) The expenditure incurred on Research and development

- The Company has incurred an expenditure of ₹ 330.40 Lakhs towards Research and Development.

Details of Expenditure incurred on Research and Development during the year is as follows :

	(₹ In Lakhs)		
	2019-20	2018-19	2017-18
Capital	1.74	0.00	0.00
Recurring	328.66	362.54	342.41
Total Expenditure as % of total turnover	0.85	0.83	0.85

**C. Foreign exchange earnings and outgo**

The details of foreign exchange earnings and outgo during the year are as under :

	2019-20	2018-19
Earning	19459.69	21772.71
Outgo :		
(Revenue A/c)	2369.93	2387.10
(Capital A/c)	14.89	59.60
		2446.70

For and on behalf of the Board

For BSL LTD.

(ARUN CHURIWAL)

CHAIRMAN & MANAGING DIRECTOR

DIN: 00001718

Place : Kolkata (W.B.)

Date : 23<sup>rd</sup> June, 2020

## ANNEXURE - IV TO BOARD'S REPORT

## Form No. AOC-2

(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**I. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no Contracts or arrangements or transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

**II. Details of material contracts or arrangements or transactions at arm's length basis:**

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2020 are as follow:

Name of related party	Nature of Relationship	Duration of Contract/ Arrangements/ Transactions	Nature of Transactions	Salient terms of the contracts	Amount (Rs. in Lakhs)	Amount paid as advances
RSWM Ltd.	Related party in terms of Section 2(76)(v) of Companies Act, 2013	Yearly basis (i.e. for financial year 2019-20 from 1st April, 2019 to 31st March, 2020)	Purchase/Sale of Raw Material & Finished Goods and store items	1. All Purchase order/Sales order/ Billing for Job works/services/ Expenses Receivable/ payable/ Medclaim Policy Premium Receivable / Payable shall be placed at prevailing market price as applicable to other customers. 2. Credit period extended will be as per Dhara and interest chargeable in case of delayed payment will also be as per Dhara as applicable to other customers. 3. This contract can be terminated by either party giving one month's notice in writing. 4. Any dispute arising out of this contract and remaining unresolved will be subject to Court in Bhilwara/ Rajasthan. Etc.	12000.00	Nil
			Job Work/ Service Charges Receivables		50.00	
			Job Work/ Service Charges Payables		2000.00	
			Rent Payable		25.00	
			Expenses Payable/ Receivable		25.00	
			Expenses receivable		25.00	
Group employees Medclaim Policy premium payable/ receivable	12.00					

- On 11th February, 2019, the Board of Directors of the Company approved the said transaction in its Meeting..
- On 12th September, 2019, Ordinary resolution was passed in Annual General Meeting of the Company as required as per Section 188 of the Companies Act, 2013.

**For and on behalf of the Board**

Place : Kolkata (W.B.)  
Date : 23rd June, 2020

**(ARUN CHURIWAL)**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN: 00001718**

**Regd. Office:**  
26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

## ANNEXURE - V TO BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

S No.	Particulars	Remarks
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs	<p>Corporate social responsibility is also called corporate conscience, corporate citizenship, social performance, or sustainable business. It is a form of corporate self-regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms.</p> <p>Since inception, the Company has viewed CSR activities as an integral part of its corporate objectives, fully aligned with the overall business goals. The company has been associated with active participation in creating value to its different stakeholders through various social, cultural and economic developments projects in the region.</p> <p>With a view to making our work under the CSR policy sustainable, the activities are based on Core Competency, Community and Business Associates having multi-stakeholder approach.</p> <p>BSL plans to maintain and consolidate its position in society with an increased emphasis on socially and environmentally responsible practices both internally and in the communities in which it operate. CSR activity boost brand image of the Company and help to build trust and relationship with different stakeholders. It contributes to improve financial performance and increase business growth of the Company.</p> <p>Overview of projects or programmes undertaken is given in the Para 5 C of this statement.</p> <p>The details are also provided in the CSR Policy which is available on the website of the Company i.e. <a href="https://www.bslltd.com/policy.html">https://www.bslltd.com/policy.html</a>.</p>
2.	Composition of CSR Committee	<p>Shri Arun Churiwal- Chairman            Shri Nivedan Churiwal- Member            Shri Amar Nath Choudhary- Member</p>
3.	Average Net Profit for last 3 financial years	<p>₹ 399.50 Lakhs  <i>(Net profit calculated as per Sec. 198 of Companies Act, 2013)</i></p>
4.	Prescribed CSR expenditure (2% of the amount as in item 3 above)	₹ 8.00 Lakhs
5.	Details of CSR spent during the financial year	
	A. Total amount to be spend for the financial year	₹ 12.79 Lakhs (including an amount of ₹ 4.79 Lakhs which remained unspent for the financial year 2018-19)
	B. Amount unspent, if any;	₹ 2.28 Lakhs
	C. Manner in which the amount spent during the financial year is given in CSR spent table.	
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Directors' Report	As some of the activities could not be completed before 31 <sup>st</sup> March, 2020, the budgeted funds remained partially unutilized. The Company is endeavored to ensure full utilization of the allocated CSR Budget. The amount which remained unspent due to unavoidable circumstances will be spent in financial year 2020-21.



**Manner in which the amount spent during the financial year is detailed as follow:**

S No.	CSR project/ activity identified	Sector in which the project is covered	Projects/ programs 1. Local area/ others 2. State/ district (Name of the District/s, State/s, where project/ program was undertaken)	Amount outlay (budget) project/ program-wise	Amount spent on the projects/ program Sub-head: 1. Direct Expenditure on project/ program 2. Overheads	Amount spent: Direct/ through implementing agency
1.	Construction of School Building	Promoting Education	Kolkata, W.B.	₹ 03.00 Lakhs	₹ 03.00 Lakhs	Direct
2.	Distribution of Artificial Limbs to the needy people	Social Welfare	Jaipur, Rajasthan	₹ 02.91 Lakhs	₹ 02.91 Lakhs	Direct
3.	Blood Donation Camp	Health Care	Bhilwara, Rajasthan	₹ 0.77 Lakhs	₹ 0.77 Lakhs	Direct
4.	Contribution to promote National/ State/ Rural Sports	Promoting Sports	Bhilwara, Rajasthan	₹ 0.51 Lakhs	₹ 0.51 Lakhs	Through Rajasthan State Krida Prishad
5.	Contribution to trust	Reducing inequalities faced by socially and economically backward groups / Promoting Education	Jaipur, Rajasthan	₹ 03.00 Lakhs	₹ 03.00 Lakhs	Direct
6.	Providing School uniform, Sports Kit and Laptop and Computer and other utilities and Conduction of Programs in Schools	Promoting Education	Bhilwara, Rajasthan	₹ 02.60 Lakhs	₹ 0.32 Lakhs	Direct
<b>Total</b>				<b>₹ 12.79 Lakhs</b>	<b>₹ 10.51 Lakhs</b>	

7. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**For and on behalf of the Board  
For BSL LTD.**

Place : Kolkata (W.B.)

Date : 23<sup>rd</sup> June, 2020

**Regd. Office:**  
26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

**(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
CHAIRMAN-CSR COMMITTEE  
DIN: 00001718**

## ANNEXURE - VI TO BOARD'S REPORT

### ANNEXURE VI TO BOARD'S REPORT

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of Chairman & Managing Director, Joint Managing Director, President & CFO and Company Secretary during the financial year 2019-20 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

S No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP (₹ in Lakhs) in the Year 2019-20	% increase in Remuneration in the Year 2019-20	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Shri Arun Churiwal Chairman & Managing Director	129.12 Lakhs	4.71%	35.86
2.	Shri Nivedan Churiwal Whole Time Director & Jt. Managing Director	104.50 Lakhs	4.66%	29.03
3.	Shri Praveen Jain President & CFO	47.88 Lakhs	4.61%	Not Applicable
4.	Ms. Aanchal Patni Company Secretary	4.22 Lakhs	15.93%	Not Applicable

\* The Company pays remuneration only to Executive Directors. The Company does not pay any remuneration to its Non-Executive Directors. The Non-Executive Directors of the Company only received sitting fees for attending the meetings of the Board and Committees thereof.

- ii. The median remuneration of the employees of the Company during the financial year was ₹ 0.30 Lakhs per month. (₹ 0.29 Lakhs per month in 2018-19)
- iii. In financial year, there was an increase of 3.44% in the median remuneration of employees. (3.57% in 2018-19)
- iv. There were 435 permanent employees (staff) on the rolls of Company as on 31st March, 2020.
- v. Average percentile increase already made in the salaries of employees other than the Managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- During the year, the total increase in remuneration of employees other than Managerial Personnel is 5.94% and increase in Managerial Remuneration is 4.82 %.
- vi. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**For and on behalf of the Board  
For BSL LTD.**

Place : Kolkata (W.B.)  
Date : 23<sup>rd</sup> June, 2020

**Regd. Office:**  
26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

**(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00001718**

## ANNEXURE - VII TO BOARD'S REPORT

## ANNEXURE VII TO BOARD'S REPORT

## STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Details of the top ten employees in terms of remuneration drawn:-

S No.	Name of Employee	Designation	Remuneration per annum (Rs.)	Nature of Employment	Qualifications	Experience	Date of Commencement of employment	Age	Detail of last employment held before joining the Company
1	Shri Arun Churiwal	Chairman & Managing Director	129.12 Lakhs	Contractual Employment	B.A. (Hons)	39 Years	04/11/1977	70 Years	Nil
2	Shri Nivedan Churiwal	Whole Time Director & Jt. Managing Director	104.50 Lakhs	Contractual Employment	B.Com	22 Years	26/07/1997	45 Years	Nil
3	Shri Praveen Jain	President & CFO	47.88 Lakhs	Full time Employment	FCA, FCS, FCMA	32 Years	01/08/1987	54 Years	Nil
4	Shri A.K. Mehta	Sr. VP (Processing)	52.38 Lakhs	Full time Employment	B.Tech	34 Years	25/07/1985	58 Years	Nil
5	Shri M.S. Khiria	VP (Export)	42.66 Lakhs	Full time Employment	MBA	30 Years	01/08/1989	54 Years	Modern Threads (I) Limited, Bhilwara (Raj.)
6	Shri P. S. Phogat	VP (Spinning)	35.92 Lakhs	Full time Employment	B. Tex.	24 Years	06/01/2018	47 Years	Grasim Bhiwani Textiles Ltd., Bhiwani, (Haryana)
7	Shri R. K. Katyal	VP (Weaving)	35.12 Lakhs	Full time Employment	Dipl. in Textile	40 Years	23/05/2013	61 Years	Proprietor of S.D. Enterprises, Bhilwara (Raj.)
8	Shri H. P. Mathur	AVP (IR & HR)	30.01 Lakhs	Full time Employment	MSW	41 Years	01/10/2011	63 Years	Rajasthan Textiles Mills, Bhawani Mandi (Raj.)
9	Shri Ravindra Chowdhary	VP (Domestic Marketing)	28.15 Lakhs	Full time Employment	B. Tex., MMS	26 Years	16.01.2012	56 Years	Arviva Industries India Ltd., Mumbai (Maharashtra)
10	Shri Arun Shraff	VP (Furnishing)	27.82 Lakhs	Full time Employment	B.Com	42 Years	01.08.2012	60 Years	J. J. Exporters Ltd., Kolkata

**Notes:-**

- None of the employee is in receipt of remuneration in excess of remuneration drawn by Managing Director & Whole Time Director and holding more than 2% of the paid-up capital of the Company.
- Except above, none of the employee along with his spouse and dependent children is holding more than 2% of the equity shares of the Company.
- Except above, none of the person was employed for the full year and was in receipt of remuneration of ₹ 1,02,00,000 or more and employed for part of the year and was in receipt of remuneration aggregating to ₹ 8,50,000/- or more per month.
- Shri Arun Churiwal, Chairman & Managing Director is relative of Shri Nivedan Churiwal, Joint Managing Director.

For and on behalf of the Board  
For BSL LTD.

Place : Kolkata (W.B.)  
Date : 23<sup>rd</sup> June, 2020

**Regd. Office:**  
26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
CHAIRMAN-CSR COMMITTEE  
DIN: 00001718

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of integrity, transparency, accountability, professionalism and equity, in all facets of its operations, and all its interactions with the stakeholders including shareholders, employees, customers, government, suppliers and lenders. The Company puts into practice the corporate governance framework through board governance processes, internal control and audit processes. The Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices.

### 2. Board of Directors

#### Board Meetings & Annual General Meeting (AGM):

During the year Four Board meetings were held, the dates being 16<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 8<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020. The previous AGM was held on 12<sup>th</sup> September, 2019.

#### Composition and Category of Directors:

The Board of Directors of the Company as on 31<sup>st</sup> March 2020 comprise of Nine Directors out of which Seven are Non-Executive Directors. The Chairman & Managing Director and Whole Time Director & Jt. Managing Director fall in the category of Executive Directors. Five Directors are 'Independent' Directors. There is one Independent woman Director.

#### Directors' inter-se relationships:

The Executive Promoter Directors are related to each other, Shri Arun Churiwal is father of Shri Nivedan Churiwal.

#### Directorship/ Committee Membership in other Indian Public Limited Companies:

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director.

In accordance with Regulation 17A of Listing Regulations, none of the Directors are having directorship in more than eight listed entities and none of the Independent Directors serves as an Independent Director in more than seven listed entities. Further the Independent Director who is serving as Whole Time Director/ Managing Director in any Listed entity, does not serve as an independent director in more than three listed entities.

The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Further none of the Directors holds Convertible Debentures as on 31<sup>st</sup> March, 2020.

Relevant details of the Board of Directors as on 31<sup>st</sup> March 2020 are given below:

S. No.	Name	Category	Directorships in other Indian Public Limited Companies (excluding BSL Ltd.)	No. of Board Committees in which Chairman / Member (excluding BSL Ltd.)		No. of Board meetings for 2019-2020		Whether Attended Last AGM	Shareholding as on 31 <sup>st</sup> March, 2020
				Chairman	Member	Entitled to attend	Attended		
2.	Shri Nivedan Churiwal (DIN00001749)	Promoter Executive	-	-	-	4	3	Yes	661071
3.	Shri Ravi Jhunjunwala (DIN00060972)	Promoter – Non Executive	8	1	3	4	2	No	84236
4.	Shri Shekhar Agarwal (DIN00066113)	Promoter – Non Executive	4	-	3	4	3	No	0
5.	Shri Sushil Jhunjunwala (DIN00082461)	Independent	2	1	2	4	3	No	20000

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S. No.	Name	Category	Directorships in other Indian Public Limited Companies (excluding BSL Ltd.)	No. of Board Committees in which Chairman / Member (excluding BSL Ltd.)		No. of Board meetings for 2019-2020		Whether Attended Last AGM	Shareholding as on 31 <sup>st</sup> March, 2020
				Chairman	Member	Entitled to attend	Attended		
6.	Shri Amar Nath Choudhary (DIN00587814)	Independent	2	-	1	4	4	No	0
7.	Shri Giriraj Prasad Singhal (DIN00331849)	Independent	-	-	-	4	4	Yes	0
8.	Mrs. Abhilasha Mimani (DIN06932590)	Independent	-	-	-	4	3	No	0
9.	Shri Jagdish Chandra Laddha (DIN: 00118527) (w.e.f. 10/02/2020)	Independent (Additional)	1	1	-	0	0	NA	0

**List of Directorship held in Other Listed Companies and Category of Directorship:**

Name of Director	Name of other Listed Company	Category of Directorship
Shri Arun Churiwal	RSWM Limited	Promoter - Non- Executive
	La Opala RG Limited	Non-Executive- Non Independent
Shri Nivedan Churiwal	-	-
Shri Ravi Jhunjhunwala	HEG Limited	Promoter – Executive
	RSWM Limited	Promoter - Non- Executive
	Maral Overseas Limited	Promoter - Non- Executive
	JK Lakshmi Cement Limited	Independent
	India Glycols Limited	Independent
Shri Shekhar Agarwal	HEG Limited	Promoter- Non-Executive
	RSWM Limited	Promoter - Non- Executive
	Maral Overseas Limited	Promoter – Executive
	Bhilwara Technical Textiles Limited	Promoter - Executive
Shri Sushil Jhunjhunwala	La Opala RG Limited	Promoter- Executive
	Genesis Exports Limited	Promoter- Executive
Shri Amar Nath Choudhary	RSWM Limited	Independent - Non-Executive
Shri Giriraj Prasad Singhal	-	-
Mrs. Abhilasha Mimani	-	-
Shri Jagdish Chandra Laddha	Lagnam Spintex Limited	Independent - Non-Executive

**Familiarization programme for Independent Directors:**

The familiarization programmes imparted to Independent Directors was conducted, where the Independent Directors were updated with all Business related issues and new initiatives. Various amendments came in The Companies Act, 2013 and SEBI (LODR) Regulations, 2015 during the year, which provides some additional compliance requirements for the Company; the Independent Directors were updated about the same. The Independent Directors were familiarized with various aspects like Industry and Market trends, Level of Competition, Company's Performance, Budget and Future outlook. The Independent Directors were also presented with the various group policies, amended policies in consonance with amendments made in Companies Act, 2013 and SEBI (LODR) Regulations, 2015,

## REPORT ON CORPORATE GOVERNANCE

emerging scenario in the textile sector etc. The details of Familiarization programme for Independent Directors can be accessed at: [https://www.bslltd.com/images/financials/1565616140\\_FP%20Website.pdf](https://www.bslltd.com/images/financials/1565616140_FP%20Website.pdf).

**The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:**

Name of Director	Expertise in specific functional area
Shri Arun Churiwal	Entrepreneur, Corporate Planning & Strategy Organisational and Business Management, Textile Industry.
Shri Nivedan Churiwal	Business Planning, Marketing, Global Business, Furnishing Fabric.
Shri Ravi Jhunjhunwala	Industrialist, Leadership, Textile Industry, Graphite Electrodes, Power and IT, Corporate Management.
Shri Shekhar Agarwal	Entrepreneur, Textile Industry, Leadership, Technology.
Shri Sushil Jhunjhunwala	Glass Industry, Diversification, Technology, Professionalism, Leadership.
Shri Amar Nath Choudhary	Corporate Laws, International Laws, Textile Industry, Corporate advisory services, Corporate Governance.
Shri Giriraj Prasad Singhal	Finance & Taxation, Consultancy, Philanthropist.
Mrs. Abhilasha Mimani	Finance, Corporate Governance.
Shri Jagdish Chandra Laddha	Textile Industry, Corporate Laws, Finance, Corporate Governance, Taxation.

### Confirmation by the Board for Independent Directors:

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and affirmed the compliance of Code of Independent Directors as laid down in Schedule IV of the Companies Act, 2013. Further, the Independent Directors have confirmed that they are Independent of the Management.

### 3. Audit Committee

#### a) Terms of Reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the Listing Regulations (Specified in Part C of Schedule II).

#### The Role of Audit Committee includes the following:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (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) modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights

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issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

**Pursuant to its terms of reference, the Audit Committee is empowered to:**

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**BSL has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:**

- Management Discussion and Analysis of the financial condition and results of operations of the Company.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.
- statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**b) Composition and meetings of Audit Committee:**

The Committee comprises of Four Directors as on 31<sup>st</sup> March 2020, all of whom are non-executive and three of them are independent directors.

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During the year under review, four meetings of the Audit Committee were held, the dates being 16<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 08<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020.

The composition and attendance of the members at the Audit Committee Meetings are as follows:-

S No.	Name of the Director	No. of Meetings attended
1.	Shri Amar Nath Choudhary, Chairman	4
2.	Shri Shekhar Agarwal, Member	3
3.	Shri Sushil Jhunjunwala, Member	3
4.	Shri Giriraj Prasad Singhal, Member	4

The Company Secretary acts as the Secretary to the committee.

Shri Amar Nath Choudhary, Chairman was not present at last AGM, he authorized Shri Giriraj Prasad Singhal to answer the shareholders' queries on behalf of him.

#### 4. Nomination & Remuneration Committee

##### a) Terms of Reference

The terms of reference of Nomination and Remuneration Committee are in line with the provisions as contained in Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which included the following:-

- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria and recommend to the Board their approval and removal.
- Specify the manner for effective evaluation of performance of Board, its committee and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Formulate the criteria for determining qualification, positive attributes and independence of a director.
- Recommend to the Board a policy relating to the remuneration for the directors, KMP and other Employees.
- Carry out such other functions as are required or appropriate in discharging their duties.
- Devising a policy on diversity of Board of Directors.
- To determine whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

##### b) Composition and meetings of Nomination and Remuneration Committee:

The Committee comprises of Four Directors as on 31<sup>st</sup> March 2020, all the members are Non-Executive Directors as required under the Act and Listing regulations, three of whom are Independent Directors.

During the year under review, two meetings of the Nomination and Remuneration Committee were held, the dates being 16<sup>th</sup> May, 2019 and 10<sup>th</sup> February, 2020.

The composition and attendance of the members at the Committee Meetings are as follows:-

S No.	Name of the Director	No. of Meeting attended
1.	Shri Sushil Jhunjunwala, Chairman	2
2.	Shri Amar Nath Choudhary, Member	2
3.	Shri Shekhar Agarwal, Member	2
4.	Shri Giriraj Prasad Singhal, Member	2

Shri Sushil Jhunjunwala, Chairman was not present at last AGM, he authorized Shri Giriraj Prasad Singhal to answer the shareholders' queries on his behalf.

The Company pays remuneration only to Executive Directors. The Company does not pay any remuneration by way of salary, benefits, stock options, bonus, pensions etc. to its Non-Executive Directors, apart from sitting fees to them for attending the Meetings of the Board or any Committee thereof.



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Remuneration paid to Executive Directors during 2019-2020 is as follows:-

(₹ In lakh)

S No.	Name of Executive Director	Salary	Perquisites, Allowances & Retiral Benefits	Commission	Total
1.	Shri Arun Churiwal Chairman & Managing Director Service Contract – 1 <sup>st</sup> September, 2017 to 31 <sup>st</sup> August, 2020	66.55	62.34	0.23	129.12
2.	Shri Nivedan Churiwal Joint Managing Director Service Contract- 26 <sup>th</sup> July, 2017 to 25 <sup>th</sup> July, 2020	53.84	50.43	0.23	104.50

Both the Executive Directors are being paid commission as 1% of net profit, computed as per section 198 of the Companies Act, 2013.

Sitting Fee paid to Non-Executive Directors during 2019-2020:-

(₹ In lakh)

S No.	Non-Executive Directors	Share Transfer Committee	Board fees	Committee fees	Total
1.	Shri Ravi Jhunjunwala	-	0.40	0.20	0.60
2.	Shri Shekhar Agarwal	-	0.60	0.60	1.20
3.	Shri Amar Nath Choudhary	0.40	0.80	1.10	2.30
4.	Shri Sushil Jhunjunwala	0.30	0.60	0.60	1.50
5.	Shri Giriraj Prasad Singhal	-	0.80	0.70	1.50
6.	Mrs. Abhilasha Mimani	-	0.60	-	0.60
7.	Shri Jagdish Chandra Laddha	-	-	-	-

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fees to them for attending Board and Committee meetings. There are no stock option plans of the Company and none of the Directors have been issued any stock options during year 2019-2020.

The Nomination and Remuneration Committee recommended the 'Nomination and Remuneration Policy' of the Company which was duly approved by the Board. The Policy reflects on certain guiding principles of the Company such as the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully, Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to Directors, Key Managerial Personnel and Senior Management involves a pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. It also lay down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors. The same has been posted on company's Website and can be accessed via Link <http://www.bslltd.com/policy.html>.

5. The Board of Directors has constituted following Committees for shareholders related matters:-

- Stakeholders' Relationship Committee
- Share Transfer Committee

a) **Stakeholders' Relationship Committee:**

**The role of the committee inter-alia includes the following:**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

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4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Shri Amar Nath Choudhary is Chairman of the Committee and he is Independent Director of the Company. The Company Secretary, Ms. Aanchal Patni is the Compliance Officer. The Committee met 4 times during the year. The meetings were held on 16<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 8<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020.

The composition and attendance of the members at the Committee Meetings are as follows:-

S No.	Name of the Director	No. of Meeting attended
1.	Shri Amar Nath Choudhary, Chairman	4
2.	Shri Ravi Jhunjunwala, Member	2
3.	Shri Arun Churiwal, Member	4
4.	Shri Nivedan Churiwal, Member	3

The details of complaints received & resolved during the year 2019-2020 are as under:-

No. of complaints / grievances received from shareholders / Stock Exchange / SEBI – 6.

No. of Complaints not solved to the satisfaction of shareholders – NIL

No. of complaints not resolved – NIL

Investor's grievances are resolved expeditiously. There are no grievances pending as on date.

### b) Share Transfer Committee:

The Committee comprises of Five Members as on 31<sup>st</sup> March 2020, two of whom are independent Director, two are Executive and Promoter Director and one is a Non Director Member.

The Committee considers and approves the transfer of Equity shares and its related matters, such as consolidation and split of shares, issue of duplicate shares certificates, transmission of shares etc. The committee met 24 times during the year. The Meetings were held on 15/04/2019, 30/04/2019, 16/05/2019, 31/05/2019, 17/06/2019, 29/06/2019, 15/07/2019, 02/08/2019, 14/08/2019, 23/08/2019, 05/09/2019, 20/09/2019, 14/10/2019, 29/10/2019, 20/11/2019, 30/11/2019, 16/12/2019, 31/12/2019, 11/01/2020, 24/01/2020, 10/02/2020, 22/02/2020, 07/03/2020 and 17/03/2020.

The composition and attendance of the members at the Committee Meetings are as follows:-

S No.	Name of the Member	No. of Meeting attended
1.	Shri Arun Churiwal, Chairman	24
2.	Shri Nivedan Churiwal, Member	23
3.	Shri Sushil Jhunjunwala, Member	3
4.	Shri Amar Nath Choudhary, Member	4
5.	Shri Praveen Jain, Member	4

### 6. CSR Committee

The Company has constituted a CSR Committee as per Section 135 of the Companies Act, 2013. The Committee is headed by the Board Chairman, Shri Arun Churiwal and consists of the members as stated below. During the year ended 31<sup>st</sup> March, 2020, this Committee had Four meetings. The Meetings were held on 16<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 8<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020, which are attended by the members as under: -

S No.	Name of the Director	No. of Meeting attended
1.	Shri Arun Churiwal, Chairman	4
2.	Shri Nivedan Churiwal, Member	3
3.	Shri Amar Nath Choudhary, Member	4

The terms of reference of the Committee are as follow:

- To frame the CSR Policy and its review from time to time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

The detail of CSR policy is posted on the website of the Company <http://www.bslltd.com/policy.html>.

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### 7. Independent Directors Meeting

During the year under review, the Independent Directors met on 16<sup>th</sup> May, 2019, inter alia, to discuss:

- Evaluation of the performance of Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### 8. General Body Meetings

The last three Annual General Meetings were held as per details given below:-

Relevant Financial year	Date of AGM	Time of Meeting	Venue / Location where held	Special Resolution(s) passed
2016-2017	26 <sup>th</sup> September, 2017	11.00 A.M.	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	1. To re-appoint Shri Arun Churiwal, Chairman & Managing Director of Company for a period of 3 years. 2. To re-appoint Shri Nivedan Churiwal, Jt. Managing Director of Company for a period of 3 years. 3. To Adopt new set of Articles of Association.
2017-2018	28 <sup>th</sup> September, 2018	11.00 A.M.	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	No Special Resolution was passed.
2018-2019	12 <sup>th</sup> September, 2019	11.00 A.M.	26, Industrial Area, Gandhi Nagar, Bhilwara (Rajasthan)	1. To re-appoint Shri Sushil Jhunjhunwala as an Independent Director for a second term of five consecutive years 2. To re-appoint Shri Amar Nath Choudhary as an Independent Director for a second term of five consecutive years 3. To re-appoint Smt. Abhilasha Mimani as an Independent Director for a second term of five consecutive years 4. To re-appoint Shri Giriraj Prasad Singhal as an Independent Director for a second term of five consecutive years

It is confirmed that no resolution passed through postal ballot during the year 2019-20; no resolution as proposed in this AGM requires passing through postal ballot.

### 9. Means of Communication

- The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- The approved financial results are published in one prominent English and one vernacular newspaper such as the Financial Express and the Dainik Navjyoti, within 48 hours of approval thereof. Newspaper cuttings are also submitted to the Stock Exchange.

The Results are hosted on Company's website [www.bslltd.com](http://www.bslltd.com).

During the year company has not released any official press releases.

No presentation was made to institutional investors during the financial year 2019- 20.

### 10. General Shareholder Information

Detailed information in this regard is provided in the section "Shareholder Information" which forms part of this Annual Report

### 11. Other Disclosures

#### • Material Related Party Transactions

During the financial year 2019-2020, there were no transactions of material nature with its promoters, the directors or the management, or relatives, etc., which may have potential conflict with the interests of the Company at large. All transactions

## REPORT ON CORPORATE GOVERNANCE

entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Transactions with related parties as per requirements of Ind AS-24 – "Related party disclosures" issued by ICAI are disclosed in Note No. 45 of "Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2020, in the Annual Report. The Policy on dealing with related party transactions has been posted on the Company's website [www.bslltd.com](http://www.bslltd.com) and can be accessed at: [https://www.bslltd.com/images/financials/1550815002\\_Related\\_Party\\_Transaction\\_Policy-2018%20bsl.pdf](https://www.bslltd.com/images/financials/1550815002_Related_Party_Transaction_Policy-2018%20bsl.pdf).

- **Details of Non Compliance**

There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

- **Vigil Mechanism/ Whistle Blower Policy**

Vigil Mechanism / Whistle Blower Policy Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website [www.bslltd.com](http://www.bslltd.com) and can be accessed at: [https://www.bslltd.com/images/financials/1487923284\\_Whistle-Blower-Policy.pdf](https://www.bslltd.com/images/financials/1487923284_Whistle-Blower-Policy.pdf).

- **Non- mandatory requirements**

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.

- **Subsidiaries**

The Company does not have any material non-listed Indian Subsidiary whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth, respectively, of the listed holding Company and its subsidiaries, in the immediately preceding accounting year. The Policy for determining material subsidiary is displayed on the Company's website [www.bslltd.com](http://www.bslltd.com) and can be accessed at: [https://www.bslltd.com/images/financials/1454423083\\_Policy-for-determining-Material-subsidary.pdf](https://www.bslltd.com/images/financials/1454423083_Policy-for-determining-Material-subsidary.pdf)

- **Commodity price risk and Commodity hedging activities**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable

- **A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

- **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:** The Board has accepted all the recommendations of the Audit Committee.

- **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

Details relating to fees paid to the Statutory Auditors are given in Note no. 35 (B) of the Financial Statements.

- **Disclosure of Accounting Treatment**

In preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies which are consistently applied are disclosed in Note No. 1 "Accounting Policies" under the "Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2020, in the Annual Report.

- **Performance Evaluation**

In compliance with the Companies Act, 2013 and Listing Regulations and Guidance Note on Board Evaluation issued by SEBI, your Board of Directors, during the financial year under review, carried out annual evaluation of its own performance as well as its

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Committees and also of the individual Directors in the manner as enumerated in the Nomination and Remuneration Policy of the Company viz.

- o Leadership & stewardship abilities,
- o Assess policies,
- o structures & procedures,
- o Regular monitoring of corporate results against projections,
- o Contributing to clearly define corporate objectives & plans,
- o Obtain adequate,
- o Relevant & timely information,
- o Review achievement of strategic and operational plans, objectives and budgets,
- o Identify, monitor & mitigate significant corporate risks,
- o Directly monitor & evaluate KMPs, senior officials,
- o Review management's Succession Plan, Effective meetings,
- o Clearly defining role & monitoring activities of Committees and
- o Review of ethical conduct etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on such parameters/ criteria as described above. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. Your Directors feel pleasure in informing the members that the performance of the Board as a whole and its members individually was adjudged satisfactory.

- **The Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2)**

S. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/ No/ NA)
1	Board of Directors	17(1)	Board composition	Yes
		17(2)	Meeting of Board of directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/compensation	Yes
		17(7)	Minimum Information	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Role of the Committee	Yes

## REPORT ON CORPORATE GOVERNANCE

S. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/ No/ NA)
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2), (3) & (4)	Composition & Role of Risk Management Committee	NA
6	Vigil Mechanism	22	Vigil Mechanism	Yes
7	Related Party Transaction	23(1),(5),(6),(7) &(8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Prior or Omnibus approval of Audit Committee for all related party transactions	Yes
		23(4)	Approval for Material Related Party Transactions	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	NA
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3) & (4)	Meeting of Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of Familiarisation Programmes imparted to Independent Directors	Yes

- **Prevention of Insider Trading Practices**

- i) **Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders & for Procedures of Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

The revised Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders & for Procedures of Fair Disclosure of Unpublished Price Sensitive Information (UPSI) was adopted by the Board at its Meeting held on 11<sup>th</sup> February, 2019, effective from 01<sup>st</sup> April, 2019. This revised Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase

## REPORT ON CORPORATE GOVERNANCE

or sale of Company shares by the Directors and the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Compliance Officer is responsible for implementation of the Code.

ii) **Policy for dealing with any leak in UPSI and Whistle blower policy for employees to report any leak or suspected leak of UPSI**

The Policy for dealing with any leak in UPSI is framed in terms of Securities and Exchange Board of India (Prohibition on Insider Trading) Regulations, 2015 as amended from time to time and was made effective from 1<sup>st</sup> April, 2019. The policy aims enabling employees of the Company to report any leak or suspected leak of UPSI, procedures for inquiry in case of leak of UPSI or suspected leak of UPSI and initiate appropriate action and informing the Board of Directors of the Company promptly of such leaks, inquiries and results of such inquiries.

iii) **Internal Control Mechanism to prevent Insider Trading**

The mechanism was adopted as internal controls to ensure compliances with the requirements given in the regulations and to prevent insider trading. The Board Chairman and Chairman of the Audit Committee reviews the Report on Compliance of the Code on yearly basis.

• **Compliance with the Code of Business Conduct and Ethics**

The Board of Directors has adopted the Code of Conduct for Directors & Senior Management. The said Code has been confirmed by all the Directors and members of the senior management. The Code has also been posted on the Company's website <http://www.bslltd.com/images/financials/CODE-OF-CONDUCT.pdf>. A declaration signed by the Chairman and Managing Director of the Company to this effect is enclosed with this report.

• **CEO/CFO Certificate**

The CEO/CFO Certificate, as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed with this report.

• **Compliance Certificate of the Auditors**

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 27 of the Listing Regulations, and the same is annexed to this report.

• **Investor Education and Protection Fund (IEPF)**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.bslltd.com](http://www.bslltd.com).

**Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

**Details of Unpaid Dividend as on 31<sup>st</sup> March, 2020 and due dates for transfer are as follows:**

S. No.	Financial Year	Date of declaration of Dividend	Unpaid Amount (in Rs.)	Due date for transfer to IEPF Account
1.	2013-14	19/09/2014	381592.00	25/10/2021
2.	2014-15	21/09/2015	408558.40	27/10/2022
3.	2015-16	24/09/2016	500924.40	30/10/2023
4.	2016-17	26/09/2017	545850.00	01/11/2024
5.	2017-18	28/09/2018	464498.00	03/11/2025
<b>Sum of Unpaid or Unclaimed Dividend: Rs. 23,01,422.80</b>				

## REPORT ON CORPORATE GOVERNANCE

### Details of Unpaid Dividend transferred to IEPF account till 31<sup>st</sup> March, 2020:

S. No.	Financial Year	Date of transfer	Transferred Amount (in Rs.)
1.	2009-10 (Final Dividend)	29/11/2017	398892.00
2.	2010-11 (Interim Dividend)	09/04/2018	361828.25
3.	2010-11 (Final Dividend)	06/11/2019	459794.00
<b>Total</b>			<b>1220514.25</b>

Note: During the year the Company has not transferred any amount of unpaid dividend to IEPF Account.

### Details of Shares transferred to IEPF account till 31<sup>st</sup> March, 2020 the dividend of which was unpaid/unclaimed for a period of 7 years:

S. No.	Relevant Financial Year	Date of transfer	No. of Shares Transferred
1.	2009-10 (Final Dividend)	03/12/2017	3994
2.	2010-11 (Interim Dividend)	17/04/2018	392
3.	2010-11 (Final Dividend)	22/11/2018	16751
<b>Total</b>			<b>21137</b>

Note: During the year the Company has not transferred shares (the dividend of which was unpaid/unclaimed for a period of 7 years) to IEPF Account.

### Details of Nodal Officer are as under:

Name: Shri Praveen Jain  
 Designation: President and Chief Financial Officer  
 Postal address: BSL LIMITED  
 26 Industrial Area, Gandhi Nagar, Bhilwara 311001 (Rajasthan)  
 Contact No.: 01482-246801 (6-lines)  
 Mobile No.: 9352111233  
 Mail ID: [praveenjain@bslsuitings.com](mailto:praveenjain@bslsuitings.com)

## GENERAL SHAREHOLDERS INFORMATION

### 1. Annual General Meeting

- Day, Date and Time : Tuesday, 29th September, 2020  
4:00 P.M.
- Deemed Venue : 26, Industrial Area, Gandhi Nagar, Bhilwara  
(Rajasthan) 311001

### 2. Financial Calendar & Publication of results

- The financial year of the Company is April to March
- Financial reporting for the quarter ending June 30, 2020 : Upto 14<sup>th</sup> August, 2020
  - Financial reporting for the half year ending September 30, 2020 : Upto 14<sup>th</sup> November, 2020
  - Financial reporting for the quarter ending December 31, 2020 : Upto 14<sup>th</sup> February, 2021
  - Financial reporting for the year ending March 31, 2021 : Upto 30<sup>th</sup> May, 2021
  - Annual General meeting for the year ended March 31, 2020 : Upto 30<sup>th</sup> September, 2020

### 3. Dates of Book Closure

- : 23rd September, 2020 to  
29th September, 2020

### 4. Registered office

- : 26, Industrial Area, Gandhi Nagar,  
Bhilwara (Rajasthan) 311001  
(Rajasthan) - 311001  
Tel : (01482) 249101-102, 245000  
E-mail: [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com)



## REPORT ON CORPORATE GOVERNANCE

5. **Dividend Payment Date:** The Board of Directors does not recommend any dividend for the financial year ended 31st March, 2020.

6. **Listing of Equity shares on Stock Exchanges at:**

1) **National Stock Exchange of India Limited**

Trade World, Senapati Bapat Marg,  
Lower Parel, Mumbai - 400 013

2) **Bombay Stock Exchange Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 023

**Note:** Listing Fee for the year 2019-20 has been paid to NSE & BSE.

7. **Stock Code**

ISIN No : INE 594B01012

BSE, Mumbai : 514045

National Stock Exchange : BSL

8. **Stock Market Data:**

Monthly high low values (in ₹ ) at BSE and NSE of Company's share and closing BSE Sensex are as follows:

MONTH	HIGH (₹ )		LOW (₹ )		BSE SENSEX
	BSE	NSE	BSE	NSE	
April, 2019	46.70	44.25	41.00	40.60	39031.55
May, 2019	40.50	42.90	35.00	35.05	39714.20
June, 2019	40.40	40.40	22.50	22.65	39394.64
July, 2019	35.00	36.00	26.60	23.90	37481.12
August, 2019	30.70	28.50	22.00	20.85	37332.79
September, 2019	34.95	34.70	23.55	23.25	38667.33
October, 2019	28.90	28.90	24.30	23.60	40129.05
November, 2019	33.70	33.30	24.60	24.65	40793.81
December, 2019	29.90	29.50	25.25	25.20	41253.74
January, 2020	39.90	39.95	28.10	26.95	40723.49
February, 2020	37.80	37.00	28.15	28.20	38297.29
March, 2020	30.85	30.05	17.95	17.05	28,440.32

9. **Registrars and share Transfer Agents & Depository Registrar** : MCS Share Transfer Agent Ltd.  
Sri Venkatesh Bhawan  
F-65, Okhla Industrial Area, Phase-I  
New Delhi-110 020  
Tel : 011-41406148  
Fax : 011-41709881  
E-mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

10. **Share Transfer System**

Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The Share Transfer Committee meets at least once in a fortnight. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

## REPORT ON CORPORATE GOVERNANCE

### 11. i) Distribution of shareholding as on 31st March, 2020

No. of shares	31 <sup>st</sup> March, 2020			
	No. of share holders	% of share holders	No. of share held	% of share holding
1-100	5959	58.22	357213	3.47
101-200	2139	20.90	355578	3.45
201-500	1188	11.61	434056	4.22
501-1000	468	4.57	372543	3.62
1001-5000	381	3.72	839456	8.16
5001-10000	37	0.36	268684	2.61
10001 and above	64	0.62	7664638	74.47
<b>Total :</b>	<b>10236</b>	<b>100.00</b>	<b>10292168</b>	<b>100.00</b>

### ii) Shareholding pattern as at 31st March, 2020

S. No.	Category	No. of shares held	Percentage of holding
<b>A.</b>	<b>Promoter's Holding</b>		
	1. Indian Promoters including corporates	5522072	53.65%
	2. Persons acting in concert – OCB's	287000	2.79%
	Sub Total	<b>5809072</b>	<b>56.44%</b>
<b>B.</b>	<b>Non-promoters Holding</b>		
	<b>(i) Institutional Investors</b>		
	1. Mutual Funds & UTI	856	0.01%
	2. Banks/ Financial Institutions	32453	0.32%
	3. Insurance Companies	393235	3.82%
	Sub Total (i)	<b>426544</b>	<b>4.15%</b>
	<b>(ii) Others</b>		
	4. Corporate Bodies	420098	4.08%
	5. Indian Public	3510745	34.11%
	6. NRI's / OCB's	104572	1.01%
	7. IEPF	21137	0.21%
	Sub Total (iii)	<b>4056552</b>	<b>39.42%</b>
	<b>Grand Total (A + B)</b>	<b>10292168</b>	<b>100.00%</b>

12. **Dematerialization of Shares and Liquidity** : 9844758 shares were dematerialized till 31/03/2020 which is 95.65 % of the total paid up Equity share capital of the Company.  
There are no outstanding GDRS/ ADRS/ Warrants or any convertible instruments.
13. **Plant Location** : Mandpam, Bhilwara (Rajasthan)  
TEL: 01482 249101
14. **Address for correspondence** : Company Secretary  
Investor Correspondence should be addressed to BSL Limited  
26, Industrial Area, Gandhi Nagar  
Bhilwara (Raj.) 311001  
Tel: (01482) (249101-102, 245000)  
E-mail: [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com)

- 15. Credit Rating** : **BBB+**  
Name of Credit rating agency : Brickwork Ratings India Private Limited  
During the year under review, there have been no revisions in Credit Rating obtained by the Company.

**16. Secretarial Audit for Reconciliation of Capital Compliance**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Secretarial Audit, to reconcile the total admitted capital with NSDL and CDSL and the total paid up and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total no. of Equity shares in dematerialized form (held with NSDL & CDSL) and total number of Equity shares in physical form.

**17. Other Information to the Shareholders**

• **Green Initiative**

As a responsible corporate citizen, the Company welcomes the Green Initiative by sending the communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP). Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs and in case of physical form with the Company.

• **Internal Complaints Committee (ICC)**

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which came into effect from the 9th of December, 2013, the Company has formulated an Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment verbal, written, physical, visual or otherwise. The Committee is formed as per the statute, it is headed by a women employee, the committee comprises of more than half representation of women, it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filing complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. During the year under review, no incident of sexual harassment was reported.

For and on behalf of the Board of Directors  
For BSL LTD

(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
DIN: 00001718

Place : Kolkata (W.B.)  
Date : 23rd June, 2020



## REPORT ON CORPORATE GOVERNANCE

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
BSL Ltd.  
26, Industrial Area, Gandhi Nagar  
Bhilwara-311001(Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BSL Ltd. having **CIN: L24302RJ1970PLC002266** and having registered office at **26, Industrial Area, Gandhi Nagar, Bhilwara -311 001 (Rajasthan)** (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of the Director	DIN
1.	Arun Kumar Churiwal	00001718
2.	Nivedan Churiwal	00001749
3.	Ravi Jhunjunwala	00060972
4.	Shekhar Agarwal	00066113
5.	Sushil Jhunjunwala	00082461
6.	Giriraj Prasad Singhal	00331849
7.	Amar Nath Choudhary	00587814
8.	Abhilasha Mimani	06932590
9.	Jagdish Chandra Laddha	00118527

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company..

**Place: Jaipur**  
**Date: June 23, 2020**  
**UDIN: F003355B000370315**

**For V. M. & Associates**  
**Company Secretaries**  
**(ICSI Unique Code P1984RJ039200)**

**CS Manoj Maheshwari**  
**Partner**  
**Membership No.: FCS 3355**  
**C P No.: 1971**

REPORT ON CORPORATE GOVERNANCE

**DECLARATION AS REQUIRED UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

All the Directors and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for Directors and Senior Management of BSL Limited for the Financial Year ended 31st March, 2020.

For BSL Limited

Place : Kolkata (W. B.)  
Date : 23rd June, 2020

(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
DIN-00001718

**CHIEF EXECUTIVE OFFICER (CEO) AND  
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To the Board of Directors  
BSL Limited

We, the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer of BSL Limited ("the Company"), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and based on our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading ;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statement; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For BSL Limited

(PRAVEEN JAIN)  
PRESIDENT & CFO  
Bhilwara (Rajasthan)

(ARUN CHURIWAL)  
CHAIRMAN & MANAGING DIRECTOR  
DIN-00001718

Date : 23rd June, 2020

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE****TO THE MEMBERS OF BSL LTD.**

We have examined the compliance of conditions of Corporate Governance by BSL Ltd. for the year ended 31st March, 2020 as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievance is pending for a period exceeding one month against the Company, as per the records maintained by the Shareholders / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SSMS & Associates**  
Chartered Accountants  
Firm Registration No:- 019351C

Place : Bhilwara (Raj.)  
Date : 10th July, 2020

**(SATISH SOMANI)**  
Partner  
Membership No:- 076241

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
BSL Limited  
Opinion

We have audited the accompanying standalone financial statements of **BSL Limited ("the Company")**, which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Foreign currency transactions</b> The company is having substantial turnover in foreign currency. It hedges currency fluctuations through forward booking or taking PCFC. Similarly imports are also hedged through forward booking. The company follows Ind AS – 109 for accounting of hedging transactions.</p>	<p><b>Principal Audit Procedures</b> Our audit approach and procedures were combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls related to forward booking and taking PCFC.</li> <li>• Assessed the appropriateness of the methodology used by the management for forward booking and taking PCFC credit</li> <li>• Assessed the professional competence of the person engaged by management in foreign currency matters</li> <li>• Assessed the reasonableness of assumptions in forward booking</li> <li>• Based on our procedures, we also considered the adequacy of disclosures and compliance of Ind AS in standalone financial statements.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITORS' REPORT

### Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we

are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Emphasis of Matters

The company has assessed the recoverability of its assets including receivables and inventories considering the internal and external information upto the date of approval of these financial statements and based on the current indicators of future economic conditions,



the company expects to recover the carrying amount of these assets. Refer note no. 41 to the accompanying financial statements. Further physical verification of inventories are done on other than balance sheet date due to nation wise lockdown on balance sheet date. Refer note no. 42 to the accompanying financial statements. We have obtained sufficient audit evidence for physical verification of inventories. Our opinion is not qualified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and

the operating effectiveness of such controls, refer to our separate Report in Annexure-II on this matter.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the companies Act, 2013.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 47 to the standalone financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SSMS & ASSOCIATES**

Chartered

Accountants

Firm Registration No.: 019351C

**(SATISH SOMANI)**

Partner

Membership No.076241

UDIN: 20076241AAAAAX2790

Place: Bhilwara

Date: 23/06/2020

## ANNEXURE-I TO AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" in our report of even date to the members of BSL Limited on the standalone financial statements of the company for the year ended 31st March, 2020. We report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the Company as per physical verification programme that covers every item of fixed assets at least once in three years. No material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of the company except **Land and buildings of merged company M/s Bhilwara Processors Limited are under name transfer process.**
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management; no any material discrepancies were noticed on physical verification. However due to nation wise lockdown, year end physical verification is done after resumption on plant from 27th April, 2020. Inventory as on balance sheet date is calculated by roll back procedures;
- (iii) The company has not granted any loan, secured or unsecured to the companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to information and explanations given to us, the company has not entered any transaction in respect of (loan, investments, guarantee and security) covered under section 185 and 186 of the Companies act, 2013.
- (v) The company has not accepted deposits under provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub section (1) of section 148 of Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records are being maintained.
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, cess, GST and any other statutory dues with the appropriate authorities.
- (b) According to the records of company, dues of income-tax, sales-tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues with the appropriate authorities, which has not been deposited on account of disputes are as under:

Nature of the Status	Nature of the due	Amount (Rs. In lacs)	Forum where dispute is pending
RVAT Act	Tax	29.78	High Court of Rajasthan
	Interest	09.99	
Income Tax Act	Tax	0.31	Commissioner Appeals
	Interest	0.01	

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan and borrowing to financial Institutions, banks, Government, or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments).
- (x) In our opinion and according to the information and explanations given to us, there is no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the companies Act, 2013.
- (xii) The provision specified in Nidhi Rule, 2014 is not applicable on Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has complied the provision of sections 177 and 188 of Companies Act, 2013 on all transactions with the related parties where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013.
- (xvi) The Company has not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Bhilwara  
Date : 23/06/2020

For **SSMS & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

## **ANNEXURE II TO AUDITOR'S REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of "Report on Other Legal and Regulatory Requirements" in our report of even date to the members of BSL Limited on the standalone financial statements of the company for the year ended 31st March, 2020**

### **Opinion**

We have audited the internal financial controls over financial reporting of BSL Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal

financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **SSMS &  
ASSOCIATES**

Chartered Accountants

Firm Registration No.: 019351C

Place: Bhilwara

Date : 23/06/2020

**(SATISH SOMANI)**

Partner

Membership No.076241

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020

(₹ in Lakhs)

Particulars	Note	As At	
		31.03.2020	31.03.2019
<b>ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, Plant and Equipment	2	8903.22	10009.88
(b) Capital Work in Progress	3	1.02	87.28
(c) Intangible Assets	4	20.35	28.83
(d) Financial Assets			
(i) Loans & Deposits	5	237.20	132.64
(e) Other Non-current Assets	6	13.42	26.42
		9175.21	10285.05
<b>(2) Current Assets</b>			
(a) Inventories	7	13938.14	11831.40
(b) Financial Assets			
(i) Trade Receivables	8	6912.38	8437.30
(ii) Cash & Cash Equivalents	9	33.67	19.72
(iii) Bank Balances (Other than ii above)	10	30.14	29.94
(iv) Loans & Deposits	11	61.10	75.06
(v) Other Financial Assets	12	117.95	194.56
(c) Current Tax Assets (Net)	13	314.89	193.62
(d) Other Current Assets	14	1482.16	1640.55
		22890.43	22422.15
<b>TOTAL ASSETS</b>		<b>32065.64</b>	<b>32707.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1029.22	1029.22
(b) Other Equity	16	6475.50	6645.72
		7504.72	7674.94
<b>LIABILITIES</b>			
<b>(1) Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2277.78	2872.59
(ii) Other Financial Liabilities	18	108.39	110.11
(b) Deferred Tax Liabilities (Net)	19	532.72	954.70
(c) Deferred Government Grant	20	82.13	123.17
(d) Other Non-current Liabilities	21	76.49	103.85
		3077.51	4164.42
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	13238.91	12794.93
(ii) Trade Payables	23	5319.79	4754.53
(iii) Other Financial Liabilities	24	2777.35	3149.70
(b) Deferred Government Grant	25	41.04	45.62
(c) Other Current Liabilities	26	106.32	123.06
		21483.41	20867.84
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32065.64</b>	<b>32707.20</b>

Accompanying notes form an integral part of the financial statements

As per our Report of even date

**For SSMS & Associates.**  
Chartered Accountants  
Firm Regd. No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

Place : Bhilwara (Raj.)  
Date : 23<sup>rd</sup> June, 2020

For and on behalf of the Board

**1) ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**2) NIVEDAN CHURIWAL**  
Joint Managing Director  
DIN: 00001749

**3) AMAR NATH CHOUDHARY**  
Director  
DIN: 00587814  
Place: Kolkata (W.B.)

**4) PRAVEEN JAIN**  
President & CFO  
PAN: ACYPJ2779D

**5) AANCHAL PATNI**  
Company Secretary  
Membership No.: A43134  
Place: Bhilwara (Raj.)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in Lakhs)

Particulars	Note	Year Ended	
		31.03.2020	31.03.2019
<b>I</b> Revenue from Operations	27	39004.41	43730.68
<b>II</b> Other Income	28	153.76	390.35
<b>III Total Income (I + II)</b>		<b>39158.17</b>	44121.03
<b>IV Expenses:</b>			
Cost of Materials Consumed	29	18849.77	20035.94
Purchases of Stock-in-trade	30	1686.59	2922.77
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	31	(1440.08)	(178.78)
Excise Duty		-	0.00
Employee Benefit Expenses	32	6617.95	6323.58
Finance Costs	33	1841.29	1750.11
Depreciation and Amortization Expenses	34	1306.61	1602.32
Other Expenses	35	10382.61	11549.25
<b>Total Expenses</b>		<b>39244.74</b>	44005.19
<b>V Profit Before Exceptional Items and Tax (III - IV)</b>		<b>(86.57)</b>	115.84
<b>VI Tax Expense:</b>			
(1) Current Tax	36	74.58	31.01
(2) Deferred Tax	37	(327.46)	(2.40)
<b>VII Profit/(Loss) for the Period (V-VI)</b>		<b>166.31</b>	87.23
<b>VIII Other Comprehensive Income</b>			
(A). (i) Items that will not be reclassified to Profit & Loss	38	(87.12)	(61.62)
(ii) Income Tax Effect	36/38	(21.93)	(20.57)
<b>Total (A)</b>		<b>(65.19)</b>	(41.05)
(B). (i) Items that will be reclassified to Profit & Loss	38	(365.86)	(23.54)
(ii) Income Tax Effect	37/38	(94.52)	(7.43)
<b>Total (B)</b>		<b>(271.34)</b>	(16.11)
<b>Total Other Comprehensive Income (A + B)</b>		<b>(336.53)</b>	(57.16)
<b>IX Total Comprehensive Income for the period (VII + VIII)</b>		<b>(170.22)</b>	30.07
<b>X Earning per Equity Share (Basic and Diluted)</b>	39	<b>1.62</b>	0.85

Accompanying notes form an integral part of financial statements

As per our Report of even date

**For SSMS & Associates.**  
Chartered Accountants  
Firm Regd. No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

Place : Bhilwara (Raj.)  
Date : 23<sup>rd</sup> June, 2020

**For and on behalf of the Board**

**1) ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**2) NIVEDAN CHURIWAL**  
Joint Managing Director  
DIN: 00001749

**3) AMAR NATH CHOUDHARY**  
Director  
DIN: 00587814  
Place: Kolkata (W.B.)

**4) PRAVEEN JAIN**  
President & CFO  
PAN: ACYPJ2779D

**5) AANCHAL PATNI**  
Company Secretary  
Membership No.: A43134  
Place: Bhilwara (Raj.)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit Before Tax	(86.57)	115.84
<b>Adjustments for:</b>		
Depreciation and Amortisation	1306.61	1602.32
Interest Paid	1650.91	1585.24
Defined Benefit Plan (OCI)	(87.12)	(61.62)
Loss / (Profit) on sale of Property, Plant & Equipment & Intangible Assets	4.52	(254.47)
Deferred Revenue expenditure	3.20	4.96
Operating Profit Before Working Capital Changes	2791.55	2992.27
<b>Adjustments for:</b>		
(Increase)/Decrease in Non - current Financial Assets - Loan & Deposits	(104.56)	(49.35)
(Increase)/Decrease in Non - current Assets - Others	13.00	(6.95)
(Increase)/Decrease in Inventories	(2106.74)	(224.99)
(Increase)/Decrease in Trade Receivables	1524.92	206.37
(Increase)/Decrease in Current Financial Assets - Loan & Deposits	13.96	6.44
(Increase)/Decrease in Current Financial Assets - Others	76.41	7.79
(Increase)/Decrease in Current Assets - Others	158.39	(491.22)
Increase/(Decrease) in Non - current Financial Liabilities - Others	(1.72)	(3.47)
Increase/(Decrease) in Non - current Liabilities - Others	(27.36)	(14.04)
Increase/(Decrease) in Trade Payables	565.26	(218.37)
Increase/(Decrease) in Current Financial Liabilities - Others	148.26	(89.57)
Increase/(Decrease) in Current Liabilities - Others	(16.74)	(4.22)
<b>Cash Generated from operations</b>	<b>3034.63</b>	<b>2110.69</b>
Direct taxes paid	0.00	(91.91)
<b>Net cash flow from operating activities (A)</b>	<b>3034.63</b>	<b>2018.78</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchases of Property, Plant & Equipment and Intangible Assets	(208.29)	(416.26)
Sales of Property, Plant & Equipment and Intangible Assets	52.93	405.35
<b>Net cash flow from investing activities (B)</b>	<b>(155.36)</b>	<b>(10.91)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Term Loans	9.00	51.59
Repayment of Term Loans	(1493.47)	(1485.68)
Proceeds/(Repayment) of current borrowings	443.98	1129.46
Dividend paid	0.00	(124.07)
Interest paid	(1650.91)	(1585.24)
<b>Net cash flow from financing activities (C)</b>	<b>(2691.40)</b>	<b>(2013.94)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>187.87</b>	<b>(6.07)</b>
Opening cash and cash equivalents	19.72	25.79
Closing cash and cash equivalents	207.59	19.72
<b>Accompanying notes form an integral part of financial statements</b>		

As per our Report of even date

**For SSMS & Associates.**  
Chartered Accountants  
Firm Regd. No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

Place : Bhilwara (Raj.)  
Date : 23<sup>rd</sup> June, 2020

For and on behalf of the Board

**1) ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**2) NIVEDAN CHURIWAL**  
Joint Managing Director  
DIN: 00001749

**3) AMAR NATH CHOUDHARY**  
Director  
DIN: 00587814  
Place: Kolkata (W.B.)

**4) PRAVEEN JAIN**  
President & CFO  
PAN: ACYPJ2779D

**5) AANCHAL PATNI**  
Company Secretary  
Membership No.: A43134  
Place: Bhilwara (Raj.)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in Lakhs)

### a. Equity Share Capital

Particulars	As At	
	31.03.2020	31.03.2019
Balance at the beginning of the year	1,029.22	1,029.22
Balance at the end of the year	1,029.22	1,029.22

### b. Other Equity

Particulars	Reserves and surplus					Item of Other comprehensive income	Total other equity
	Capital reserve	Capital Redemption Reserve	Securities premium	General Reserve	Retained earnings	Effective Portion of Cash Flow Hedge	
<b>Balance at 01.04.2018</b>	1015.97	30.00	1925.69	1418.77	2296.10	53.19	<b>6739.72</b>
Profit for the year	-	-	-	-	87.23	-	87.23
Other comprehensive income for the year	-	-	-	-	(41.05)	(16.11)	(57.16)
Equity Share Dividend	-	-	-	-	(102.92)	-	(102.92)
Dividend Distribution Tax	-	-	-	-	(21.15)	-	(21.15)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>(77.89)</b>	<b>(16.11)</b>	<b>(94.00)</b>
<b>Balance at 31.03.2019</b>	<b>1015.97</b>	<b>30.00</b>	<b>1925.69</b>	<b>1418.77</b>	<b>2218.21</b>	<b>37.08</b>	<b>6645.72</b>
Profit for the year	-	-	-	-	166.31	-	166.31
Other comprehensive income for the year	-	-	-	-	(65.19)	(271.34)	(336.53)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>101.12</b>	<b>(271.34)</b>	<b>(170.22)</b>
Balance at 31.03.2020	<b>1015.97</b>	<b>30.00</b>	<b>1925.69</b>	<b>1418.77</b>	<b>2319.33</b>	<b>(234.26)</b>	<b>6475.50</b>

Accompanying notes form an integral part of financial statements

As per our Report of even date

**For SSMS & Associates.**  
Chartered Accountants  
Firm Regd. No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

Place : Bhilwara (Raj.)  
Date : 23<sup>rd</sup> June, 2020

**For and on behalf of the Board**

**1) ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**2) NIVEDAN CHURIWAL**  
Joint Managing Director  
DIN: 00001749

**3) AMAR NATH CHOUDHARY**  
Director  
DIN: 00587814  
Place: Kolkata (W.B.)

**4) PRAVEEN JAIN**  
President & CFO  
PAN: ACYPJ2779D

**5) AANCHAL PATNI**  
Company Secretary  
Membership No.: A43134  
Place: Bhilwara (Raj.)



Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**1. Company Overview and Accounting Policies****A. Corporate Information**

BSL Limited (“the Company”) is a public Limited company incorporated and domiciled in India and has its registered office at 26, Industrial Area, Gandhi Nagar, Bhilwara, Rajasthan. The Company has its primary listing on the BSE Limited and National Stock Exchange in India.

The Company’s operation predominantly relates to Textile & Generation of Wind Power. BSL is one of the India’s largest vertically integrated textile company and leading manufacturers of Poly Viscose, Worsted, Fashion Fabrics and Yarns in India.

**B. Significant Accounting Policies****I. Statement of Compliance**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 as amended from time to time and guidelines issued by the Securities and Exchange Board of India (SEBI).

**II. Basis of preparation and presentation**

The financial statements are prepared on the historical cost basis except for following financial instruments that are measured at fair value:

- Defined benefit plan- Plan assets measured at fair value,
- Certain financial assets and liabilities measured at fair value (including derivative instruments).

**Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

**Classification of Assets and Liabilities as Current and Non-Current**

All assets & liabilities are classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria is satisfied:

- i. The Company expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. The Company holds the asset primarily for the purpose of trading;
- iii. The Company expects to realize the asset within twelve months after the reporting period;
- iv. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria is satisfied:

- i. The Company expects to settle the liability in its normal operating cycle;
- ii. The Company holds the liability primarily for the purpose of trading;
- iii. The liability is due to be settled within twelve months after the reporting period; or
- iv. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

**III. Revenue recognition**

The company mainly deals in textiles and derives revenues primarily from sale of manufactured goods, traded goods and related services. The company is also engaged in generation of power through wind mill.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied, at

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

an amount that reflects the consideration the company expects to receive in exchange for those products and services. The period over which revenue is recognised is based on entity's right to payment for performance completed.

### Other Operating revenue

- a) Export incentives are accounted for in the year of export.
- b) Interest on bank deposits is recognised on the effective interest rate method basis taking into account the amounts invested and the rate of interest applicable.
- c) Interest from trade receivables and other financial assets are recognized when it is probable that the economic benefit will flow to the entity and the amount can be measured reliably.
- d) Claim lodged with insurance companies is recognized as income on acceptance by the insurance Companies.

### IV. Government Grant & Government Assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant/subsidy if relates to an expense item are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognise as expenses the related costs for which the grants are intended to compensate.

The Capital Subsidy under Technology Up-gradation Fund Scheme (TUFS) from Government on specified machinery is recognized on a systematic and rational basis by adopting Deferred Income Approach. Such allocation to income is done prospectively over the remaining useful life of the respective assets and is adjusted against the depreciation in the Statement of Profit and Loss. Pending the utilization of the grant received, the same is presented as 'Deferred Income'.

If the grant/subsidy is related to subvention of a particular expense, it is deducted from that expense in the year of recognition of government grant/ subsidy.

### V. Inventories

Inventories including goods-in-transit are valued at lower of cost and estimated net realizable value. Cost of inventory includes the cost of purchase & GST paid on inputs and all other direct and indirect cost allocated proportionately incurred in bringing the inventories to their present location and condition.

#### Raw materials and stores & spares:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis in case of raw material and on weighted average basis in case of stores & spares. Waste material is valued at net realizable value.

#### Finished goods and work in progress:

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.

#### Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

**Waste:** Valued at net realizable value

#### Goods on Job work:

Processed value of goods on job basis is valued at contract rate.

### VI. Property, Plant and Equipment (PPE)

#### Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment (PPE) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**Subsequent expenditure**

Subsequent expenditure on property plant & equipment after its purchase / completion is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**Impairment**

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognized in the statement of profit and loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**Capital work-in-progress**

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost.

**Depreciation**

Depreciation is recognised for property, plant and equipment so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method over the useful lives prescribed under Schedule II of Companies Act, 2013

Free hold land is not depreciated.

Depreciation on additions to or on disposal of property, plant and equipment is calculated on pro-rata basis i.e. from (up to) the date on which the Property, Plant and Equipment is available for use (disposed off).

**Derecognition of PPE**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment) is included in the statement of profit & loss when the property, plant and equipment is derecognized.

**VII. Intangible assets****Recognition and measurement**

An intangible asset is recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of a separately acquired intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

**Amortisation**

The useful lives of intangible assets are assessed as either finite or infinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

**Impairment**

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

The estimated useful life of the finite intangible assets is given below:

S. No.	Nature of Assets	Effective Useful Life	Amortisation Method
1.	Computer Software	6 Years	Amortised on Straight line basis over the useful life.

### Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from Derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit and loss when the asset is derecognised.

### VIII. Foreign currencies

The Company's financial statements are presented in INR. (₹ )

#### Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in Statement of profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### Derivative Financial Instruments and Hedge Accounting

The Company uses derivative instruments i.e. forward contracts to hedge its foreign currency risks. The Company designates these forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company has designated forward instruments on spot to spot basis. The Company recognises the forward points in the statement of profit and loss account.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives is recognised in other comprehensive income and accumulated in the other comprehensive income under other equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in other comprehensive income till the period hedge was effective remains in other comprehensive income until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the other comprehensive income is transferred to the statement of profit and loss upon the occurrence of related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in other comprehensive income is reclassified to net profit in the statement of profit and loss.

### IX. Employee benefits

#### Short-term Employee Benefits

Short-term employee benefits obligation is measured on undiscounted basis and is expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**Defined Contribution Plan:**

The Company makes defined contribution to Employees Provident Fund Organization (EPFO), Pension Fund, Superannuation Fund and Employees State Insurance (ESI), which are accounted on accrual basis as expenses in the statement of profit and loss in the period during which the related services are rendered by employees.

Prepaid contribution is recognized as assets to the extent that a cash refund or reduction in future payments is available.

**Defined Benefit Plan:**

The Company's liabilities on account of gratuity and earned leave on retirement of employees are determined under defined benefit plans.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year.

Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**X. Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability will be settled or the asset will be realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

### **Current and deferred tax for the year**

Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **XI. Provisions, Contingent Liabilities**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### **XII. Segment reporting**

The Board of Directors of the Company identified Textiles and Wind power as segments as Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements.

The "Textile and Wind Power" operating segments have been identified on the basis of the nature of products/services.

- a) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment revenue.
- b) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results.
- c) Expenses which relate to the Company as a whole and not allocable to segments are included under unallowable expenditure.
- d) Income which relates to the Company as a whole and not allocable to segments is included in unallowable income.
- e) Segment result includes margin on inter segment sales which are reduced in arriving at the profit before tax of the Company.
- f) Segment assets & liabilities include those directly identifiable with the respective segments. Unallowable assets & liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

### **Inter-Segment transfer pricing**

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis and are on an arm's length basis on the basis of market prices.

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**XIII. Earnings per share**

Basic earnings per share are computed by dividing the profit/loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**XIV. Statement of Cash flow**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**XV. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

**XVI. Non-Current assets(or disposal groups) held for sale and discontinued operations**

Non-Current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations or is a subsidiary acquired exclusively with a view to re sale. The results of discontinued operations are presented separately in the statement of profit and loss.

**XVII. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### **XVIII. Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

### **XIX. Financial instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognized immediately in the statement of profit and loss.

#### **Financial assets**

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortized cost.
- Financial asset at fair value through other comprehensive income.
- Financial asset at fair value through profit or loss.

#### **Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

**Financial assets at fair value through profit or loss ('FVTPL')**

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in Statement of profit or loss.

**Impairment of financial assets (other than at fair value)**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the date of the invoice, loss for the time value of money is not recognized, since the same is not considered to be material.

**Derecognition of financial assets**

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfers nor retains substantially all the risk and reward of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retains substantially all the risks and reward of ownership of a transferred financial asset, the company continues to recognize the financial asset and also a collateralized borrowing for the proceeds received.

**Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

**Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Trade and other Payables**

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognized initially at fair value and subsequently measured at amortized cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

**Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit and loss.

**Reclassification of financial assets and financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**XX. Impairment of Non-Financial assets**

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risks specific to the CGU (or the asset).

The corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**XXI. Use of estimates**

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and current and / or future periods are affected.

**XXII. Critical accounting judgments and key sources of estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

**Critical accounting judgments in applying accounting policies**

The following are the critical judgments, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer Note XVII)

**Impairment of non-financial assets**

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

**Assets Held for sale**

Management Judgment is required for identifying the assets which are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable which could lead to significant judgment. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

**Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

**Contingencies**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### Insurance claims

Insurance claims are recognized when the Company has reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

### XXIII.Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

#### Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no VI).

#### Impairment of property plant and equipment

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss. (Refer note VI)

#### Valuation of deferred tax assets

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note X).

#### Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized but disclosed in the financial statements wherever applicable. (Refer note XI)

## 2. PROPERTY, PLANT & EQUIPMENT.

(₹ In Lakhs)

Particulars	Gross Block			Depreciation/Amortisation					Net Carrying Value	
	As at 31.03.19	Additions	Disposals	As at 31.03.20	Up to 31.03.19	Deductions	For the Year 2019-20	Total Up to 31.03.20	As at 31.03.20	As at 31.03.19
Land – Free Hold	28.11	-	-	28.11	0.02	-	0.01	0.03	28.08	28.09
Land – Lease Hold	152.57	-	-	152.57	7.25	-	2.44	9.69	142.88	145.32
Buildings ( Including Roads)	3233.15	160.75	-	3393.90	499.85	-	174.92	674.77	2719.13	2733.30
Plant and Equipments	10331.21	85.06	14.28	10401.99	3955.76	4.05	1031.71	4983.42	5418.57	6375.45
Electrical Installation and Equipments	269.56	15.12	-	284.68	125.88	-	24.65	150.53	134.15	143.68
Computer and data processing units	76.32	6.01	0.47	81.86	46.14	0.26	11.47	57.35	24.51	30.18
Furniture and Fixtures	243.10	5.94	24.22	224.82	86.45	20.82	22.45	88.08	136.74	156.65
Vehicles	443.06	10.10	74.52	378.64	148.91	32.17	45.94	162.68	215.96	294.15
Office Equipments	214.08	9.12	2.87	220.33	111.02	1.61	27.72	137.13	83.20	103.06
<b>Total</b>	<b>14991.16</b>	<b>292.10</b>	<b>116.36</b>	<b>15166.90</b>	<b>4981.28</b>	<b>58.91</b>	<b>1341.31</b>	<b>6263.68</b>	<b>8903.22</b>	<b>10009.88</b>

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	Gross Block			Depreciation/Amortization				Net Carrying Value		
	As at 31.03.18	Additions	Disposals	As at 31.03.19	Up to 31.03.18	Deductions	For the Year 2018-19	Total Up to 31.03.19	As at 31.03.19	As at 31.03.18
Land – Free Hold	28.11	-	-	28.11	0.01	-	0.01	0.02	28.09	28.10
Land – Lease Hold	165.25	-	12.68	152.57	5.30	0.65	2.60	7.25	145.32	159.95
Buildings ( Including Roads )	3122.10	130.90	19.85	3233.15	316.53	3.42	186.74	499.85	2733.30	2805.57
Plant and Equipments	10251.51	160.43	80.73	10331.21	2669.66	4.24	1290.34	3955.76	6375.45	7581.85
Electrical Installation and Equipments	258.37	11.19	-	269.56	99.72	-	26.16	125.88	143.68	158.65
Computer and data processing units	70.67	8.05	2.40	76.32	32.75	0.70	14.09	46.14	30.18	37.92
Furniture and Fixtures	237.34	8.08	2.32	243.10	57.09	0.60	29.96	86.45	156.65	180.25
Vehicles	458.33	50.13	65.40	443.06	118.74	27.08	57.25	148.91	294.15	339.59
Office Equipments	196.54	24.11	6.57	214.08	79.16	2.38	34.24	111.02	103.06	117.38
<b>Total</b>	<b>14788.22</b>	<b>392.89</b>	<b>189.95</b>	<b>14991.16</b>	<b>3378.96</b>	<b>39.07</b>	<b>1641.39</b>	<b>4981.28</b>	<b>10009.88</b>	<b>11409.26</b>

- Disposal from Gross Block represents sale/transfer/discard of property, plant & equipment/ and adjustment of lease rent.
- Deduction in depreciation is on account of Sale/Transfer/discard of property, plant & equipment.
- Depreciation for the year 2019-20 includes ₹ 45.63 lac (P.Y. ₹ 55.81 lac) against amortization of government capital grants.
- Assets pledged as security refer note no. 17 and 22.

## 3. CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	As at 31.03.2019	Addition	Capitalization	As at 31.03.2020
Buildings	87.28	1.02	87.28	1.02
<b>Total</b>	<b>87.28</b>			<b>1.02</b>

(₹ in lac)

Particulars	As at 31.03.2018	Addition	Capitalization	As at 31.03.2019
Buildings	27.58	184.91	125.21	87.28
Plant & Equipments	37.32	32.20	69.52	-
<b>Total</b>	<b>64.90</b>	<b>217.11</b>	<b>194.73</b>	<b>87.28</b>

## 4. INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Gross Block			Amortization			Net Carrying Value		
	As at 31.03.19	Additions	Disposals	As at 31.03.20	Up to 31.03.19	Deductions For the Year 2019-20	Total Up to 31.03.20	As at 31.03.20	As at 31.03.19
Computer Software - acquired	74.92	2.45	-	77.37	46.09	-	10.93	57.02	28.83

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	Gross Block			Amortization			Net Carrying Value		
	As at 31.03.18	Additions	Disposals	As at 31.03.19	Up to 31.03.18	Deductions For the Year 2018-19	Total Up to 31.03.19	As at 31.03.19	As at 31.03.18
Computer Software-acquired	73.93	0.99		74.92	29.35	16.74	46.09	28.83	44.58

### 5. NON - CURRENT FINANCIAL ASSETS – LOANS & DEPOSITS

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>Unsecured, Considered Good</b>		
Staff Loans & Advances	7.82	20.88
Security Deposits	229.38	111.76
<b>Total</b>	<b>237.20</b>	<b>132.64</b>

### 6. NON -CURRENT ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>Unsecured, Considered Good</b>		
Capital Advances	1.50	12.66
Prepaid Expenses	10.22	12.06
Others	1.70	1.70
<b>Total</b>	<b>13.42</b>	<b>26.42</b>

### 7. INVENTORIES

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Raw Materials (Includes in transit: ₹ 24.84 , PY ₹ 25.08)	3177.08	2520.84
Work in Progress	3643.42	2863.87
Finished Goods	6689.76	6097.91
Traded Goods	203.69	135.01
Stores & Spares	224.19	213.77
<b>Total</b>	<b>13938.14</b>	<b>11831.40</b>

- (i) For basis of valuation of inventory refer note no: 1- B(V)
- (ii) For inventories hypothecated against borrowings refer note no.17 and 22.

### 8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Trade Receivables - Unsecured, considered good	6912.38	8437.30
<b>Total</b>	<b>6912.38</b>	<b>8437.30</b>

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

- i) During the year, the Company discounted trade receivable with an aggregate carrying amount of ₹ Nil (₹ 476.64 lac as on March 31st, 2019) to the banks. If the trade receivables are not paid at maturity, the banks have right to recourse the Company to pay the unsettled balance. As the Company has not transferred significant risk and rewards relating to these trade receivables, it continues to recognize the full carrying amount of the receivables and has recognized amount received from banks as secured borrowings.
- ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

## 9. CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
Balance with banks		
- Current account	29.21	16.92
Cash in hand	4.46	2.80
<b>Total</b>	<b>33.67</b>	<b>19.72</b>

## 10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
Unpaid Dividend Account*	23.03	23.26
Bank Deposits above 3 months but within 12 months maturity	7.11	6.68
<b>Total</b>	<b>30.14</b>	<b>29.94</b>

\*Earmarked against the corresponding provision. Refer note no. 24.

## 11. CURRENT FINANCIAL ASSETS – LOANS &amp; DEPOSITS

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
<b>Unsecured, Considered Good</b>		
Staff Loans & Advances	54.65	68.61
Security Deposit	6.45	6.45
<b>Total</b>	<b>61.10</b>	<b>75.06</b>

## 12. CURRENT FINANCIAL ASSETS - OTHERS

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
Forward Cover Receivable	-	134.53
Incentive/Rebate Receivable	99.63	49.66
Others	18.32	10.37
<b>Total</b>	<b>117.95</b>	<b>194.56</b>

## 13. CURRENT TAX ASSETS (NET)

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
Advance Tax and TDS	435.33	274.43
Less: Income Tax Provision	120.44	80.81
<b>Total</b>	<b>314.89</b>	<b>193.62</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### 14. CURRENT ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Interest Subsidy Receivable	420.40	350.01
Export Incentive Receivable	315.25	419.14
Claims & Other Receivable from Government Authority	421.97	741.27
Amount Recoverable from Gratuity Fund (Refer Note 40)	30.82	-
Amount recoverable from Earned Leave Fund (Refer Note 40)	6.11	2.34
Prepaid Expenses	287.61	127.79
<b>Total</b>	<b>1482.16</b>	<b>1640.55</b>

### 15. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>Authorized:</b>		
2,90,00,000 (PY : 2,90,00,000) Equity Shares of ₹ 10 each	2900.00	2900.00
5,00,000 (PY: 5,00,000) Redeemable Cumulative Preference Shares of ₹ 100 each	500.00	500.00
<b>Total</b>	<b>3400.00</b>	<b>3400.00</b>
<b>Issued, Subscribed &amp; Paid-up:</b>		
1,02,92,168 (PY: 1,02,92,168) Equity Shares of ₹ 10 each	1029.22	1029.22
<b>Total</b>	<b>1029.22</b>	<b>1029.22</b>

#### i) Term / Rights attached to Equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### ii) Reconciliation of the number of shares

Particulars	As At	
	31.03.2020	31.03.2019
Opening	1,02,92,168	1,02,92,168
Closing	<b>1,02,92,168</b>	<b>1,02,92,168</b>

#### iii) Details of Shares held by Shareholders holding more than 5% shares of the Company

Name of Shareholders	As at			
	31.03.2020		31.03.2019	
	No. of Shares	%	No. of Shares	%
Sudha Churiwal	1105055	10.74	1105055	10.74
Arun Kumar Churiwal	1076916	10.46	1076916	10.46
Akunth Textile Processors Pvt. Ltd.	697774	6.78	697774	6.78
Nivedan Churiwal	661071	6.42	661071	6.42
Shubha Churiwal	625450	6.08	625450	6.08

#### (iv) The Company does not have any holding/ultimate holding company.



Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 16. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>i) Capital Reserve</b>		
Balance at the beginning of the year	1015.97	1015.97
<b>Balance at the end of the year</b>	<b>1015.97</b>	1015.97
<b>ii) Capital Redemption Reserve</b>		
Balance at the beginning of the year	30.00	30.00
<b>Balance at the end of the year</b>	<b>30.00</b>	30.00
<b>iii) Securities Premium</b>		
Balance at the beginning of the year	1925.69	1925.69
<b>Balance at the end of the year</b>	<b>1925.69</b>	1925.69
<b>iv) General Reserve</b>		
Balance at the beginning of the year	1418.77	1418.77
<b>Balance at the end of the year</b>	<b>1418.77</b>	1418.77
<b>(v) Retained Earnings</b>		
Balance as at the beginning of the year	2218.21	2296.10
Profit for the year	166.31	87.23
Remeasurment of defined benefit plans through OCI	(65.19)	(41.05)
Total surplus	2319.33	2342.28
Less : Appropriations		
Equity Share Dividend	-	102.92
Dividend Distribution Tax	-	21.15
<b>Balance as at the end of the year</b>	<b>2319.33</b>	2218.21
<b>(vi) Other Comprehensive Income</b>		
Balance as at the beginning of the year	37.08	53.19
For the year	(271.34)	(16.11)
<b>Balance at the end of the year</b>	<b>(234.26)</b>	37.08
<b>Total</b>	<b>6475.50</b>	6645.72

**Capital Reserve** – Capital reserve is created on amalgamation of Bhilwara Processors Limited and BSL Wulfling Limited with the company and the same will be utilized as per the provisions of the Companies Act, 2013.

**Capital Redemption Reserve** – Capital redemption reserve is created on redemption of preference share capital and the same will be utilized as per the provisions of the Companies Act, 2013.

**Securities Premium** – Security premium is created on issue of equity shares at premium and the same will be utilized as per the provisions of the Companies Act, 2013.

- (i) The Other Comprehensive Income (Net gains/(loss) on hedging instruments) represents the cumulative effective portion of gain / (losses) arising on changes in fair value of designated portion of hedging instruments entered into for Cash Flow Hedge reserve. The cumulative gain/ (losses) arising on changes in fair value of designated portion of the hedging instruments that are recognized and accumulated under the heading of Cash Flow Hedge Reserve will be reclassified to the Profit and Loss only when the hedge transaction affects the Profit and Loss account.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### (ii) Details of Dividend Paid.

Particulars	(₹ in Lakhs)	
	31.03.2020	31.03.2019
Dividend paid @ Rs.NIL per share (PY Rs.1.00 Per share)	-	102.92
Dividend distribution tax	-	21.15
<b>Total</b>	<b>-</b>	<b>124.07</b>

### 17. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	(₹ in Lakhs)	
	As at	
	31.03.2020	31.03.2019
<b>Secured Borrowing</b>		
Term Loans from Banks	2229.44	2785.61
Vehicle Loans - from Banks	48.34	75.14
- from Others	-	11.84
<b>Total</b>	<b>2277.78</b>	<b>2872.59</b>

- i) **Nature of Security:** The Term Loans from Banks are secured by way of joint equitable mortgage / hypothecation of all immovable and movable existing and future assets of the Company except book debts ranking paripassu subject to prior charge created / to be created in favour of the Company's bankers on stocks of raw materials, semi-finished, finished goods for working capital.
- ii) **Terms of Repayment of Secured Borrowing:** Secured term loans from banks are repayable in quarterly installments and having floating interest rates ranging from Base Rate/MCLR + spread (1.00% to 3.75 % as on 31.03.2020 and 1.00% to 4.75% as on 31.03.2019) and vehicle loans are repayable in monthly installments and having interest rates ranging from 8.60% to 12.93% (P.Y. 8.60% to 12.93%). Period of maturity and installments outstanding are as under:-
- iii) No term loan is guaranteed by Directors or Others.

Name of Banks	Date of Maturity	No. of Installments Outstanding as on 31.03.2020	As at 31.03.2020			As at 31.03.2019		
			Total Outstanding	*Current Maturities	Long Term Borrowings	Total Outstanding	Current Maturities	Long Term Borrowings
<b>(A) Term Loan From Banks</b>								
UCO Bank	30.09.2020	1	54.43	54.43	-	274.43	220.00	54.43
Oriental Bank of Commerce	30.09.2020	1	28.50	28.50	-	108.00	108.00	-
Export Import Bank of India	01.06.2022	7	1120.00	320.00	800.00	1760.00	640.00	1120.00
State Bank of India	31.03.2025	18	1616.64	184.00	1432.64	1708.65	92.00	1616.65
Punjab National Bank	-	-	-	-	-	126.38	126.38	-
Punjab National Bank	-	-	-	-	-	270.13	270.13	-
State Bank of India	-	-	-	-	-	20.00	20.00	-
Deferred Revenue Expenditure			(5.47)	(2.27)	(3.20)	(9.31)	(3.84)	(5.47)
<b>Total (A)</b>			<b>2814.10</b>	<b>584.66</b>	<b>2229.44</b>	4258.28	1472.67	2785.61
<b>(B) Vehicle Loans</b>								
From Banks		8 to 58	81.41	33.07	48.34	105.86	30.72	75.14
From Others		10	11.84	11.84	-	24.49	12.65	11.84
<b>Total (B)</b>			<b>93.25</b>	<b>44.91</b>	<b>48.34</b>	130.35	43.37	86.98
<b>Total (A + B)</b>			<b>2907.35</b>	<b>629.57</b>	<b>2277.78</b>	4388.63	1516.04	2872.59

\* Current maturity has been determined considering the deferment of term loan installments due up to August 2020 by RBI through guidelines dated 22/05/2020 and wherever such option has been opted by the company with respective banks.

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 18. NON - CURRENT FINANCIAL LIABILITIES - OTHER

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Agent & Dealers Deposits	108.39	110.11
<b>Total</b>	<b>108.39</b>	<b>110.11</b>

## 19. DEFERRED TAX LIABILITIES (NET)

- i) The Company has utilized deferred tax liability of ₹ 327.46 Lac (PY utilized of ₹ 2.40 Lac) in profit and loss account and utilized deferred tax liability of ₹ 94.52 Lac (PY utilized ₹ 7.43 Lac) in OCI, determined on account of temporary differences in accordance with 'IND AS - 12 INCOME TAXES' as under :-

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>A. Deferred Tax Liability</b>	<b>650.67</b>	<b>998.29</b>
<b>B. Deferred Tax Assets</b>	<b>117.95</b>	<b>43.59</b>
<b>Net Deferred Tax Liability</b>	<b>532.72</b>	<b>954.70</b>

- i) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.  
ii) Movement in Deferred Tax Liabilities/Assets

(₹ in Lakhs)

Particulars	Opening Balance as on 31.03.2019	Recognized in the statement of profit and loss	Recognized in the statement of Other Comprehensive Income	Closing Balance as on 31.03.2020
Deferred Tax Liabilities in relation to				
- Depreciation on Fixed Assets	979.71	(329.04)		650.67
- Cash Flow Hedge	18.58		(18.58)	-
<b>Total</b>	<b>998.29</b>	<b>(329.04)</b>	<b>(18.58)</b>	<b>650.67</b>
Deferred Tax Assets in relation to				
- Cash Flow Hedge	-	-	75.94	75.94
- Disallowed u/s 43B	43.42	(12.51)		30.91
- Premium on unsettled forward cover	0.17	10.93		11.10
<b>Total</b>	<b>43.59</b>	<b>1.58</b>	<b>75.94</b>	<b>117.95</b>
<b>Net Deferred Tax Liability</b>	<b>954.70</b>	<b>(327.46)</b>	<b>(94.52)</b>	<b>532.72</b>

Particulars	Opening Balance as on 31.03.2018	Recognized in the statement of profit and loss	Recognized in the statement of Other Comprehensive Income	Closing Balance as on 31.03.2019
Deferred Tax Liabilities in relation to				
- Depreciation on Fixed Assets	1007.66	(27.95)	-	979.71
- Cash Flow Hedge	26.01	-	(7.43)	18.58
<b>Total</b>	<b>1033.67</b>	<b>(27.95)</b>	<b>(7.43)</b>	<b>998.29</b>
Deferred Tax Assets in relation to				
- Disallowed u/s 43B	48.24	(4.82)	-	43.42
- Premium on unsettled forward cover	15.56	(15.39)	-	0.17
- MAT Credit	5.33	(5.33)	-	-
<b>Total</b>	<b>69.13</b>	<b>(25.55)</b>	<b>-</b>	<b>43.59</b>
<b>Net Deferred Tax Liability</b>	<b>964.54</b>	<b>(2.40)</b>	<b>(7.43)</b>	<b>954.70</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### 20. NON - CURRENT LIABILITIES - DEFERRED GOVERNMENT GRANT

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Deferred Government Grant	82.13	123.17
<b>Total</b>	<b>82.13</b>	<b>123.17</b>

Government grants have been received for the purchase of certain items of property, plant & equipment. There are no unfulfilled conditions or contingencies attached to these grants.

Particulars	31.03.2020	31.03.2019
<b>TUF Capital Investment Subsidy</b>		
Opening Balance	168.79	224.60
Released to the statement of profit and loss	45.62	55.81
<b>Closing Balance</b>	<b>123.17</b>	<b>168.79</b>
<b>Non Current</b>	<b>82.13</b>	<b>123.17</b>
<b>Current</b>	<b>41.04</b>	<b>45.62</b>

### 21. NON - CURRENT LIABILITIES - OTHERS

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Staff Deposits	76.49	103.85
<b>Total</b>	<b>76.49</b>	<b>103.85</b>

### 22. CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
<b>SECURED:</b>		
Working Capital Loans from Banks( Repayable on Demand)	12280.91	12181.39
<b>UNSECURED</b>		
Loan from Others( Repayable on demand)	958.00	613.54
<b>Total</b>	<b>13238.91</b>	<b>12794.93</b>

- i) Bank loans for working capital are secured against hypothecation of stocks of raw materials, finished goods and goods in process. The same is also secured by second charge created/to be created in favour of Company's Bankers by way of joint equitable mortgage on immovable properties of the Company which is ranking pari passu and having floating interest rate ranging from 9.20% to 12.05% (P.Y. 9.40% to 11.10%).
- ii) No Working Capital loan is guaranteed by Directors or Others.
- iii) Unsecured loan are having interest rate @ 4.50% and 11.85 % as on 31.03.2020 (P.Y. 11.85%).

### 23. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Trade Payable – Related Party	1875.39	1308.69
– MSME	22.25	8.12
– Others	3422.15	3437.72
<b>Total</b>	<b>5319.79</b>	<b>4754.53</b>

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**Other information related to MSME**

The information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company:

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
a) Principle amount and interest due thereon remaining unpaid to any supplier as on March 31.	22.25	8.12
b) Interest paid by the Company in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c) The amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d) The amount of interest accrued and remaining unpaid.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

**24. CURRENT FINANCIAL LIABILITIES - OTHERS**

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Current Maturities of Long-Term Debt (Refer Note no. 17)	629.57	1516.04
Un-Paid Dividend	23.03	23.26
Liability Towards Staff & Worker	407.03	397.13
Sundry Creditors for Capital Goods	0.95	8.86
Mark To Market Loss Cash Flow Hedge	425.39	-
Other Liabilities	1291.38	1204.41
<b>Total</b>	<b>2777.35</b>	<b>3149.70</b>

There is no amount of Un-paid dividend, due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

**25. CURRENT LIABILITIES - DEFERRED GOVERNMENT GRANT**

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Deferred Government Grant (Refer note no. 20)	41.04	45.62
<b>Total</b>	<b>41.04</b>	<b>45.62</b>

**26. CURRENT LIABILITIES - OTHERS**

(₹ in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Statutory Dues Payable	106.32	123.06
<b>Total</b>	<b>106.32</b>	<b>123.06</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### 27. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Sale of Products - Domestic	17684.74	20357.76
- Export	19748.30	22093.30
Sales of Services	1189.23	736.38
Other Operating Revenue	382.14	543.24
<b>Total</b>	<b>39004.41</b>	<b>43730.68</b>

### 28. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Interest Income	101.03	111.66
Exchange Gain	44.13	15.64
Rent Receipt	8.47	8.11
Net Gain on Sale of Property, Plant & Equipment	-	254.47
Misc. Income	0.13	0.47
<b>Total</b>	<b>153.76</b>	<b>390.35</b>

### 29. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Opening inventory	2520.84	2469.77
Add : Purchases (net)	18615.88	19263.78
Less : Inventory at the end of the year	3177.08	2520.84
	17959.64	19212.71
Add: Consumption of Dyes & Chemicals	890.13	823.23
<b>Total</b>	<b>18849.77</b>	<b>20035.94</b>

### 30. PURCHASE OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Fabrics	1645.27	2889.07
Yarn	4.32	-
Others	37.00	33.70
<b>Total</b>	<b>1686.59</b>	<b>2922.77</b>

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>Closing inventory:</b>		
Work-in progress	3643.42	2863.87
Finished Goods	6689.76	6097.91
Traded Goods	203.69	135.01
<b>Total</b>	<b>10536.87</b>	<b>9096.79</b>
<b>Opening Inventory:</b>		
Work-in progress	2863.87	3697.86
Finished Goods	6113.27	4882.58
Traded Goods	119.65	337.57
<b>Total</b>	<b>9096.79</b>	<b>8918.01</b>
<b>(Increase) /Decrease in Stocks</b>	<b>(1440.08)</b>	<b>(178.78)</b>

## 32. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Salaries, Wages and Bonus	5808.06	5515.67
Contribution to Provident and Other Funds	564.96	580.76
Expenses related to Post Employment Defined Benefit Plans (Refer Note No 40)	101.06	96.71
Expenses related to Earned Leave (Refer Note No 40)	44.00	24.67
Workmen and Staff Welfare	99.87	105.77
<b>Total</b>	<b>6617.95</b>	<b>6323.58</b>

## 33. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Interest on Term Loan	395.25	437.34
Interest on Others	1255.66	1147.90
Bank Charges	190.38	164.87
<b>Total</b>	<b>1841.29</b>	<b>1750.11</b>

## 34. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Depreciation on Tangible assets	1341.31	1641.39
Amortization on Intangible assets	10.93	16.74
	<b>1352.24</b>	<b>1658.13</b>
Less: Amortization of Government Capital Grant	45.63	55.81
<b>Total</b>	<b>1306.61</b>	<b>1602.32</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### 35. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>A. MANUFACTURING</b>		
Weaving Charges	689.47	683.76
Processing Charges	18.24	12.60
Combing Charges	70.00	94.30
Garment Making Expenses	55.15	270.01
Embroidery Charges	8.31	13.15
Dyeing Charges	232.60	493.64
Stores & Spare parts(Net )	774.84	719.37
Power, Fuel & Water	4057.86	4318.15
Freight, Cartage etc.	127.25	79.45
Repairs to : Plant & Machinery	235.39	235.60
Building	44.46	61.92
Others	24.43	23.83
<b>Total (A)</b>	<b>6338.00</b>	<b>7005.78</b>
<b>B. ADMINISTRATIVE</b>		
Rent	79.00	88.47
Rates & Taxes	6.99	7.22
Insurance	80.68	34.46
Directors' Remuneration & Fees	240.84	229.55
Audit Fees	4.25	4.25
Directors' Travelling	7.05	5.94
CSR Expenses u/s 135 of the Companies Act, 2013.	8.00	14.53
Miscellaneous Expenses (Printing & Stationery, Travelling, Conveyance, Vehicle, Consultancy, Legal & Professional, office, computer expenses etc.)	839.49	896.49
<b>Total (B)</b>	<b>1266.30</b>	<b>1280.91</b>
<b>C. SELLING</b>		
Commission	166.64	181.73
Packing	860.58	1020.25
Advertisement & Sales Promotion	147.21	201.79
Foreign Travelling expenses	157.22	201.10
Others	67.39	96.99
<b>Expenses on Export Sales</b>		
Commission	622.95	733.83
Overseas Freight	288.61	320.59
Others	463.19	506.28
<b>Total (C)</b>	<b>2773.79</b>	<b>3262.56</b>
<b>D. OTHER</b>		
Loss on Sale of Fixed Assets	4.52	
<b>Total (A+B+C+D)</b>	<b>10382.61</b>	<b>11549.25</b>



Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 36. INCOME TAX EXPENSES

## (a) Income Tax recognized in profit and loss

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Current Year Tax – In Profit and Loss	74.58	31.01
Current Year Tax – In OCI	(21.93)	(20.57)
<b>Total</b>	<b>52.65</b>	<b>10.44</b>

## (b) Reconciliation

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Profit before tax – (Net of OCI Defined Benefit Plans)	(173.69)	54.23
Tax using the statutory Income Tax rate @ 25.168% (PY 33.384%)	(43.72)	18.11
Expenses not deductible for tax purposes	4.01	7.34
Deduction allowable u/s VI A/Exemption	(0.44)	(4.03)
Temporary difference reversable in coming year	92.80	15.41
MAT Credit/(Utilized)	-	(5.33)
Tax difference due to Capital Gain	-	(21.06)
<b>Total</b>	<b>52.65</b>	<b>10.44</b>

## 37. DEFERRED TAX EXPENSES

## (a) Deferred Tax expenses recognized in profit or loss

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Current Year Tax – In Profit and Loss	(327.46)	(2.40)
Current Year Tax – In OCI	(94.52)	(7.43)
<b>Total</b>	<b>(421.98)</b>	<b>(9.83)</b>

## (b) Reconciliation

Particulars	For the year ended	
	31.03.2020	31.03.2019
Substantially enacted tax rate	25.168%	33.384%
Temporary difference during the year		
- Depreciation/Amortization	(87.46)	(33.53)
- Disallowance u/s 43B	1.82	2.73
- Forward Premium Gain	(7.16)	15.39
Change in tax rate	(247.44)	
P.Y. Adjustments	12.78	7.68
MAT (Credit)/Utilized	-	5.33
Cash Flow Hedge	(94.52)	(7.43)
<b>Total</b>	<b>(421.98)</b>	<b>(9.83)</b>

## 38. OTHER COMPREHENSIVE INCOME

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>(i) Items that will not be reclassified to profit or loss</b>		
Remeasurements gain/(losses) on defined benefit plans	(87.12)	(61.62)
Income Tax Effects	(21.93)	(20.57)
<b>Total (i)</b>	<b>(65.19)</b>	<b>(41.05)</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>(ii) Items that will be reclassified to profit or loss</b>		
Net gain/(loss) on hedging instruments in a cash flow hedge	(365.86)	(23.54)
Income Tax effects	(94.52)	(7.43)
<b>Total (ii)</b>	<b>(271.34)</b>	<b>(16.11)</b>
<b>Total Other Comprehensive Income (i + ii)</b>	<b>(336.53)</b>	<b>(57.16)</b>

### 39. EARNINGS PER SHARE

S. Particulars No	For the year ended	
	31.03.2020	31.03.2019
a) Net Profit after tax (₹ in lac)	166.31	87.23
b) Net profit available to equity shareholders (₹ in lac)	166.31	87.23
c) Average No. of Equity shares outstanding during the year (Nos).	10292168	10292168
d) Basic & Dilutive earnings per share (b)/(c) (Rupees per share)	1.62	0.85

### 40. EMPLOYMENT BENEFIT PLANS

The company participates in defined contribution and benefit schemes, the assets of which are held (where funded) in separately administered funds. For defined contribution schemes the amount charged to the statements of profit or loss is the total of contributions payable in the year. the required disclosure are given here under:

#### (a) Defined Benefit Plans:

(₹ in Lakhs)

Particulars	For the year ended			
	31.03.2020		31.03.2019	
	Gratuity	Earned Leave	Gratuity	Earned Leave
	(Funded)	(Funded)	(Funded)	(Funded)
i) Reconciliation of opening and closing balances of defined benefit obligation				
a) At the beginning of the year	1336.08	270.64	1273.69	280.71
b) Current Service Cost	101.06	34.40	96.95	35.54
c) Interest Cost	106.22	21.52	101.64	22.40
d) Actuarial (Gain)/Loss	65.94	3.80	49.97	(14.05)
e) Benefits paid	(253.54)	(59.34)	(186.17)	(53.96)
f) Defined Benefits Obligation at year end	1355.76	271.02	1336.08	270.64
ii) Reconciliation of opening and closing balances of fair value of plan assets				
a) At beginning of the year	1336.08	270.64	1276.74	295.33
b) Expected Return on plan assets	106.22	21.52	101.88	21.93
c) Actuarial Gain / (Loss)	(21.18)	(5.80)	(11.64)	(2.70)
d) Employer Contributions	-	-	136.36	9.39
e) Benefits paid	(34.81)	(9.24)	(167.26)	(53.31)
f) Fair Value of the plan assets at the year end	1386.31	277.12	1336.08	270.64

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

Particulars	For the year ended			
	31.03.2020		31.03.2019	
	Gratuity	Earned Leave	Gratuity	Earned Leave
	(Funded)	(Funded)	(Funded)	(Funded)
iii) Reconciliation of fair value of obligation and Assets				
a) Present value of obligation as at year end	1355.76	271.02	1336.08	270.64
b) Fair value of plan assets as at year end	1386.31	277.12	1336.08	270.64
c) Amount recognized in Balance Sheet (a-b)	30.55	6.10	-	-
iv) Expense recognized in the statement of P&L				
a) Current Service Cost	101.06	34.40	96.95	35.54
b) Interest Cost	106.22	21.52	101.64	22.40
c) Expected return on plan assets	(106.22)	(21.52)	(101.88)	(21.92)
d) Actuarial (gain) / loss	-	9.60	-	(11.35)
e) Net Cost (a + b + c + d)	101.06	44.00	96.71	24.67
v) Expenses recognized in the statement of OCI				
a) Net Actuarial (gain)/loss	87.12	-	61.62	-

## vi) Investment Details of Plan Assets :

Sr. No	Name of Retirement Benefit	Name of Trust	Policy No.	Investment with
1)	Gratuity	Bhilwara Synthetics Ltd. Officers Gratuity Trust Fund	NGG(CA) 103001913	LIC of India
2)	Earned Leave		NGLES 103002054	LIC of India

- vii) There are no amount included in the fair value of plan assets for
- Company's own financial instruments.
  - Property occupied by or other assets used by the Company.

## viii) Principal Actuarial Assumptions at the Balance Sheet date

Sr No.	Particulars	For the year ended	
		31.03.2020	31.03.2019
i)	Discount Rate	7.00% per annum	7.95% per annum
ii)	Expected Rate of return on plan assets	7.50% per annum	7.50% per annum
iii)	Future Salary Increase	4.00% per annum	4.50% per annum

The estimation of future salary increase considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market etc. The above information is certified by the Actuary. The actual return on plan assets for the year and estimate of contribution for the next year as per actuarial valuation is as under:-

		Actual Return on Plan assets	Estimate of contribution for the next year
a)	Gratuity	₹ 85.04 lac	₹ 105.90 lac
b)	Earned Leave	₹ 15.71 lac	₹ 31.58 lac

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

- ix) The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.

x) Experience Adjustment:

Gratuity	As At				
	March'20	March'19	March'18	March'17	March'16
Defined Benefits Obligation	1355.76	1336.08	1273.69	1190.36	1076.42
Plan assets	1386.31	1336.08	1276.74	1190.36	1076.42
Surplus/(deficit)	30.55	-	3.05	-	-
Experience adjustment on plan Liabilities (loss)/ gain	(23.04)	(47.09)	(115.86)	(36.82)	(26.71)
Experience adjustment on plan Assets (loss)/ gain	(21.18)	(11.65)	(5.87)	1.54	(4.96)
<b>Earned Leave</b>					
Defined Benefits Obligation	271.02	270.64	280.71	274.73	239.36
Plan assets	277.12	270.64	295.33	274.73	239.36
Surplus/(deficit)	6.10	-	14.62	-	-
Experience adjustment on plan Liabilities (loss)/ gain	5.46	14.72	7.58	4.29	(11.19)
Experience adjustment on plan Assets (loss)/ gain	(5.80)	(2.70)	(0.69)	4.19	(1.02)

xi) Sensitivity Analysis	For the year ended			
	31.03.2020		31.03.2019	
	Gratuity	Earned Leave	Gratuity	Earned Leave
(a) Impact of changes in discount rate				
Increase of 0.50%	(50.48)	(10.97)	(46.80)	(10.75)
Decrease of 0.50%	54.19	11.52	50.11	11.59
(b) Impact of changes in salary increase				
Increase of 0.50%	55.53	11.95	51.57	11.93
Decrease of 0.50%	(52.13)	(11.15)	(48.52)	(11.14)

xii) Maturity Profile of Defined Benefit Obligation	Gratuity	Earned Leave
April 2019 – March 2020	157.62	40.82
April 2020 – March 2021	71.84	12.94
April 2021 – March 2022	80.07	11.24
April 2022 – March 2023	103.23	17.08
April 2023 – March 2024	98.60	22.19
April 2024 – March 2025	90.69	17.14
April 2025 onwards	753.71	149.61

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**(b) Defined Contribution Plans**

Amount recognized as an expense and also included in the Note no. 32

	For the year ended	
	31.03.2020	31.03.2019
i) Employers Contribution to Provident Fund	361.72	349.19
ii) Employers Contribution to Superannuation Fund	70.80	78.35

**(xii) Description on Risk Exposure**

**Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:-**

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**41. COVID-19** - The Plant Operations of the Company were under shutdown due to lockdown imposed by Government from 22<sup>nd</sup> March, 2020 to 26th April, 2020. In view of the unprecedented COVID-19 pandemic and economic forecast, the Management has assessed the recoverability of its assets including receivables & inventories. In such assessment, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions. Management continues to monitor the impact that the COVID-19 pandemic is having on the Textile Industry & Company and the economies in which the Company operates.

**42.** Due to nationwide lockdown, plant was under complete shutdown during 22nd March, 2020 to 26th April, 2020; hence physical verification of stocks could not be carried out on balance sheet date. The same was carried out on resumption of plant operations and stock as on balance sheet date is calculated by roll back procedures.

**43. CSR EXPENDITURE**

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
<b>(A) For the year</b>		
(a) Gross amount required to be spent by the Company	8.00	14.53
(b) Amount spent during the year		
Promotion of Education & Social Welfare	5.73	9.74
(c) Amount outstanding and provided for	2.27	4.79
<b>(B) Against Previous Year</b>		
(a) Amount outstanding at the beginning of the year	4.79	0.79
(b) Amount spent during the year		
Promotion of Education & Social Welfare	4.79	0.79

**44. SEGMENT REPORTING**

The Company's operation predominantly relates to Textile & Generation of Wind power. On the basis of assessment of the risk and return, the Company has identified Textile and Wind Power as primary reportable segments. Further the geographical segment have been considered as secondary segment and bifurcated into Domestic & Export segments.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### A. Business Segments

(₹ in Lakhs)

Sr. No.	Particular	For the year ended			For the year ended		
		31.03.2020			31.03.2019		
		Textile	Wind Power	Total	Textile	Wind Power	Total
(i)	<b>Segment Revenue</b>						
	External Sales / Other Income	38894.08	110.33	39004.41	43617.19	113.49	43730.68
	Inter Segment Transfer	-	99.55	99.55	-	92.25	92.25
	Total Revenue	38894.08	209.88	39103.96	43617.19	205.74	43822.93
(ii)	<b>Segment Result</b>						
	Segment Result	1601.17	(0.21)	1600.96	1475.97	(0.37)	1475.60
	Add: Other Income			153.76	-	-	390.35
	Less: Financial Expenses			1841.29	-	-	1750.11
	Profit before Tax			(86.57)	-	-	115.84
	Less : Taxation						
	-Income Tax			74.58			31.01
	-Deferred Tax liability			(327.46)			(2.40)
	Net Profit for the year			166.31			87.23
(iii)	<b>Other Information</b>						
	Segment Assets	30206.17	1124.18	31330.35	30973.58	1189.99	32163.57
	Segment Liabilities	7872.39	9.55	7881.94	6894.00	-	6894.00
	Capital Employed	22333.78	1114.63	23448.41	24079.58	1189.99	25269.57
	Capital Exp. Incurred during the year	208.29	-	208.29	416.26	-	416.26
	Depreciation	1214.19	92.42	1306.61	1509.90	92.42	1602.32

### B. Geographical Segment

(₹ in Lakhs)

Particulars	For the year ended			For the year ended		
	31.03.2020			31.03.2019		
	Domestic	Export	Total	Domestic	Export	Total
<b>Segments Revenue</b> (Based on location of the customers)						
- Textiles	19145.78	19748.30	38894.08	21523.89	22093.30	43617.19
- Wind Power	209.88	-	209.88	205.74	-	205.74
	<b>In India</b>	<b>Outside India</b>	<b>Total</b>	<b>In India</b>	<b>Outside India</b>	<b>Total</b>
<b>Segment Assets</b> (Based on location of the assets)	27676.71	3653.64	31330.35	27306.45	4857.14	32163.59
Capital Exp. Incurred during the year	208.29	-	208.29	416.26	-	416.26

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

C. There are no non-current assets outside India.

D. No single customer represents 10% or more of the total revenue during the year ended March 31, 2020 and March 31, 2019.

**E. Revenue from Products and Services**

(₹ in Lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Products	37815.18	42994.30
Services	1189.23	736.38
<b>Total</b>	<b>39004.41</b>	<b>43730.68</b>

**45. RELATED PARTY TRANSACTIONS**

List of related parties as per Ind AS 24

S. No.	Name of Related Party	Nature of Relationship
<b>A.</b>	<b>(i) A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity</b>	
	Shri Arun Kumar Churiwal	Promoter, Chairman & Managing Director
	Shri Nivedan Churiwal	Promoter & Joint Managing Director
	<b>(ii) A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity</b>	
	Shri Arun Kumar Churiwal	Chairman & Managing Director
	Shri Nivedan Churiwal	Joint Managing Director
	Shri Ravi Jhunjhunwala	Director
	Shri Sushil Jhunjhunwala	Director
	<b>(iii) A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.</b>	
	Shri Arun Kumar Churiwal	<b>Chairman &amp; Managing Director</b>
	Shri Nivedan Churiwal	<b>Joint Managing Director</b>
	Shri Ravi Jhunjhunwala	
	Shri Sushil Jhunjhunwala	
	Shri Shekhar Agarwal	
	Shri Amar Nath Choudhary	<b>Director</b>
	Shri J.C.Laddha (wef. 10/02/20)	
	Shri G.P. Singhal	
	Smt. Abhilasha Mimani	
	Shri Praveen Jain	<b>President &amp; CFO</b>
	Ms. Aanchal Patni	<b>Company Secretary</b>
<b>B.</b>	<b>(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)</b>	
	N.A.	
	<b>(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)</b>	
	N.A.	
	<b>(iii) Associates and other entities are joint ventures of the same third party.</b>	
	N.A.	

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

(iv) **One Entity is a joint venture of a third party and the other entity is an associate of the third entity**

N.A.

(v) **The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.**

N.A.

(vi) **The entity is controlled or jointly controlled by a person identified in (a).**

RSWM Limited

HEG Limited

Maral Overseas Limited

BMD Private Limited

A.D.Hydro Power Limited

Malana Power Limited

Bhilwara Energy Limited

Sudiva Spinners Private Limited

(vii) **A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).**

RSWM Limited

### Transaction with related parties

(₹ In Lakhs)

S. No.	Particulars	For the year ended	
		31.03.2020	31.03.2019
<b>1)</b>	<b>With the parties referred in A (i) above</b>		
	Short term employee benefits	200.64	192.10
	Post employment benefits	32.50	31.05
<b>2)</b>	<b>With the parties referred in A (iii) above</b>		
	Short term employee benefits	44.82	42.66
	Post employment benefits	7.10	6.75
	Director Sitting Fees	7.70	6.40
<b>3)</b>	<b>With the parties referred in B (vi) &amp; (vii) above</b>		
	Purchases of Raw Material & finished goods	6172.96	5417.85
	Sales	61.40	37.87
	Services Received	192.54	432.81
	Services Rendered	3.56	4.82
	Sales of Store and Consumables	0.19	2.95
	Rent Paid	24.40	30.36
	Interest Paid	95.07	132.36
	Trade Payable	1875.39	1308.69
	Trade Receivables	1.11	-

### Terms & Conditions of transactions with Related Parties:

The sales, purchase, services rendered to or from related parties, rent, interest and any other transactions are made on terms equivalent to those that prevail in arm's length transaction.



Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 46. FINANCIAL INSTRUMENTS

## (A) Financial Instruments by category

(₹ In Lakhs)

Particulars	As at 31.03.2020			As at 31.03.2019		
	Amortized Cost	Fair Value Through OCI	Total Carrying/fair value	Amortized Cost	Fair Value Through OCI	Total Carrying/fair value
<b>Assets:</b>						
Cash and cash equivalents	33.67	-	33.67	19.72	-	19.72
Bank Balances other than above	30.14	-	30.14	29.94	-	29.94
Trade receivables	6912.38	-	6912.38	8437.30	-	8437.30
Loans & Deposits	298.30	-	298.30	207.70	-	207.70
Other financial assets	117.95	-	117.95	60.03	134.53	194.56
<b>Total</b>	<b>7392.44</b>	<b>-</b>	<b>7392.44</b>	<b>8754.69</b>	<b>134.53</b>	<b>8889.22</b>
<b>Liabilities</b>						
Borrowings	15516.69	-	15516.69	15667.52	-	15667.52
Trade payables	5319.79	-	5319.79	4754.53	-	4754.53
Other financial liabilities	2460.35	425.39	2885.74	3259.81	-	3259.81
<b>Total</b>	<b>23296.83</b>	<b>425.39</b>	<b>23722.22</b>	<b>23681.86</b>	<b>-</b>	<b>23681.86</b>

## (B). Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020:

Particulars	Fair Value Measurement	As at March 31, 2020	As at March 31, 2019
Forward currency contract	Level 2	(425.39)	134.53

## Valuation Technique used to determine Fair Value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities measured at amortized cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit taken/given and advance to employees) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.
- 2) Long-term variable-rate borrowings measured at amortized cost are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the company is considered to be insignificant in valuation.
- 3) The fair values of the forward contract are determined using the forward exchange rate at the balance sheet date based on quotes from banks and financial institutions. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

## (C) FINANCIAL RISK MANAGEMENT OBJECTIVES &amp; POLICIES

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

The company's activities expose it to a variety of financial risks: currency risk, interest rate risk credit risk and liquidity risk. The company's overall risk management strategy seeks to minimize adverse effects from the unpredictability of financial markets on the company's financial performance. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Audit committee reviews and agrees policies for managing each of these risks, which are summarized below.

### (D) FOREIGN CURRENCY RISK MANAGEMENT

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate. The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate foreign exchange related risk exposures. Derivative financial instruments relating to a firm commitment or a highly probable forecast transaction are marked to market at every reporting date. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The Following significant exchange rates have been applied at year end:-

Spot Rate (INR)	As at 31.03.2020	As at 31.03.2019
USD	75.40	69.11
EURO	83.14	77.61

### Interest Rate Risk Management

The company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings. The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

### Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

### Other Price Risks

The company is not exposed to any instrument which has price risks arising from equity investments which is not material.

### Credit Risk Management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primarily arises from trade receivables, balances with banks, investments and security deposits. The credit risk on bank balances is limited because the counterparties are banks with good credit ratings.

### Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

### Cash & Cash Equivalent

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counterparty as non-material.

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020**Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Liquidity and Interest risk tables**

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

**Contractual maturities of significant financial liabilities as on 31st March, 2020**

(₹ In Lakhs)

Particulars	Within 1 year	1-2 years	2-4 years	4-7 years	Total
Borrowings	13238.91	1034.06	916.46	327.26	<b>15516.69</b>
Trade Payables	5319.79	-	-	-	<b>5319.79</b>
Other financial liabilities	2777.35	108.39	-	-	<b>2885.74</b>

**Contractual maturities of significant financial liabilities as on 31st March, 2019**

Particulars	Within 1 year	1-2 years	2-4 years	4-7 years	Total
Borrowings	12794.93	1107.53	1254.52	510.54	<b>15667.52</b>
Trade Payables	4754.53	-	-	-	<b>4754.53</b>
Other financial liabilities	3149.70	110.11	-	-	<b>3259.81</b>

**FOREIGN CURRENCY EXPOSURE**

- (a) The Company hedges its export realizations and import payables through Foreign Exchange Hedge Contracts in the normal course of business so as to reduce the risk of exchange fluctuations. No Foreign Exchange Hedge Contracts are taken /used for trading or speculative purpose.
- (b) The Company has following gross forward contract exposure outstanding as on balance sheet date which have been designated as cash flow hedge to its exposure to movements in foreign exchange rates :

Particulars	No of Outstanding Contracts		Amount in FC		Carrying Value (INR)		Weighted Average Strike Price/rate	
	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19
<b>Forward Contracts</b>								
1. Sell - USD	52	34	128.95	69	(425.39)	134.53	71.92	70.83
2. Sell-EURO	3	-	1.85	-	-	-	-	-

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

- (c) The periods during which the cash flows from the cash flow hedges outstanding as at March 31, 2020 are expected to occur and affect the statement of Profit & Loss are disclosed as under:-

Sr. No.	Period During which Cash Flows are expected to Occur and affect Profit and Loss	Fair Value in Booking Currency (In Lakhs) For the year ended		
		31.03.2020		31.03.2019
		Sell USD	Sell EURO	Sell USD
1	Quarter ending June 30, 2020	55.27	-	29.15
2	Quarter ending September 30, 2020	51.63	1.85	33.50
3	Quarter ending December 31, 2020	22.05	-	6.35
	<b>Total</b>	<b>128.95</b>	<b>1.85</b>	<b>69.00</b>

- (d) The movement in OCI during the year ended 31.03.2020 for forward contract designated as cash flow hedge is as follows:

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Balance at the beginning of the year	37.08	53.19
Additions on account of Changes in the fair value of effective portion cash flow hedge	(271.34)	(16.11)
Balance at the end of the year	(234.26)	37.08

- (e) **Un-Hedged Foreign Currency Exposure:**

(₹ In Lakhs)

Particular	As At			
	31.03.2020 (FC)	31.03.2018 (FC)	31.03.2019 (₹)	31.03.2018 (₹)
(a) Trade Receivables				
GBP	0.05	0.01	4.47	0.47
EURO	0.96	3.11	79.71	241.42
(b) Trade Payables				
USD	2.31	0.77	174.08	53.34
(c) Commission Payable				
USD	4.89	6.26	368.88	432.58
EURO	0.21	0.25	17.85	19.17
GBP	0.02	0.02	2.28	2.22

### 47. CAPITAL MANAGEMENT

The company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 17 and 22 offset by cash and bank balances as detailed in note 9 and 10) and total equity of the Company. The company is not subject to any externally imposed capital requirements.

#### Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

(₹ In Lakhs)

Particulars	As At	
	31.03.2020	31.03.2019
(a) Borrowings	16146.26	17183.56
(b) Cash & Cash Equivalents	33.67	19.72
(c) <b>Net Debt (a-b)</b>	<b>16112.59</b>	<b>17163.84</b>
(d) Total Equity	7504.72	7674.94
(e) <b>Capital and Net Debt (c + d)</b>	<b>23617.31</b>	<b>24838.78</b>
(f) Gearing Ratio (c/e)	68.22%	69.10%

Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

## 48. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company for the year ended 31st March, 2020 are approved for issue by the Company's Board of Directors on 23rd June, 2020.

## 49. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ In Lakhs)

S. No.	Particulars	For the year ended	
		31.03.2020	31.03.2019
<b>(i) Contingent Liabilities</b>			
	(a) Guarantees given by the Company's Bankers	68.73	138.72
	(b) Claims against the Company not acknowledged as debts	-	9.02
	(c) Excise duty demand disputed by the Company	7.95	7.95
<b>(ii) Commitments</b>			
	(a) Estimated value of contracts remaining to be executed on Capital Accounts	6.00	5.49

## 50. PAYMENT TO AUDITORS IN OTHER CAPACITY

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Tax & GST Audit	2.10	1.08
Reimbursement of Expenses	0.80	0.70
Certification	0.76	0.75
<b>Total</b>	<b>3.66</b>	<b>2.53</b>

## 51. VALUE OF IMPORTS CALCULATED ON CIF BASIS

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
i) Capital Goods	14.89	59.60
ii) Spare Parts	215.60	251.29
iii) Raw Material	1356.33	1194.42
<b>Total</b>	<b>1586.82</b>	<b>1505.31</b>

## 52. IMPORTED AND INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

Particulars	For the year ended			
	31.03.2020		31.03.2019	
	(₹ in lakh)	%	(₹ in lakh)	%
(i) Raw materials				
-Imported	1462.48	7.76	1425.83	7.12
-Indigenous	17387.29	92.24	18610.11	92.88
	<b>18849.77</b>	<b>100.00</b>	<b>20035.94</b>	<b>100.00</b>
(ii) Components & Spare Parts				
-Imported	238.07	30.73	308.15	42.84
-Indigenous	536.77	69.27	411.22	57.16
	<b>774.84</b>	<b>100.00</b>	<b>719.37</b>	<b>100.00</b>

## Notes to Financial Statements as at and for the Year Ended 31<sup>st</sup> March 2020

### 53. EXPENDITURE INCURRED IN FOREIGN CURRENCY

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
(1) Travelling Expenses	99.59	120.36
(2) Commission on Export	622.95	733.83
(3) Other Expenses	75.46	87.20
<b>Total</b>	<b>798.00</b>	<b>941.39</b>

### 54. EARNING IN FOREIGN EXCHANGE

(₹ in Lakhs)

Particulars	For the year ended	
	31.03.2020	31.03.2019
Export on FOB value	19459.69	21772.71

### 55. REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS

(₹ in Lakhs)

S. No.	Particulars	For the year ended	
		31.03.2020	31.03.2019
a)	Year to which Dividend relates	2018-19	2017-18
b)	No. of non-resident Shareholders to whom dividend remitted	-	145
c)	No. of shares on which remittance was made (in Lac)	-	3.93
d)	Amount remitted:		
	(i) Through NRE A/cs (₹ in lac)	-	1.06
	(ii) Remitted abroad in foreign Currency (₹ in lac)	-	2.87

As per our Report of even date

**For SSMS & Associates.**  
Chartered Accountants  
Firm Regd. No.: 019351C

**(SATISH SOMANI)**  
Partner  
Membership No.076241

Place : Bhilwara (Raj.)  
Date : 23<sup>rd</sup> June, 2020

**For and on behalf of the Board**

**1) ARUN CHURIWAL**  
Chairman & Managing Director  
DIN: 00001718

**2) NIVEDAN CHURIWAL**  
Joint Managing Director  
DIN: 00001749

**3) AMAR NATH CHOUDHARY**  
Director  
DIN: 00587814  
Place: Kolkata (W.B.)

**4) PRAVEEN JAIN**  
President & CFO  
PAN: ACYPJ2779D

**5) AANCHAL PATNI**  
Company Secretary  
Membership No.: A43134  
Place: Bhilwara (Raj.)

## OTHER INFORMATIONS

Table 1: INSTALLED CAPACITY

Particulars	As at	
	31.03.2020	31.03.2019
Looms	174	174
Sythetic Spinning Spindles	19248	19248
Worsted Spinning Spindles	8768	8768
Vortex Spinning Rotors	400	400
Fabrics Processing (Mtrs. In Lac)	288	288
Top, Fibre & Yarn Dyeing (MT)	2352	2352

Table 2: SALES, PRODUCTION &amp; STOCKS

Particulars	Production		Purchase		Opening Stock		Closing Stock		Sale / Transfer	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>A. Own Manufacturing</b>										
<b>i) Fabrics</b>										
Qty.- Lac Mtrs.	180.97	178.97	23.05	43.26	39.18	43.20	47.65	39.18	195.55	226.25
Value - Lac ₹	-	-	1645.17	3221.93	7306.34	6892.01	8061.28	7306.34	30845.24	35393.16
<b>ii) PV Yarn</b>										
Qty. - Lac Kgs.	30.46	27.92	0.61	1.34	0.64	1.24	1.09	0.64	30.62	29.86
Value - Lac ₹	-	-	43.60	93.49	165.10	261.06	239.88	165.10	6700.35	6866.79
<b>iii) Worsted Yarn</b>										
Qty. - Lac Kgs.	6.48	5.75	-	0.08	0.07	0.10	0.12	0.07	6.43	5.86
Value - Lac ₹	-	-	-	4.70	118.31	84.69	178.20	118.31	7052.41	6216.18
<b>iv) Vortex Yarn</b>										
Qty.- Lac Kgs.	10.38	15.44	-	-	0.46	0.19	0.62	0.46	10.22	15.17
Value - Lac ₹	-	-	-	-	109.87	45.09	163.92	109.87	1819.43	3057.49
<b>v) Garments</b>										
Qty.- Lac Nos.	0.61	2.27	-	-	0.13	0.09	0.17	0.13	0.57	2.23
Value - Lac ₹	-	-	-	-	27.43	15.62	32.17	27.43	185.77	661.17
<b>vi) Wind Power</b>										
Qty.- Lac units	40.83	40.70	-	-	-	-	-	-	40.83	40.70
Value - Lac ₹	-	-	-	-	-	-	-	-	208.05	205.74
<b>vii) Others</b>										
Value - Lac ₹	-	-	37.10	36.05	3.65	4.28	3.39	3.65	37.36	36.68

## OTHER INFORMATIONS

Particulars	Production		Purchase		Opening Stock		Closing Stock		Sale / Transfer	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>B. Job work</b>										
<b>i) Fabric Processing</b>										
Qty.- Lac Mtrs.	273.98	250.94	-	-	3.24	1.12	3.01	3.24	273.58	250.82
Value - Lac ₹	-	-	-	-	29.41	15.20	37.78	29.41	4381.67	4318.79
<b>ii) Dyeing Charges</b>										
Qty.- Lac Kgs.	22.15	18.57	-	-	0.10	-	2.17	0.10	22.21	18.39
Value - Lac ₹	-	-	-	-	0.69	-	1.50	0.69	870.90	736.97
<b>iii) Yarn Spinning</b>										
Qty.- Lac Kgs.	-	0.11	-	-	-	-	-	-	-	0.11
Value - Lac ₹	-	-	-	-	-	-	-	-	0.18	13.14

**NOTE:**

Sale/ Transfer include Inter division transfer for captive Consumption :

<b>i) PV Yarn</b>										
Qty. - Lac Kgs.									22.86	25.09
Value - Lac ₹									5318.97	5935.34
<b>ii) Worsted Yarn</b>										
Qty. - Lac Kgs.									4.43	4.47
Value - Lac ₹									3967.95	3923.67
<b>iii) Vortex Yarn</b>										
Qty. - Lac Kgs.									0.02	0.06
Value - Lac ₹									3.47	15.82
<b>iv) Wind Power CPP</b>										
Qty. - Lac Kgs.	12.68	11.75	-	-	-	-	-	-	12.68	11.75
Value - Lac ₹	-	-	-	-	-	-	-	-	99.55	92.25
<b>Inter - Division job charges :</b>										
<b>i) Fabrics Processing</b>										
Qty.- Lac Mtrs.									180.18	199.46
Value - Lac ₹									3236.44	3666.72
<b>ii) Dyeing Charges</b>										
Qty. - Lac Kgs.									21.74	16.93
Value - Lac ₹									852.71	684.87



TABLE 3 : LONG TERM LOANS, RECEIPTS AND REPAYMENTS

(₹ in lac)

LOANS FROM	TOTAL LOANS			TOTAL REPAYMENTS			OUTSTANDING
	Till	New Loans	Total	Till	Repayment	Total	As at
	31.03.2019	2019-20	31.03.2020	31.03.2019	2019-20	31.03.2020	31.03.2019
UCO Bank	1760.00	-	1760.00	1485.57	220.00	1705.57	54.43
Oriental Bank of Commerce	850.00	-	850.00	742.00	79.50	821.50	28.50
Union Bank of India	1962.51	-	1962.51	1566.00	396.51	1962.51	-
Export Import Bank of India	3200.00	-	3200.00	1,440.00	640.00	2080.00	1120.00
State Bank of India	1968.65	-	1968.65	240.00	112.01	352.01	1616.64
<b>Grand Total</b>	9741.16	-	9741.16	6262.90	1448.02	6921.59	2819.57

TABLE 4 : RETURN OF NET WORTH

(₹ in lac)

Year Ended	31st March 2020	31st March 2019	31st March 2018	31st March 2017	31st March 2016
Net Worth	7504.72	7674.94	7768.94	7903.56	7328.74
Pre-tax Profit	(86.57)	115.84	175.39	907.05	1096.51
Ratio%	(1.15)	1.51	2.26	11.48	14.96

TABLE 5 : RETURN ON TURNOVER

Year Ended	31st March 2020	31st March 2019	31st March 2018	31st March 2017	31st March 2016
Sales	39004.41	43730.68	40320.49	44220.62	37974.65
Pre-depreciation Profit	1220.04	1718.16	1878.51	2498.59	2540.51
Ratio %	3.13	3.93	4.66	5.65	6.69





## **BSL LIMITED**

**Registered Office:** 26, Industrial Area, Gandhi Nagar, Bhilwara - 311 001, (Rajasthan), India

**Corporate office:** Bhilwara Towers, A-12, Noida Sector 1, Noida - 201301, (U.P.)

Website: [www.bslltd.com](http://www.bslltd.com) / [www.lnjbhilwara.com](http://www.lnjbhilwara.com)



## NOTICE

### BSL LIMITED

**CORPORATE IDENTITY NUMBER (CIN): L24302RJ1970PLC002266**

**Registered Office:** 26, Industrial Area, Gandhi Nagar, Bhilwara – 311 001 (Rajasthan), **Phone:** + 91-1482-249101 to 249102, + 91-1482-245000

**Corporate Office:** Bhilwara Towers, A-12, Sector – 1, Noida – 201301 (U.P.), **Phone:** + 91-120-4390300 (EPABX), **Fax:** + 91-120-4277841

**E-mail:** [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com), **Website:** [www.bslltd.com](http://www.bslltd.com)

**NOTICE** is hereby given that the 49<sup>th</sup> Annual General Meeting (“AGM”) of the members of BSL LIMITED will be held on Tuesday, 29<sup>th</sup> September, 2020 at 4.00 P.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

#### ORDINARY BUSINESS

1. To adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ravi Jhunjhunwala (DIN: 00060972) who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

3. To ratify the payment of Remuneration to the Cost Auditors for the Financial Year 2020-21 and in this regard, to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 1,00,000/- (₹ One Lakh only) plus tax, as applicable and reimbursement of actual out of pocket expenses, to be paid to M/s N. D. Birla & Co. (Firm Registration No 000028) Cost Accountants, as Cost Auditors to conduct the audit of the cost records maintained by the Company, for the financial year 2020-21, as approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. To approve Material Related party transactions and in this regard, to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions of The Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to compliances of all other applicable laws and regulations, and also pursuant to the consent of the Audit Committee and the Board of Directors

vide resolutions passed in their respective meetings, the Members of the Company do hereby ratify as also accord further approval to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/ or carrying out and/ or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) with RSWM Limited, being a related party, whether by way of renewal(s) or extension(s) or modification(s) of earlier contract/arrangements/ transactions or otherwise, with respect to (i) Sales, purchase or supply of any goods, materials (ii) Availing or rendering of any services (iii) Leasing of Property of any kind (iv) Expenses Payable/ Receivable and including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period.”

“**RESOLVED FURTHER THAT** the Members of the Company do hereby ratify as also accord further approval to the Board to sign and execute all such documents, agreements and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution.”

5. To re-appoint Shri Arun Kumar Churiwal as Chairman and Managing Director and in this regard, to consider and if thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to relevant provisions of Articles of Association of Company and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals as may be applicable, the consent of the members of the company be and is hereby accorded for the re-appointment of Shri Arun Kumar Churiwal (DIN: 00001718) as Chairman and Managing Director of the Company for a period of one year with effect from 1<sup>st</sup> September, 2020 on the terms and conditions, remuneration, benefits, amenities and stipulations as mentioned hereunder and also contained in the Agreement to be entered into between the Company and Shri Arun Kumar Churiwal as per

the recommendation of Nomination & Remuneration Committee with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and/ or any statutory modification(s) or re-enactment(s) thereof."

- 1) Period of Agreement From 1<sup>st</sup> September, 2020 to 31<sup>st</sup> August, 2021
- 2) Name, Position & Designation **Shri Arun Kumar Churiwal, Chairman & Managing Director**
- 2(A) Duties The Chairman & Managing Director shall be subject to the Superintendence, Control and direction of the Board of Directors and be entrusted with substantial powers of management and shall have control and be responsible for the general conduct and management of the business affairs of the company.
- 3) Remuneration He shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling limits laid down in Section 197, Section 198 and Schedule V of the Companies Act, 2013:
- A. Salary ₹ 5,65,000/- (Rupees Five Lakhs Sixty Five Thousand only) per month.
- B. Commission 1% of Net profits of the Company.
- C. Perquisites In addition to the aforesaid salary, Shri Arun Kumar Churiwal shall also be entitled to such perquisites as per Rules of the Company as under:-

**PART-A**

- i) Housing The expenditure incurred by the company on hiring unfurnished accommodation for the Chairman & Managing Director will be subject to the following ceiling :-  
At Kolkata – 50% of the salary.  
In case the accommodation is owned by the company, 10% of the salary of the Chairman & Managing Director shall be deducted.  
In case no accommodation is provided by the company, the house rent allowance payable to the Chairman & Managing Director shall be subject to the ceiling laid down in para (a) above.  
The expenditure incurred by the company on Gas, Electricity, Water and Furnishing will be valued as per the Income Tax Rules 1962. This shall however, to be subject to a ceiling of 10% of the salary of the Chairman & Managing Director.
- ii) Medical Reimbursement Expenses incurred for self and family subject to a ceiling of one month's salary in a year.
- iii) Leave Travel Concession For self and his family, once in a year incurred in accordance with the rules specified by the company.
- iv) Club Fees Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Personal Accident Insurance Premium not to exceed ₹ 5000/- per annum.

**PART-B**

- i) Gratuity not exceeding half a month's salary for each completed year of service.
- ii) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund (as per Company Rules).
- iii) Encashment of leave as per Company Rules.

These benefits shall not be included in the computation of ceiling on remuneration above.

**PART-C**

- i) Company Car Use of Company car with chauffeur for official purposes. Such use will not be considered a perquisite.
- ii) Residential & Mobile Telephone Use of Residential & Mobile Telephone for Company's business. Such use will not be considered a perquisite.

### **REIMBURSEMENT OF EXPENSES:**

Apart from the remuneration as aforesaid Shri Arun Kumar Churiwal shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in discharge of his duties efficiently in connection with the business of the Company.

D. **MINIMUM REMUNERATION :**

Notwithstanding anything to the contrary herein contained where in any financial year, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as specified under items 3A and 3B above or as prescribed under Section II, Part-II of Schedule V of the Companies Act, 2013, whichever is less.

E. **SITTING FEE ETC :**

No sitting fees shall be paid to Shri Arun Kumar Churiwal for attending the meetings of Board of Directors or any committee thereof of the company.

F. He shall not be liable to retire by rotation.

G. The overall remuneration including perquisites shall be within the limits as specified under Schedule-V of the Companies Act, 2013.

H. Termination of appointment – The appointment may be terminated by either party giving three months prior notice.

**“RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V of the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit subject to that the same does not exceed the ceiling as provided in the said resolution and the said agreement between the Company and Shri Arun Kumar Churiwal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

6. To re-appoint Shri Nivedan Churiwal as Whole Time Director designated as Joint Managing Director and in this regard, to consider and if thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V thereto and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to relevant provisions of Articles of Association of Company and all other applicable rules, Laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals as may be applicable, the consent of the members of the company be and is hereby accorded for the re-appointment of Shri Nivedan Churiwal (DIN 00001749) as Whole Time Director designated as Joint Managing Director of the Company for a period of one year with effect from 26<sup>th</sup> July, 2020 on the terms and conditions, remuneration, benefits, amenities and stipulations as mentioned hereunder and also contained in the Agreement to be entered into between the Company and Shri Nivedan Churiwal as per the recommendation of Nomination & Remuneration Committee with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and/ or any statutory modification(s) or re-enactment(s) thereof.”

1) Period of Agreement	From 26 <sup>th</sup> July, 2020 to 25 <sup>th</sup> July, 2021
2) Name, Position & Designation	<b>Shri Nivedan Churiwal, Whole Time Director designated as Joint Managing Director</b>
2(A) Nature of Duties	Shri Nivedan Churiwal shall perform and discharge all such duties and responsibilities as may from time to time be assigned and entrusted to him by the Board of Directors. He shall exercise all such powers as may be required by and be granted to him for the proper performance, discharge and execution of his duties and responsibilities.
3) Remuneration	
A. Salary	₹ 4,55,000/- (Rupees Four Lakhs Fifty Five Thousand only) per month.
B. Commission	1% of Net profits of the Company
C. Perquisites	In addition to the aforesaid salary, Mr. Nivedan Churiwal shall also be entitled to such perquisites as per Rules of the Company as under:

**Part-A**

i) Housing  
The expenditure incurred by the company on hiring unfurnished accommodation for the Executive Director will be subject to the following ceiling :-  
At Kolkata – 50% of the salary.

In case the accommodation is owned by the company, 10% of the salary of Executive Director shall be deducted by the company.

In case no accommodation is provided by the company, the house rent allowance payable to the Executive Director shall be subject to the ceiling laid down in para (a) above.

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing will be valued as per the Income Tax Rules 1962. This shall however, to be subject to the ceiling of 10% of the salary of Executive Director.

- |                                |  |
|--------------------------------|--|
| ii) Medical Reimbursement      | Expenses incurred for self and his family subject to a ceiling of one month's salary in a year.            |
| iii) Leave Travel Concession   | For self and his family, once in a year incurred in accordance with any rules specified by the company.    |
| iv) Club Fees                  | Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees. |
| v) Personal Accident Insurance | Premium not to exceed ₹ 5,000/- per annum.   |

#### **Part-B**

- i) Gratuity not exceeding half a month's salary for each completed year of service.
- ii) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund (as per Company Rules).
- iii) Encashment of leave as per Company Rules.

These benefits shall not be included in the computation of ceiling on remuneration above.

#### **Part-C**

- |                                    |  |
|------------------------------------|--|
| i) Company Car                     | Use of Company car with chauffeur for official purposes, such use will not be considered a perquisite. |
| ii) Residential & Mobile Telephone | Use of Residential Telephone for Company's business. Such use will not be considered a perquisite.     |

#### **D) Minimum Remuneration :**

Notwithstanding anything to the contrary herein contained where in any financial year, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as specified under items 3A and 3B above or as prescribed under Section II, Part-II of Schedule V of the Companies Act, 2013, whichever is less.

#### **E) Sitting Fee Etc :**

No sitting fees shall be paid to Shri Nivedan Churiwal for attending the meetings of Board of Directors or any committee thereof of the Company.

F) He shall be liable to retire by rotation.

G) The overall remuneration including perquisites shall be within the limits as specified under Schedule-V of the Companies Act, 2013.

H) Termination of appointment – The appointment may be terminated by either party giving three months prior notice.

**“RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V of the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit subject to that the same does not exceed the ceiling as provided in the said resolution and the said agreement between the Company and Shri Nivedan Churiwal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

7. To appoint Shri Jagdish Chandra Laddha (DIN: 00118527) as an Independent Director for a term of five years and in this regard, to consider and if thought fit, to pass following resolutions as **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called the Listing Regulations) (including

any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings, approval of the Members of the Company be and is hereby accorded for appointment of Shri Jagdish Chandra Laddha (DIN: 00118527) as an Independent Director of the Company, who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations, whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (five) years on the Board of the Company upto 9<sup>th</sup> February, 2025."

**"RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of Listing Regulations, Shri Jagdish Chandra Laddha on attaining the age of 75 (seventy five) years on 12<sup>th</sup> December, 2024, during the above term of re-appointment, the continuation of such appointment as an Independent Director of the Company on the same terms and conditions of such re-appointment even after attaining the age of 75 years, will be considered as requisite approval from shareholders as required in the aforesaid Listing Regulations."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

Place: Bhilwara (Rajasthan)  
Date : 23<sup>rd</sup> June, 2020

By order of the Board  
For **BSL Limited**

**Regd. Office:**

26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

Sd/-

**(AANCHAL PATNI)**  
Company Secretary  
M. No.: ACS-43134

**NOTES:**

1. In view of the continuing COVID-19 pandemic, social distancing norms are to be followed and pursuant to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (collectively referred to as "MCA Circulars") permitting the convening of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), the 49<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be BSL LTD, Chittorgarh Road, Bilia Kalan, Mandapam, Bhilwara, manufacturing plant of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead

of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

3. No person shall be entitled to attend the AGM through VC/OAVM and/or vote through e-voting as duly authorized representative of a body corporate, unless a certified true copy of the resolution appointing him/her as a duly authorized representative, shall have been deposited at the registered office of the Company at BSL LTD., 26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan).
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of special business under Item Nos. 3 to 7 and relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General meetings are annexed hereto.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [bslagm@bslsuitings.com](mailto:bslagm@bslsuitings.com) at least seven days prior to the date of AGM.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2020 to Tuesday, 29<sup>th</sup> September, 2020 (both days inclusive) for the purpose of AGM.
9. Members are requested to:
  1. Quote their Identification number/ folio number in all correspondence with the Company/ Registrar & Share Transfer Agent (RTA).
  2. Notify immediately and change in their address and their mandate, at the Registered Office of the Company / Registrar & Share Transfer Agent (RTA).
10. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names are requested to send share certificates to Share Transfer Agent of the Company, for consolidation into a single folio.



## 11. Request for Dematerialization of Physical Shares

The SEBI had vide their Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further PR No.: 51/2018 dated 3<sup>rd</sup> December, 2018, also mandated that with effect from 1<sup>st</sup> April, 2019, transfer of shares of a listed Company shall be in dematerialized form only. Hence, you are requested to get your physical shareholding dematerialized. The Company will not accept the request of physical transfer. However the said notification shall not affect the process of transmission and transposition of shares.

12. The members desirous of appointing their nominee as per section 72 of the Companies Act, 2013 for the Equity Shares held by them in physical, may apply in the nomination form (Form No SH 13), which can be procured from the Registrar and Share Transfer Agent, "M/s MCS SHARE TRANSFER AGENT LTD". The Members holding shares in demat form may contact their respective depository participants for making such nominations.
13. Members may avail the facility of Electronic Clearing Service (ECS) for receipt of dividends. The said facility is available at specified locations. Members holding shares in dematerialized mode are requested to contact their respective depository participants for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the Company for details.
14. Members are hereby informed that all dividends which remain unclaimed/ unpaid over a period of 7 years from the date of transfer to the unpaid dividend account of the company have to be transferred by the Company to the Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 125(1) of companies Act, 2013. Accordingly, the shareholders who have not encashed the dividend warrants so far from the financial year 2013-2014 onwards are requested to make their claims to the Company. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company, and also on the website of the Ministry of Corporate Affairs.
15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

## 16. Dispatch of Annual Report through Electronic Mode:

In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.bslltd.com](http://www.bslltd.com), websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

In case, Physical Holding	Send a duly signed request letter to the RTA of the Company i.e. MCS Share Transfer Agent Limited (Unit: BSL LTD.), F-6S, Okhla Industrial Area, Phase-I, New Delhi- 110020 or email at <a href="mailto:admin@mcsregistrars.com">admin@mcsregistrars.com</a> and provide the following details/documents for registering email address and Bank details: a) Folio No., Name of Shareholder and Mobile No. b) Copy of Share Certificate (Front and Back), c) Copy of PAN Card & Aadhar Card (self attested)
In case, Demat Holding	Please contact your depository-Participant (DP) and register email address and bank account details in your demat account, as per the process advised by your DP.

## 17. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL. The Cut- Off date for determining the eligibility of shareholders to cast vote through e-voting is Tuesday, 22<sup>nd</sup> September, 2020.

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Friday, 25<sup>th</sup> September, 2020 at 09:00 A.M. and ends on Monday, 28<sup>th</sup> September, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

## Step 2: Cast your vote electronically on NSDL e-Voting system.

### Details on Step 1 is mentioned below:

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

#### **Details on Step 2 is given below:**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer Shri Manoj Maheshwari by e-mail to [cs.vmanda@gmail.com](mailto:cs.vmanda@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries/grievances pertaining to e-voting, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the downloads section of <http://www.evoting.nsdl.com>. or may contact on the NSDL toll free no.: 1800-222-990 or may contact to Mr. Rajiv Ranjan, Assistant Manager, National Securities Depository Limited, Trade World, A Wing, 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013, Maharashtra at the designated email ids: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rajivr@nsdl.co.in](mailto:rajivr@nsdl.co.in) or at telephone nos. (022) 2499 6000/ (022) 2499 4738. Alternatively, Members may also write to Ms. Aanchal Patni, Company Secretary, BSL Limited, 26, Industrial Area, Gandhi Nagar, Bhilwara-311001 (Rajasthan) or at the email id: [accounts@bslsuitings.com](mailto:accounts@bslsuitings.com).
- 18. Procedure for joining the AGM through VC / OAVM:** The Company will be providing a facility to view the live streaming of the proceeding of the 49<sup>th</sup> Annual General Meeting (AGM) on the NSDL website. You may access the same at <https://www.evoting.nsdl.com> by using your remote e-voting credentials. The link will be available in the shareholder login where the EVEN of the Company will be displayed.

Shareholders may join the AGM of the Company through

VC/ OAVM facility, by following the procedure as mentioned in the Notice, which shall be kept open for the shareholders from the time 3.45 P.M. on Tuesday, 29<sup>th</sup> September, 2020 i.e. 15 minutes before the time scheduled to start the AGM. The Company/NSDL may close the window for joining the VC/ OAVM facility 30 minutes after the scheduled time.

Shareholders may note that the VC/OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis. The shareholders holding 2% or more of the share capital of the Company, Promoter, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee, Auditors and Scrutinizer etc. can attend the AGM without any restriction on account of first-come-first-served basis.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

#### **1. The instructions for attending the meeting through VC/ OAVM are as under:**

- a) Shareholders will be able to attend the AGM through VC/OAVM Facility through the NSDL e-Voting system at <https://www.evoting.nsdl.com> under shareholders login by using the remote e-Voting credentials and selecting the EVEN for the Company's AGM. Please note that the shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further, Shareholders can also use the OTP based login for logging into the e-Voting system of NSDL.
- b) Shareholders may join the Meeting through Laptops for better experience. Further, the shareholders will be required to use Camera and Internet with a good speed to avoid any disturbance during the meeting. Please note that shareholders connecting from mobile or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- c) Shareholders can submit questions in advance with regard to the business to be transacted at the AGM from their registered email address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email id [bslagm@bslsuitings.com](mailto:bslagm@bslsuitings.com) at least 48 hours in advance before the start of the meeting i.e. by 27<sup>th</sup> September, 2020 by 4:00 P.M. Shareholders, who would like to express their views / ask questions during the AGM

with regard to the business to be transacted at the AGM, need to register themselves as a speaker by sending their request from their registered email id mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email id i.e. [bslagm@bssluitings.com](mailto:bslagm@bssluitings.com) at least 48 hours in advance before the start of the AGM i.e. on or before 4.00 P.M. on 27<sup>th</sup> September, 2020. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Shareholders who will participate in the AGM through VC/ OAVM can also pose question/feedback through question box option. Such questions by the shareholder shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.

- d) Institutional Investors, who are shareholders of the Company, are requested to be present in the AGM through VC/OAVM Facility.

**2. The instructions for e-voting during the AGM are as under:**

- a) Shareholders may follow the same procedure for e-Voting during the AGM as detailed above for remote e-Voting.
- b) The Shareholders who have cast their vote on the Resolutions by remote e-Voting prior to the AGM may also participate in the AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.
- c) The Helpline details of the persons who may be contacted by the Shareholder needing assistance with the use of technology, before or during the AGM shall be the same as mentioned for remote e-Voting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3**

The Board of Directors in their meeting held on 23<sup>rd</sup> June, 2020, approved the appointment and remuneration of **M/s N. D. Birla & Co.** Cost Accountants, (Firm Registration No 000028) as Cost Auditor of the Company on recommendations of the Audit Committee as per Section 148 of the Companies Act, 2013 and rules made thereunder. The appointment has been made to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2021.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,00,000/- (One Lakh Rupees Only) plus applicable GST and reimbursement of out of pocket expenses at actual payable to the Cost Auditors as approved by Board of Directors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on 31<sup>st</sup> March, 2021.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**Item No. 4**

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") requires shareholders' approval by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

A transaction with a related party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

The Company enters into various transactions with RSWM Limited disclosed in the notes forming part of the financial statements. In the financial year 2019-20, the aforementioned transactions in terms of aggregate value, have exceeded 10% of the Company's annual consolidated turnover for the relevant year. The transactions have been continued so far in the financial year 2020-21 and are expected to exceed the prescribed threshold limits under the Listing Regulations so as to qualify as material related party transactions. Going forward, the Company intends to continue such transactions with RSWM Limited.

All prescribed disclosures as required to be given under the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given herein below in a tabular format for kind perusal of the members.

<b>PARTICULARS OF THE PROPOSED TRANSACTIONS FOR THE PURPOSE OF APPROVAL UNDER REGULATION 23 OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015</b>				
<b>Name and Nature of Related Parties</b>	Sales, purchase or supply of any goods, materials*	Availing or rendering of any services *	Leasing of Property of any kind*	Interest Payable*
RSWM LIMITED (A Group Company)	₹ 71 Crore	₹ 4.00 Crore	₹ 0.25 Crore	₹ 2.00 Crore

**\* In Ordinary course of Business and on Arm's length basis.**

As per this estimates, the above transactions (maximum limit) would qualify as material related party transactions as they are likely to exceed 10% of the Annual turnover of the Company for the financial year 2019-2020.

The details of related party contracts are as under:

- Name of Related party and nature of relationship: As provided in table above.
- Nature of Contract, material terms, monetary value and Particulars of the contract or arrangement: Purchase/Sale of Yarn and Fibre, Services received or rendered having value of ₹ 77.25 Crores per Annum in the ordinary course of Business and at Arm's Length Prices.
- Name of the Directors who are related: Shri Arun Kumar Churiwal, Chairman & Managing Director of the Company as well as Director of RSWM Ltd. and Shri Ravi Jhunjhunwala, Shekhar Agarwal (Promoter- Non-Executive Director), Shri Amar Nath Choudhary (Independent Director) are also Directors in RSWM Ltd and Shri Nivedan Churiwal, Whole Time Director designated as Joint Managing Director of Company who is son of Shri Arun Kumar Churiwal.
- Any advance paid or received for the contract or arrangement, if any: NIL
- Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract: All proposed transactions would be carried out as part of the business requirements of the Company and are ensured to be on Arm's length basis.
- Whether all factors relevant to the contract have been considered, if not the details of factors not considered with the rationale for not considering those factors: All factors have been considered.
- Any other information relevant or important for the Board to take a decision on the proposed transaction: NIL.

Accordingly, as per Regulation 23 of the Listing Regulations, approval of the Members is sought for ratification of the arrangements/ transactions undertaken whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions. Accordingly, the Company proposes to obtain approval of its Members for ratifying as also for giving further approval to the Board for carrying out and/or continuing with the arrangements and transactions with RSWM Limited.

The Members may please note that in terms of the provisions of the Listing Regulations, no related party/ies shall vote to approve on the resolution under Item No. 4.

None of the Directors & Key Managerial Personnel of the Company

including their relatives except as mentioned above are, in any way concerned or interested, financially or otherwise in the Resolution set out at Item No.4.

**Item No. 5**

Shri Arun Kumar Churiwal was appointed as Director of the Company w.e.f. 4<sup>th</sup> November 1977. He was appointed as Chairman & Managing Director w.e.f. 1<sup>st</sup> September, 1997.

The Members of the Company had, by a resolution passed at the Annual General Meeting held on 18<sup>th</sup> September, 2012, approved his re-appointment as Chairman and Managing Director for a further period of five years from 1<sup>st</sup> September, 2012. Further the member of the Company has reappointed him for three years from 1<sup>st</sup> September, 2017 to 31<sup>st</sup> August, 2020.

The Nomination & Remuneration Committee and the Board of Directors in their respective meetings held on 23<sup>rd</sup> June, 2020, have approved the re- appointment and payment of remuneration of Shri Arun Kumar Churiwal (DIN 00001718) as Chairman & Managing Director of the Company, not liable to retire by rotation in terms of Sections 152 of the Companies Act, 2013, for a period of one year with effect from 1<sup>st</sup> September, 2020 to 31<sup>st</sup> August, 2021, subject to the approval of members. The Board considered the feedback/views of Nomination and Remuneration Committee on the performance evaluation of Shri Arun Kumar Churiwal, Chairman & Managing Director of the Company while approving his re-appointment and payment of remuneration, for a period of one year subject to the approval of members of the Company.

Members may also note that proposed remuneration as set forth in the resolution is in accordance with and within the limits of Schedule V and applicable provisions of the Companies Act, 2013 (the Act) and it therefore, require approval of shareholders by way of Special Resolution. The Terms and Conditions of his re-appointment are set out in the resolution.

Shri Arun Kumar Churiwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Shri Arun Kumar Churiwal is not debarred from holding the office of Director, pursuant to any SEBI order or any other such authority.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. The Board commends the resolution at Item No. 5 for your approval as a Special Resolution.

Details of Shri Arun Kumar Churiwal are provided in the "Annexure-I" to the Notice pursuant to the provisions of (i) the listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Information pursuant to Para A of Section II of Part II of the Schedule V to the Companies Act, 2013 are provided in the "Annexure-II".

None of the Directors & Key Managerial Personnel of the Company, including their relatives except Shri Arun Kumar Churiwal and Shri Nivedan Churiwal, Whole Time Director designated as Joint Managing Director of the Company, being son of Shri Arun Kumar Churiwal, are in any way concerned or interested, financially or otherwise in the Resolution set out at Item No. 5.

#### **Item No. 6**

Shri Nivedan Churiwal was appointed as Director of the Company on 26<sup>th</sup> July, 1997. Shri Nivedan Churiwal, was re-appointed as Executive Director of the company at Annual General Meeting held on 18<sup>th</sup> September, 2012 for the period of five years from 26<sup>th</sup> July, 2012 to 25<sup>th</sup> July, 2017. The Board of Directors at its meeting held on 23<sup>rd</sup> April 2014 have re-designated him as Whole Time Director and Joint Managing Director of the Company on existing terms and conditions of his appointment as approved by the Shareholders in Annual General Meeting held on 18<sup>th</sup> September, 2012. Further the member of the Company has reappointed him for three years from 26<sup>th</sup> July, 2017 to 25<sup>th</sup> July, 2020.

The Nomination & Remuneration Committee and the Board of Directors in their respective meetings held on 23<sup>rd</sup> June, 2020, have approved the re- appointment and payment of remuneration of Shri Nivedan Churiwal (DIN 00001749) as Whole Time Director & Joint Managing Director of the Company, liable to retire by rotation in terms of Sections 152 of the Companies Act, 2013, for a period of one year with effect from 26<sup>th</sup> July, 2020 to 25<sup>th</sup> July, 2021, subject to the approval of members. The Board considered the feedback/views of Nomination and Remuneration Committee on the performance evaluation of Shri Nivedan Churiwal, Whole Time Director & Joint Managing Director of the Company while approving his re-appointment and payment of remuneration, for a period of one year subject to the approval of members of the Company.

Members may also note that proposed remuneration as set forth in the resolution is in accordance with and within the limits of Schedule V and applicable provisions of the Companies Act, 2013 (the Act) and it therefore, require approval of shareholders by way of Special Resolution. The Terms and Conditions of his re-appointment are set out in Resolution.

Shri Nivedan Churiwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Shri Nivedan Churiwal is not debarred from holding the office of Director, pursuant to any SEBI order or any other such authority.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. The Board commends the resolution at Item No. 6 for your approval as a Special Resolution.

Details of Shri Nivedan Churiwal are provided in the "Annexure-I" to the Notice pursuant to the provisions of (i) the listing Regulations and

(ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Information pursuant to Para A of Section II of Part II of the Schedule V to the Companies Act, 2013 are provided in the "Annexure-II".

None of the Directors & Key Managerial Personnel of the Company including their relatives except Shri Nivedan Churiwal and his relatives and Shri Arun Kumar Churiwal, Chairman and Managing Director of the Company being father of Shri Nivedan Churiwal, are in any way concerned or interested, financially or otherwise in the Resolution set out at Item No. 6.

#### **Item No. 7**

Members may note that the Board of Directors of the Company upon the recommendation of Nomination and Remuneration Committee, have appointed, Shri Jagdish Chandra Laddha (DIN: 00118527) as an Additional Director (Independent) w.e.f. 10<sup>th</sup> February, 2020, for the first term of five consecutive years subject to the approval of Members.

In terms of the provisions of Section 161(1) of the Companies Act, 2013 ('the Act'), Shri Jagdish Chandra Laddha hold office up to the date of the ensuing Annual General Meeting as an Additional Independent Director.

Shri Jagdish Chandra Laddha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Shri Jagdish Chandra Laddha is not debarred from holding the office of Director, pursuant to any SEBI order or any other such authority.

The Company has received a declaration from Shri Jagdish Chandra Laddha that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Shri Jagdish Chandra Laddha fulfills the conditions for appointment as an Independent Director specified in the Act and rules made thereunder and Listing Regulations. Shri Jagdish Chandra Laddha is independent to the management.

Shri Jagdish Chandra Laddha is a fellow Chartered Accountants, having a rich experience of 44 years in Textiles. In last 42 years he worked on different positions in RSWM. He was Executive Director on RSWM Board since 1990 and retired on 31st March 2015. He had been Director in other LNJ group companies like Bhilwara Spinners Ltd., Bhilwara Processors Ltd. and BMD Pvt. Ltd. for many years. Currently he is on the board of Sudiva Spinners Private Limited, Lagnam Spintex Limited and Vinati Organics Limited.

His vast and varied experience in the business and corporate world justify his appointment as an Independent Director. Further his contribution towards deliberations in the Board/Committee Meeting would be in the best interest of the Company.

The Board evaluated the performance of Shri Jagdish Chandra Laddha on the basis of criteria laid down in the Nomination and Remuneration Policy of the Company and expressed their satisfaction over his performance as an Independent Director of the Company.

The resolution seeks the approval of members for appointment of Shri Jagdish Chandra Laddha as an Independent Director pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder to hold office for a first term of five consecutive years w.e.f. 10<sup>th</sup> February, 2020 up to 9<sup>th</sup> February, 2025. Further Shri Jagdish Chandra Laddha will attain the age of 75 years on 12<sup>th</sup> September, 2024 and hence continuation beyond 75 years requires the approval of members by way of a special resolution. The Board commends the special Resolution set out at Item No. 7 of the Notice for approval by the members.

Details of Shri Jagdish Chandra Laddha are provided in the "Annexure-I" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors & Key Managerial Personnel of the Company including their relatives except Shri Jagdish Chandra Laddha and his relatives is in any way concerned or interested, financially or otherwise in the Resolution set out at Item No. 7.

Place: Bhilwara (Rajasthan)

Date : 23<sup>rd</sup> June, 2020

**Regd. Office:**  
26, Industrial Area,  
Gandhi Nagar,  
Bhilwara-311001 (Rajasthan)

By order of the Board

For **BSL Limited**

Sd/-

**(AANCHAL PATNI)**  
Company Secretary  
M. No.: ACS-43134

### ANNEXURE-I

Details of Directors eligible for re-appointment/appointment and fixation of remuneration pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below:

Name of Director	Ravi Jhunjhunwala	Arun Kumar Churiwal	Nivedan Churiwal	Jagdish Chandra Laddha
Category	Promoter -Non Executive	Promoter - Executive	Promoter - Executive	Independent-Non Executive
Date of Birth	28 <sup>th</sup> October, 1955	15 <sup>th</sup> May, 1950	17 <sup>th</sup> July, 1975	12 <sup>th</sup> December, 1949
Age	64 Years	70 Years	45 Years	70 Years
DIN	00060972	00001718	00001749	00118527
Nationality	Indian	Indian	Indian	Indian
Qualification	B.Com, (Hons.) MBA	B.A. (Hons)	B.Com (Hons.)	B.Com. FCA
Date of first appointment on the Board	16/10/1993	04/11/1977	26/07/1997	10/02/2020
Experience and Expertise in specific functional areas	41 Years' Experience, an Industrialist with diversified business experience	39 Years' of Rich Experience in Textile Industry	22 Years' experience, an Industrialist with diversified business Expertise	44 Years' Experience in Textile Industry
Directorship held in other Public Limited Companies	1. HEG Limited 2. Malana Power Company Ltd. 3. RSWM Ltd. 4. Maral Overseas Ltd. 5. Bhilwara Energy Ltd. 6. AD Hydro Power Ltd. 7. India Glycols Ltd. 8. JK Lakshmi Cement Ltd.	1. RSWM Limited 2. La Opala RG Ltd. 3. LNJ Financial Services Limited	Nil	1. Lagnam Spintex Limited 2. Vinati Organics Ltd.
Relationship with other Directors, Manager and KMP of the Company	Nil	He is father of Shri Nivedan Churiwal.	He is son of Shri Arun Kumar Churiwal.	Nil
Terms and conditions of appointment/ continuation of Directorship/ re-appointment	Terms and Conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company website i.e.www.bslltd.com	As per the Resolution No. 5	As per the Resolution No. Item 6	Terms and Conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company website i.e.www.bslltd.com
Details of last Remuneration drawn (F.Y. 19-20)	₹ 60000.00 as sitting fee	₹ 1,29,11,517/-	₹ 1,04,49,764/-	-
Details of proposed Remuneration	Sitting fees as may be approved by the Board, in accordance with the applicable provisions of law.	As per the Resolution No. 5	As per the Resolution No. Item 6	Sitting fees as may be approved by the Board, in accordance with the applicable provisions of law.
Number of Meetings of the Board attended during the year	2	4	3	0
Directorships of other Boards as on March 31, 2020	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance



Chairman / Member of the Committee of the Board of Directors of this Company/ Committee Membership in other Companies	Stakeholders' Relationship Committee	Audit Committee	Stakeholders' Relationship Committee	Audit Committee	Stakeholders' Relationship Committee	Audit Committee	Stakeholders' Relationship Committee	Audit Committee
	HEG LTD. - Member	India Glycols Limited - Member	BSL LTD. - Member	La Opala RG Limited- Member	BSL LTD. - Member		-	Lagnam Spintex Limited - Member
	BSL LTD. - Member	JK Lakshmi Cement Limited -Member	RSWM LTD. - Member		-	-		Vinati Organics Ltd.- Member
		Bhilwara Energy Limited- Chairman						
		AD Hydro Power Limited- Chairman						
<b>Shareholding in the Company as on March 31, 2020</b>	84236		1025716		661071		0	

## **ANNEXURE –II**

### **INFORMATION PURSUANT TO PARA A OF SECTION II OF PART II OF THE SCHEDULE V TO THE COMPANIES ACT, 2013- FOR AGENDA ITEM NOS. 5 AND 6**

#### **A. GENERAL INFORMATION:**

##### **1. Nature of Industry**

The Company is in the business of manufacturing of wool, wool-blended and premium lightweight fabrics, Trevira wool, Poly Viscose, Poly Viscose Lycra and other specialized fabrics blended with Cotton, Linen for the formal men's wear & women's wear segment.

##### **2. Date or Expected date of commercial production**

The Company was incorporated on 24<sup>th</sup> October, 1970 and commercial production was commenced in 1971.

##### **3. Financial performance based on given indicators**

The financial performance of the Company during the previous three financial years is as under:

(₹ In Cr.)

Particulars	Financial Year Ended		
	31.03.2018	31.03.2019	31.03.2020
Revenue from Operations	403.20	437.31	390.04
Profit before interest, depreciations & taxes	32.73	34.68	30.61
Interest	13.95	17.50	18.41
Profit before depreciation	18.78	17.18	12.20
Depreciation	17.03	16.02	13.07
Profit before tax	1.75	1.16	(0.87)
Taxation	0.72	0.29	(2.53)
Profit after tax	1.03	0.87	1.66

##### **4. Export performance and net foreign exchange collaborations**

Exports sales of the Company for the year 2019-20 is ₹ 201.03 Crores as against ₹ 226.37 Crores in the year 2018-19.

##### **5. Foreign Investments or collaborations, if any: NIL**

#### **B. INFORMATION ABOUT THE APPOINTEE:**

##### **1. Background details**

Shri Arun Kumar Churiwal is one of the key promoters of the Company. He is Director of the Company since 1977 and holding 1025716 Equity Shares in the Company as on 31.03.2020. He is B.A. (Hons.) from Calcutta University. He has rich experience over 40 years in Textile Industry.

Shri Nivedan Churiwal is appointed as Joint Managing Director of the Company since 1997 and holding 661071 Equity Shares in the Company as on 31.03.2020. He is Graduate from Calcutta University. He is one of the key promoters of the Company and has vast experience of more than 22 years in Textile Industry.

##### **2. Past remuneration and proposed remuneration**

###### **Shri Arun Kumar Churiwal:**

The Past remuneration of Shri Arun Kumar Churiwal is as follows:

Basic Pay ₹ 5.15 Lakhs P.M. with an increment of ₹ 25000/- per annum. Other perquisites as mentioned in the resolution passed by shareholders. Present Basic pay is ₹ 5.65 Lakhs.

The Proposed revised remuneration is as follows:

Basic Pay ₹ 5.65 Lakhs P.M. Other perquisites as mentioned in the resolution (From 01.09.2017 to 31.08.2020).

###### **Shri Nivedan Churiwal:**

The Past remuneration of Shri Nivedan Churiwal is as follows:

Basic Pay ₹ 4.15 Lakhs P.M. with an increment of ₹ 20000/- per annum. Other perquisites as mentioned in the resolution passed by shareholders. Present Basic pay is ₹ 4.55 Lakhs.

The Proposed revised remuneration is as follows:

Basic Pay ₹ 4.55 Lakhs P.M. Other perquisites as mentioned in the resolution (From 26.07.2017 to 25.07.2020).

##### **3. Recognition or Awards**

Shri Arun Kumar Churiwal and Shri Nivedan Churiwal are associated with various Chambers/ Organizations relating to trade and industry.

##### **4. Job Profile and his suitability**

Shri Arun Kumar Churiwal is Chairman & Managing Director of the Company and is looking after overall affairs of the Company subject to the superintendence, control and direction of the Board of Directors. He is highly contributing towards the growth and development of the Company, having great leadership and administration skills, gives appropriate guidance to the Board and Company, contribute highly in strategic and risk management and corporate governance practices.

Shri Nivedan Churiwal is Joint managing Director of the Company and is looking after overall plant Operations, Procurement/ Sourcing, Marketing, Administration & Management under direction of the Chairman & Managing Director and Board of Directors.

Taking into account of their qualifications, experience and comparison with similarly suited managerial personnel in the industry and duties and responsibilities placed on them and in view of their contribution to the Company since their appointment, the Board considers their remuneration is in the best interest of the Company.

**5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

The Company has paid up capital of ₹ 10.29 Crores and is listed with two exchanges i.e. NSE and BSE with approx 10000 shareholders. It is engaged in the business of manufacturing of a wide range of Polyester Viscose fabrics and premium range of Worsted Suitings, including Cashmere, Mohair, Angora and Camelhair blends with turnover of ₹ 390.04 Crores during the financial year 2019-20. Considering the size of the Company and the duties and responsibilities of Shri Arun Kumar Churiwal as Chairman & Managing Director and Shri Nivedan Churiwal as Joint Managing Director the aforesaid remuneration packages are commensurate with the remuneration packages paid to managerial position in other Companies in the same industry.

**6. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any**

Except the payment of remuneration for their services detailed in the resolution, they have no other pecuniary relationship with the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri Arun Kumar Churiwal and Shri Nivedan Churiwal being related to each other, are interested in this resolution.

**C. OTHER INFORMATION:**

**1. Reason of loss or inadequate profit**

The Company earned profit before tax of ₹ (86.57) Lakhs for the year 2019-20 as compared to profit before tax of ₹115.84 Lakhs in the year 2018-19.

In the coming years the Company may have inadequate profits with reference to Section 197 of The Companies Act, 2013 and rules made thereof. Therefore, these resolutions have been proposed as Special Resolution.

**2. Steps taken or proposed to be taken for improvement**

The Company has adopted the following measures to improve the profitability:

- Widening of customer base and better market penetration, especially in overseas market.
- Conscious effort to develop new products and alternate market segments.
- Focus on significant improvements in operating costs.
- Cost control in all areas.

**3. Expected increase in productivity and profits in measurable terms**

The Company has taken initiatives to improve the profitability of the Company and will continue in its endeavor to improve performance and management expects a reasonable growth in business, gross revenue and net profit in the upcoming years.