

bajaj electricals limited

Board of Directors

Shekhar Bajaj, Chairman & Managing Director
Harsh Vardhan Goenka
A.K. Jalan
Ajit Gulabchand
V.B. Haribhakti
Madhur Bajaj
Dakshesh B. Dhruv
S.C. Batra (Upto 21.1.2005)
H.R. Srivastava (Nominee of SBBJ)

Company Secretary

Mangesh Patil

Auditors

Dalal & Shah, Chartered Accountants

Bankers

State Bank of Bikaner & Jaipur
Bank of India
Union Bank of India
State Bank of India
Yes Bank Ltd.

Registered Office

45-47, Veer Nariman Road, Mumbai 400 023.

Factories

Chakan Unit : Mahalunge, Chakan Talegaon Road,
Khed, Pune 410 501.
Wind Farm : Village Vankusawade, Dist.: Patan,
Maharashtra 415 206.
Ranjangaon Unit : Village Dhoksanghvi, Taluka Shirur,
Ranjangaon, Dist.: Pune,
Maharashtra 412 210.

Branches

Ahmedabad, Bangalore, Bhubaneshwar, Chandigarh,
Chennai, Cochin, Delhi, Guwahati, Hyderabad, Indore,
Jaipur, Kolkata, Lucknow, Mumbai, Noida, Patna, Pune,
Raipur & Wardha.

Depots

Daman, Dehradun, Faridabad, Goa, Parwanoo, Ranchi &
Zirakhpur.

Management

Shekhar Bajaj, Chairman & Managing Director
R. Ramakrishnan, President & Chief Operating Officer
L.K. Mehta, Sr. Vice President & Head – Engineering & Projects BU
P.S. Tandon, Vice President & Head – Appliances BU
G.P. Satsangi, Vice President & Head – Luminaires BU
A.S. Radhakrishna, Vice President & Head – Fans BU
Pravin Jathar, Vice President & Head – Corporate Finance
Vijay Deshpande, Vice President – Human Resources
Harsh Mittal, Vice President & Head – Lighting BU (upto 11.5.05)
C.G.S. Mani, Vice President & Head – Lighting BU (wef 11.5.05)

Chakan Unit

Sudeep P. Naigaonkar, Sr. General Manager & Head –
Fans Manufacturing

Ranjangaon Unit

S.C. Bhargava, Sr. General Manager & Head – Ranjangaon Unit

A request

The practice of distributing the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. Shareholders are therefore requested to bring their copies of the Annual Report to the meeting.

bajaj electricals limited

Registered Office : 45-47, Veer Nariman Road, Mumbai 400 023.

NOTICE

NOTICE is hereby given that Sixty-sixth Annual General Meeting of the Shareholders of Bajaj Electricals Limited will be held at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 on Thursday, the 28th day of July, 2005 at 11.30 A.M. (I.S.T.) to transact the following business:

1. To consider and adopt the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2005 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend on Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Shri V.B. Haribhakti, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Ashok Kumar Jalan, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and in this connection, to consider and if deemed fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED that Messrs. Dalal & Shah, Chartered Accountants, Mumbai, be and they are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors or Committee thereof in addition to reimbursement of service tax, as applicable, actual traveling and out-of-pocket expenses incurred by them.”

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as an Ordinary Resolution:

“RESOLVED that in supersession of the Resolution passed at the Annual General Meeting of the Company held on Tuesday, the 20th day of July, 1999, the consent of the Company under section 293(1)(d) of the Companies Act, 1956 be and is hereby accorded to the Board of Directors of the Company to borrow, monies from time to time together with the monies already borrowed by the Company upto a limit of Rs.200 crores (Rupees Two hundred crores only), (exclusive of interest), in excess of aggregate of paid-up capital and free reserves at any time for the purposes of the Company (apart from temporary loans obtained from and/or to be obtained from the Company's bankers in the ordinary course of business), from the Company's bankers or from any person or persons, firms, bodies corporate or financial institutions, by way of deposits, advances or other loans, whether unsecured or secured by mortgage, charge, hypothecation, or pledge of all or any of the Company's assets and properties including the whole or substantially the whole of undertaking or undertakings of the Company on such terms and conditions as the Board of Directors may deem fit, and that the consent be and is hereby given to the Board of Directors for executing, if and when necessary, such instruments and

documents as they may deem fit for mortgage, charge, hypothecation or pledge or otherwise, in connection with the borrowings of the Company.”

8. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution:

“RESOLVED that subject to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the reappointment of Shri Shekhar Bajaj, as Managing Director of the Company with effect from 1st November, 2004 for a period of five years on the following terms and conditions:-

- (a) Salary: Rs.2,00,000 (Rupees Two lacs only) per month in the Scale of Rs.2,00,000 - 25,000 - 3,00,000.
Accelerated increments may be given by the Board of Directors at their absolute discretion.
- (b) Commission: In addition to the Salary, Commission equal to 100% of the Salary be paid to the Managing Director
- (c) Perquisites: Perquisites be allowed in addition to Salary and Commission. The perquisites are classified into following three Categories:

Category ‘A’

- (i) Housing I:

The expenditure by the Company on hiring accommodation and providing furniture for the Managing Director will be subject to the following ceiling:-

60% of the salary, over and above 10% payable by the Managing Director.

Housing II:

In case the accommodation is owned by the Company, then, ten percent of the Salary of the Managing Director shall be deducted by the Company.

Housing III:

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962. This, however, shall be subject to a ceiling of 10% of the Salary of the Managing Director.

- (ii) Medical Reimbursement:

Reimbursement of expenses actually incurred for self and family subject to a ceiling of one month’s salary in a year or three months’ salary over a period of three years.

- (iii) Leave Travel Concession:

Leave travel concession for self and family once in a year incurred in accordance with the rules specified by the Company.

- (iv) Personal Accident Insurance:

Premium not to exceed Rs.4,000/- per annum.

Category ‘B’

- (v) Provident Fund and Superannuation Fund:

The contribution towards Provident Fund and Pension/Superannuation Fund as per the rules of the Company, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (At present, this is limited to twenty seven per cent of the salary under the Income-tax Act).

- (vi) Gratuity:
Gratuity as per the rules of the Company.

Category 'C'

- (vii) Car and Telephone:
Provision of car for use for Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

Other Terms:

- (viii) Entertainment Expenses:
The Managing Director will be entitled to reimbursement of entertainment expenses incurred in the course of business of the Company.
- (ix) Leave:
The Managing Director shall also be entitled to leave on full pay and allowances as per the rules of the Company."

"FURTHER RESOLVED that in case of absence or inadequacy of profits, the Managing Director will be entitled to a commission at such percentage of salary so that the total remuneration payable to him shall not exceed the limits prescribed in clause B of Section II of Part II of Schedule XIII to the Companies Act, 1956, which at present is Rs.42,00,000/- per annum."

9. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution:

"RESOLVED that pursuant to provisions of Section 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the Company be and is hereby accorded to Shri Anant Bajaj, son of Shri Shekhar Bajaj, Chairman & Managing Director of the Company, to hold and continue to hold an office or place of profit in the Company with the designation of General Manager (Special Assignments) or such other designation as the Managing Director may from time to time decide at a monthly remuneration together with other benefits and perquisites as set out herein, with authority to Managing Director at his discretion to give increments as he may deem fit and proper and to sanction at his discretion and in due course promotion to next higher grade together with modifications in benefits and perquisites with effect from the date as may be decided by the Managing Director, subject however that the maximum remuneration together with other perquisites and benefits shall not exceed Rs.1,50,000/- per month.

- (a) Basic Salary: Rs.15,000/- (Rupees Fifteen Thousand only) per month
- (b) Other benefits and perquisites:
1. House Rent Allowance : Rs.10,000/- per month;
 2. Additional Allowance: Rs.11,000/- per month;
 3. Conveyance Allowance: Rs.3,000/- per month or provision of Company's car with reimbursement of maintenance and driver salary;
 4. Provident Fund and Superannuation fund contributions as applicable to other senior employees in Manager's grade (presently @ 12% and 15% respectively, of the Basic Salary);
 5. Gratuity as per the rules of the Company;
 6. Leave and encashment of unavailed leave as per rules of the Company;

7. Leave Travel Assistance: Rs.18,000/- per annum;
8. Medical Expenses : For self and family upto a limit of Rs.21,000/- per annum;
9. Telephone : Expenses towards usage of telephones installed at residence will be reimbursed by the Company upto a limit of Rs.12,000/- per annum;
10. Mobile Phone : Rs.9,600/- per annum;
11. Soft Furnishing : Rs.3,500/- per annum;
12. Polishing & Painting : Rs.15,500/- for every three years;
13. Portfolio Bag : Rs.2,000/- for every three years;
14. Books & Periodicals : Rs.3,100/- per annum;
15. Repairs & Maintenance : Rs.4,000/- per annum;
16. Domestic Servant Allowance: Rs.7,800/- per annum;
17. Other perquisites and emoluments as per the rules of the Company."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Shareholders are requested to bring their copy of Annual Report to the meeting.
3. Members/Proxies should fill the Attendance Slip for attending the meeting.
4. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, unclaimed dividend that are due for transfer to the Investor Education and Protection Fund are as follows:

Particulars	Financial Year	Date of Declaration	Due date for transfer to IEP Fund
Dividend	1997-98	05.08.1998	21.09.2005
Dividend	1998-99	20.07.1999	05.09.2006
Dividend	1999-00	16.08.2000	02.10.2007
Dividend	2000-01	30.07.2001	03.09.2008

5. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th day of July, 2005 to 28th day of July, 2005, both days inclusive.

6. Re-appointment of Directors:

At the ensuing Annual General Meeting, Shri V.B. Haribhakti and Shri Ashok Kumar Jalan, retire by rotation and being eligible offer themselves for re-appointment. The information pertaining to the Directors to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is furnished in the statement on Corporate Governance published in the Annual Report.

By Order of the Board of Directors
For Bajaj Electricals Limited

Mumbai, 30th May, 2005

Mangesh Patil
Company Secretary

bajaj electricals limited

Registered Office : 45-47, Veer Nariman Road, Mumbai 400 023.

Annexure to the NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7

The Company at its Annual General Meeting held on Tuesday, 20th day of July, 1999 had empowered the Board of Directors of the Company to borrow and raise monies not exceeding Rs.100 crore (Rupees One hundred crore only) in excess of the aggregate of the paid-up capital and the free reserves under section 293(1)(d) of the Companies Act, 1956.

Since the year 1998-99, turnover of the Company has increased from Rs.338.17 crore to Rs.651.73 crore in 2004-05. The Ranjangaon Unit of the Company, which manufactures High Masts, Galvanised Poles, Transmission Line Towers, etc., has been operating at its full capacity. Due to growth in the existing business of the Company and possible new business opportunities, the requirement of working capital has increased over the period. The developments in the finance sector have also necessitated giving more flexibility to the Board of Directors to source the borrowings.

In view of the above, to part finance increasing working capital requirements and acquisition of assets, the existing borrowing limit is proposed to be increased from Rs.100 crore to Rs.200 crore in excess of the aggregate of the paid-up capital and the free reserves.

The consent of the Company is required under the provisions of Section 293(1)(d) of the Companies Act, 1956 to authorize the Board of Directors to borrow monies in excess of the aggregate of paid-up capital of the Company and the free reserves and to specify the total amount upto which the monies may be borrowed by the Board of Directors.

The aggregate of the paid-up capital (equity & preference) and the free reserves of the Company as on 31st March, 2005 is Rs.69.13 crores.

None of the Directors is interested in this Resolution.

Item No. 8

At the Annual General Meeting of the Company held on 16th August, 2000, the members of the Company had approved the reappointment and remuneration payable to Shri Shekhar Bajaj as Managing Director of the Company for a period of five years from 1st November, 2000. This term expired on 31st October, 2004.

The reappointment and remuneration of Shri Shekhar Bajaj, were approved by the Remuneration Committee and the Board of Directors in their meetings held on 29th October, 2004.

The abstract of the terms of the contract and memorandum of concern or interest under Section 302 of the Companies Act, 1956 in respect of reappointment of Shri Shekhar Bajaj as the Managing Director of the Company has been circulated to all the members. The terms and conditions of the reappointment of Shri Shekhar Bajaj, which are set out in the Resolution, are in conformity with Section 269 read with Schedule XIII to the Companies Act, 1956.

Pursuant to Sections 269, 198, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956, including Schedule XIII, the reappointment of Shri Shekhar Bajaj as Managing Director of the Company is now being placed before the Members in General Meeting for their approval by way of a Special Resolution.

The Directors recommend the resolution as set out at Item No.8 of the Notice for the approval of the members.

None of the Directors except Shri Madhur Bajaj and Shri Shekhar Bajaj is interested in this Resolution.

The following additional information as required by Schedule XIII to the Companies Act, 1956 is given below.

I. General Information:

(i) Nature of Industry:

The Company is engaged in marketing of various consumer household and industrial goods including electric lamps and bulbs, lighting fittings and electric domestic appliances like fans, air-coolers, pressure cookers, ovens, toasters, heaters, geysers, mixer grinders and parts thereof; pumps and parts thereof; water purifiers, water filters, etc. The Company is also manufacturing and/or marketing electric fans and industrial items like highmasts, transmission line towers, etc.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 14th July, 1938 under Indian Companies Act, 1913 and is registered with the Registrar of Companies, Maharashtra. It commenced operations vide Certificate of Commencement of Business dated 12th September, 1938.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

(iv) Financial performance based on given indicators as per audited financial results for the year ended 31st March, 2005:

Particulars	Rupees in Crores	
	F.Y. ended 31.03.2005	F.Y. ended 31.03.2004
Turnover and Other Income	651.73	522.01
Net Profit as per Profit & Loss Account	13.66	10.31
Profit as computed under section 309(5) read with section 198	13.55	(9.03)
Net Worth	80.68	73.43

(v) Export performance and net foreign exchange collaborations:

Foreign Exchange Earnings : Rs.371.30 lakhs

(vi) Foreign Investments of collaborators, if any:

Nil

II. Information about the appointee:

(i) Background details:

Shri Shekhar Bajaj, aged 56 years, is a Bachelor of Science from Pune University and MBA from

New York University, USA. He has substantial experience in the management of Companies. He is the President of Electric Lamp & Component Manufacturers' Association of India (ELCOMA). He was the Past President of the Associated Chambers of Commerce & Industry of India, Indian Merchants' Chamber, Council for Fair Business Practices, Indian Fan Manufacturers Association etc. He has been a Director in several other Companies and was also on the Board of IDBI Bank Ltd. He was first appointed as Managing Director of the Company on 1st November, 1984 and thereafter was reappointed in 1989, 1994 and 2000 for a term of five years each.

He was assigned and vested with onerous responsibility of managing and conducting the business affairs of the Company at a crucial time when the Company was passing through critical phase of operation. Shri Shekhar Bajaj managed the Company with great skill and ability and set the company on revival path. An overall improvement of the Company, as reflected in the financials, is ample testimony of his thoughtful planning and relentless efforts put in by him. In order to achieve higher, stronger and faster growth, the Board of Directors of the Company at their meeting held on 29th October, 2004 have, subject to the shareholders' approval, reappointed Shri Shekhar Bajaj as the Managing Director of the Company for a further period of five years from 1st November, 2004 with the increased remuneration.

- (ii) Past remuneration during the financial year ended 31st March, 2004

Salary of Rs.1,30,000/- (Rupees One lakh thirty thousand only) per month in the Scale of Rs.1,00,000/- - 10,000/- - 1,50,000/- per month and other perquisites, allowances and commission as may be applicable.

- (iii) Recognition or Awards:

Not Applicable

- (iv) Job profile and his suitability:

Shri Shekhar Bajaj has over 25 years of varied and rich work experience in a wide range of functions with emphasis on Marketing and Sales. He has been closely associated with a number of start up businesses as well as important business turnaround projects.

- (v) Remuneration Proposed:

Salary of Rs.2,00,000/- (Rupees Two lacs only) per month in the Scale of Rs.2,00,000/- - 25,000/- - 3,00,000/- per month, with effect from 1st November, 2004 and other perquisites, allowances and commission as set out in the Notice.

- (vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointee(s) in other companies in the industry.

- (vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Shri Shekhar Bajaj is a member of the Promoter family which controls the management of the Company.

III. Other Information:

(i) Reasons of loss or inadequate profits:

As at 31st March, 2004, the Company posted a net profit of Rs.1030.72 lakhs.

- (a) Acute competition;
- (b) High interest and depreciation burden; and
- (c) Inadequate capacity utilization at Ranjangaon Unit.

(ii) Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms:

- (a) Restructuring of term loans of Rs.36 crores with banks/financial institutions for reduction in rate of interest, 2 years moratorium period and repayment in next 5 years in ballooning manner;
- (b) Rollover of Preference Shares of Rs.10 cores with reduction in coupon rate;
- (c) Sale of Development rights of Matchwel Land at Pune; and
- (d) Infusion of long term funds by way of issue of Rights Shares.

Item No. 9

Shri Anant Bajaj has been associated with the Company since last 8 years and has requisite experience on corporate matters. Presently, Shri Anant Bajaj is designated as Manager (Special Assignments) and looking after international business of the Company. His appointment was made as per the Resolution passed by the members of the Company under Section 314 of the Companies Act, 1956, at the Annual General Meeting of the Company held on 23rd August, 2002. The salary and perquisites given to Shri Anant Bajaj have not been revised since his appointment in 2002.

Shri Anant Bajaj, aged 28 years, is Commerce Graduate and holds Post Graduate Diploma in Family Managed Businesses (PGDFMB) from S.P. Jain Institute of Management, Mumbai. Considering his qualification and experience, services of Shri Anant Bajaj will help the Company in achieving its Corporate Goals.

Shri Anant Bajaj is a son of Shri Shekhar Bajaj, Chairman & Managing Director and nephew of Shri Madhur Bajaj, Director of the Company. Therefore approval of the members by way of Special Resolution under Section 314 of the Companies Act, 1956 is necessary for him to hold and continue to hold office of profit in the Company on the increased remuneration and benefits as set out in the Resolution, subject however, to the approval of the Central Government.

The Directors recommend the Special Resolution as set out at Item No.9 of the Notice for the approval of the members.

None of the Directors except Shri Shekhar Bajaj and Shri Madhur Bajaj is concerned/interested in the Resolution.

By Order of the Board of Directors
For Bajaj Electricals Limited

Mangesh Patil
Company Secretary

Mumbai, 30th May, 2005

bajaj electricals limited

To
The Members,

The Directors are pleased to present their Sixty-sixth Annual Report on the business and operations of the Company and the Statement of Accounts for the year ended 31st March, 2005.

Financial Highlights/Sales and Other Income

The year under review has been a year of significant turnaround in the operating performance of the Company. Your Company earned revenues, comprising of sales and other income, of Rs.651.73 crores, which is higher by about 24.85% over the revenue of Rs.522.01 crores earned in the previous year. Profit before Tax and Provisions has improved to Rs.21.79 crores (including Profit on Sale of development rights of Land of Rs.2.37 crores) as against the profit of Rs.16.72 crores (including Profit on Sale of development rights of Land of Rs.11.70 crores) in the previous year. Profit After Tax is Rs.13.84 crores as compared to Rs.11.36 crores in the previous year. The Company has a net worth of Rs.80.68 crores, which translates to a book value of Rs.93.35 per share.

Financial Results

	FY 2004-05 Rs. in lacs	FY 2003-04 Rs. in lacs
Sales and Other Income*	65,172.62	52,200.95
Gross Profit	2,809.25	2,385.16
Less: Depreciation	598.75	602.32
Profit before Taxes & Provisions	2,210.50	1,782.84
Less: Provision for:		
Doubtful Debts & Advances (Net)	(46.95)	110.51
Taxation (including deferred taxation)	795.18	536.32
Impact of discontinued operations	78.19	—
Profit after Tax	1,384.08	1,136.01
Less: Prior Period Adjustments	18.49	105.29
Add: Balance brought forward from previous year	499.13	—
Balance available for appropriation	1,864.72	1,030.72
Appropriations:		
Proposed Dividend: Equity	259.29	86.43
Preference	100.00	110.00
Tax on Corporate Dividend	49.43	25.16
Transferred (from)/to General Reserve	950.00	310.00
Balance carried to Balance Sheet	506.00	499.13

* Other income Rs. 2.09 crores (Previous year Rs. 3.39 crores) and Profit on Sale of Development Rights Rs. 2.37 crores (Previous year Rs. 11.70 crores)

Dividend

The Board has declared and paid, for the year ended 31st March, 2005, interim dividend aggregating to Rs.100.00 lacs on 1,00,00,000 - 10% Cumulative Non-Participating Preference Shares of Rs.10/- each, as per the terms of issue of Preference Shares. The Directors recommend the same as the final dividend on Preference Shares.

In view of the improved performance, the Directors are pleased to recommend for the year ended 31st March, 2005, a higher dividend of 30% (Rs.3/- per share), as against 10% (Re.1/- per share) in the previous year, on 86,42,880 Equity Shares, which, if approved by the shareholders at the Annual General Meeting, will be paid to (i) all those Equity Shareholders whose names appear in the Register of Members as on 28th July, 2005 and (ii) to those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited. The dividend will absorb a sum of Rs.295.65 lacs (including dividend tax of Rs.36.36 lacs).

Market Conditions and Performances

The Company has strived to improve its top line, reduce operational costs besides capitalizing on the strong brand name of "bajaj". The Management's ability to turn around the Company's performance by following clear and relevant strategies, coupled with effective implementation and teamwork has stood it in good stead. These along with favourable market conditions have helped the company in achieving a satisfactory growth in sales of 28.2% from Rs.505.07 crores last year to Rs.647.89 crores in the current year.

All major business units have shown a good top line growth. The improved focus on brand development across products has resulted in better consumer pull and stronger dealer network resulting in improvement in margin and higher turnover.

Division-wise Performance

Lighting and Industrial Products

The turnover of lighting and industrial products viz Lamps, Tubes, Luminaires, Highmasts and Projects increased by over 25% at Rs.311.76 crores during the year under review from Rs.248.71 crores in the previous year.

During the year, the Company has initiated a distribution agreement with a leading European Luminaries brand named 'Trilux' to promote and sell its products in India. The Company has also introduced two new ranges of luminaires, 'Ambience' and 'Le Magique', which are targeted at the retail and landscape segment of the market respectively.

Consumer Durables

The turnover of consumer durables, which include fans and small appliances, increased by over 15% at Rs.259.10 crores during the year under review from Rs.224.14 crores in the previous year. The Company's Morphy Richard brand products like Ovens, Mixers, Irons, Toasters, etc. introduced in the premium segment have been well received in the market. The contribution from this product range is expected to grow significantly in the coming years. The Company has continued to introduce new products and different models in the existing range of products and improve the technology and quality wherever possible, in order to have a competitive advantage. In order to take advantage of Excise Duty benefits in Himachal Pradesh, a number of Company's vendors of Appliances and Fans have started manufacturing activities in Himachal Pradesh.

Matchwel Unit

In pursuance of the Memorandum of Understanding entered into by the Company with M/s.Bramha Builders, the Company had entered into an agreement with the said M/s.Bramha Builders for Sale of Development Rights of part of the land for a total consideration of Rs.5.50 crores and has received the said amount. The Company has also received a sum of Rs.2.5 crores as advance against the sale of development rights for part of the balance land.

Chakan Unit

The production at this Unit showed marginal increase during the year under review with production of 5,17,560 nos. of fans as against 5,02,250 nos. of fans in the previous year. This Unit continues to show an improvement in its operations.

Ranjangaon Unit

The Ranjangaon Unit has increased its capacity utilisation to 90% as compared to 78% in the

previous year and achieved a turnover of Rs.8849 lacs as compared to Rs.3869 lacs in the previous year, registering a growth of over 129%. The Unit produced 1345 nos. of Highmast shafts and 18465 nos. of Poles as against 1059 nos. and 7579 nos. respectively in the previous year. The Unit also manufactured 19841 MT of lattice masts/transmission line towers as against 14013 MT in the previous year.

The Unit continues to enjoy dominance in Highmast business with over 60% market share. The Unit has sufficient orders to utilise the installed capacity and with better prices the Unit is expected to continue its growth trajectory. The Ranjangaon unit has turned around and has achieved significant success in the Power Transmission Tower business. The E&P BU has also started executing turnkey power transmission tower contracts, which includes erection and commissioning. The major customers include Powergrid Corporation and various State Electricity Boards.

Wind Energy

The 2.8 MW Wind Farm at Village Vankusawade in Maharashtra generated 42,79,980 electrical units during the year under review (previous year 44,07,462 units). The Company has transferred sales tax incentive available for Rs.165.40 lacs (previous year Rs. 166.96 lacs).

Deferred Tax Liability

In terms of the Accounting Standard 22 dealing with "Accounting for Taxes on Income" of the Institute of Chartered Accountants of India the Company has debited to the Profit & Loss Account, net deferred tax liability of Rs.620.18 lacs in respect of the year under review.

Depository System

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid.

Corporate Governance

To comply with conditions of Corporate Governance, pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion and Analysis Statement, Corporate Governance Report and Auditors' Certificate, are included in the Annual Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Act, the Directors based on the information/representations received from the Operating Management, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) such accounting policies have been selected and applied consistently and that reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- (c) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken; and
- (d) the annual accounts are prepared on a going concern basis.

Directors

During the year, Shri S.C. Batra, a Director on the Board of the Company, resigned with effect from 21st January, 2005. The Board places on record its

appreciation of the valuable contribution made to the Company by Shri. S.C.Batra.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri V.B. Haribhakti and Shri Ashok Kumar Jalan retire by rotation and being eligible, offer themselves for re-appointment.

Auditors

The Auditors, M/s. Dalal & Shah, retire at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for re-appointment. You are requested to appoint Auditors and fix their remuneration.

Particulars under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

The particulars prescribed under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption, etc. to the extent applicable are set out in the **Annexure-I** hereto.

Employees

Particulars with regard to employees as required by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming an integral part of Directors' Report are given in the **Annexure-II** hereto.

The relations with the employees of the Company have continued to remain cordial.

Your Directors would like to acknowledge the contribution made by the Company employees in enabling the Company to turn around and become profitable again.

For and on behalf of the Board of Directors

Mumbai, 30th May, 2005
Mangesh Patil
Company Secretary

A.K. Jalan
Director

Shekhar Bajaj
Chairman & Managing Director

Annexure-I to the Directors' Report

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2005.

I. Conservation of Energy

(a) Energy conservation measures taken:

NIL

(b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

NIL

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

NIL

(d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the rules in respect of industries specified in the schedule thereto:

76 units/ton/18,74,080 units per annum.

II. Technology Absorption

Research and Development (R&D)

1. Specific areas in which R & D carried out by the Company:

NIL

2. Benefits derived as a result of the above R & D:

NIL

3. Future Plan of Action:

New Products Design

4. Expenditure on R & D:

(a) Capital	: Rs. 10.26 lacs
(b) Recurring	: Rs. 199.77 lacs
(c) Total	: Rs. 210.03 lacs
(d) Total R & D expenditure as a percentage of total turnover	: 0.32 %

III. Technology Absorption, Adaptation and Innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

NIL

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.:

Not Applicable

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

- (a) Technology imported.

- (b) Year of import.

- (c) Has technology been fully absorbed ?

- (d) If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.

Not Applicable

IV. Foreign Exchange Earnings and Outgo:

1. Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:

During the year under review, export earnings were Rs.371.30 lacs as compared to Rs.212.58 lacs in the previous year.

Constant efforts are being made to explore new international markets.

2. Total foreign exchange used and earned:

(Refer Note No.14 of Schedule 14 to the Balance Sheet as at 31st March, 2005 for details)

Foreign Exchange	Amount
Earned	Rs. 371.30 lacs
Used	Rs.2,595.90 lacs

For and on behalf of the Board of Directors

Mumbai, 30th May, 2005

Shekhar Bajaj
Chairman & Managing Director

Annexure-II to Directors' Report

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2005.

Name	Designation and Nature of Duties	Remuneration (Gross) Rupees	Remuneration (Net) Rupees	Qualifications	Age Yrs	Experience No. of Yrs.	Date of Com-mencement of Employment	Last employment and Designation (Period of Service)
1	2	3	4	5	6	7	8	9
(A) EMPLOYED THROUGHOUT THE YEAR								
Shri Bajaj Shekhar	Chairman & Managing Director	4017334	3046896	B.Sc.(Hons.), M.B.A.	56	36	01-04-1980	Managing Director Bajaj International (P) Ltd. (6)
Shri Ramakrishnan R.	President & C.O.O.	3494346	2328084	B.Sc.(Hons.), PGDBM	44	23	19-11-1999	GM (New Products) Asian Paints (I) Ltd. (17)
(B) EMPLOYED FOR PART OF THE YEAR								
Kum. Daphne Alvares	Commercial Officer	282914	280309	SSC	55	31	17-05-1973	MIDAS, Mumbai. Designated as Steno
Shri Dhotre R E	Sr.Sales Executive (Fans)	553236	495922	B.Sc., DBM	58	33	05-08-1971	Theurapatic Chemical Research Corporation. Designated as Chemist
Smt. Durham Jean Wayne	Sr.Accounts Officer	235423	233623	B.Com.(BOMBAY) DIP. COMP.	42	21	17-10-1983	—
Shri Kannan N	Commercial Executive	577260	523726	SSLC	58	34	20-05-1970	Ratan S Mama & Co. Chartered Accountants Mumbai. Designated as Stenographer
Smt. Karkera Sharda L	Commercial Officer	263445	263375	SSLC	54	29	01-02-1975	—
Shri Mehrotra Arun	Dy.General Manager & RM (North)	652049	577875	B.Sc.(DELHI), DMSM (YMCA DHL)	49	27	01-09-1977	Continental Courier Co. Ltd., New Delhi. Designated as Sales Representative
Shri P Vijayaraghavan	Mechanic-I	273635	273550	SSC	58	33	01-07-1971	—
Shri Puri P K	Commercial Assistant	239827	239794	B.A.	59	33	11-10-1971	British Motor Car Co. (1934) P. Ltd., Jullundur. Designated as Stenographer
Shri Rathod D P	Packer-I	205731	205680	VI STD	59	32	15-05-1972	—
Shri Sehgal R G	Asst.General Manager & RM(North)	712607	604675	DEE (PUSA POLY)	48	24	12-07-1980	—
Kum. Shahani Asha	Branch Sales Co-Ordination Manager	674849	624087	MATRIC	59	40	28-12-1964	—
Shri Shastri Atul A	Dy.General Manager (Development), Lum BU	624171	581673	B.E.(A'GBAD)	58	15	01-07-1989	Khandelwal Group of Companies, Mumbai. (Holding position of Jr.Mgt.cadre)

Notes:

- All appointments are contractual.
- Gross Remuneration includes Salary, Bonus, Commission, House Rent Allowance, Contribution to Provident Fund, Superannuation Fund, Insurance Premium, Voluntary Retirement Compensation, Leave Encashment, Other Benefits and Gratuity Payments received from LIC wherever applicable and monetary value of perquisites, but it does not include Company's Contribution towards LIC's Group Gratuity-cum-Life Assurance Scheme.
- Net remuneration is arrived at after deducting IncomeTax, Contribution to Provident Fund and Professional Tax etc.
- None of the above Employees are related to any Director of the Company, except Shri Shekhar Bajaj who is relative of Shri Madhur Bajaj.

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Mumbai, 30th May, 2005

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance

Good Corporate Governance is the adoption of best business practices which ensure that the Company operates not only within the regulatory frame-work, but is also guided by ethics. The adoption of such Corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, suppliers, creditors, employees and the society at large on the other.

The shareholders have role in Governance of their Companies by appointing Directors and Auditors and by ensuring that an appropriate governance structure is put in place. The management has the role in discharging their responsibility and the Government has the role to monitor and bring the same in public glare.

2. Board of Directors

The Board of Directors of your Company is presently comprised of two Promoter Directors (of whom one is the Managing Director) and six Non-promoter, Independent and Non-executive Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures made by the Directors regarding Committee positions are as under:

Name	Executive/Non-Executive/Promoter/Independent	Number of Other Directorship(s) (*)	Total Number of Membership(s) in other Board Committees (**)	Number of Chairmanship(s) in other Board Committees (**)
Shri Shekhar Bajaj	Chairman & Managing Director (Promoter)	13	2	1
Shri H.V. Goenka	Non-Executive Director (Independent)	9	1	1
Shri A.K. Jalan	Non-Executive Director (Independent)	6	3	3
Shri Ajit Gulabchand	Non-Executive Director (Independent)	12	2	—
Shri V.B. Haribhakti	Non-Executive Director (Independent)	10	8	4
Shri Madhur Bajaj	Non-Executive Director (Promoter)	9	1	—
Shri D.B. Dhruv	Non-Executive Director (Independent)	6	—	—
Shri H.R. Srivastava	Non-Executive Director (Nominee Director)	—	—	—

* This includes Directorships held in Private Limited Companies.

** Represents Membership/Chairmanship of Audit Committees, Shareholders'/Investors' Grievance Committee and Remuneration Committee.

Number and dates of Board Meetings, attendance at Board Meetings and previous Annual General Meeting:

Five Board meetings were held during the financial year, as against the minimum requirement of four meetings and the gap between two meetings did not exceed four months. The meetings were held on 11th June, 2004, 29th July, 2004, 29th October, 2004, 21st January, 2005 and 17th March, 2005.

Name of the Director	No. of Board Meetings attended during the year	65th Annual General Meeting held on 29th July, 2004
		Attended
Shri Shekhar Bajaj	5	Yes
Shri H.V. Goenka	2	Yes
Shri A.K. Jalan	5	Yes
Shri Ajit Gulabchand	3	Yes
Shri V.B. Haribhakti	5	Yes
Shri Madhur Bajaj	4	Yes
Shri D.B. Dhruv	2	No
Shri S.C. Batra*	2	No
Shri H.R. Srivastava	5	Yes

* Ceased to be a Director w.e.f. 21.1.2005

Information placed before the Board of Directors

The information regularly placed before the Board includes:-

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit and other committees of the Board.
- Information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relation front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.

- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

Board Procedure

Agenda papers are circulated to the Directors, in advance, with proper explanatory notes for all the items on the agenda for facilitating meaningful, informed and focused discussions at the meeting. At the meeting, the Chairman reviews the overall performance of the Company, which is followed by discussion on Agenda. In addition to the matters statutorily required to be placed before the Board for its approval, all other matters of significant importance are considered by the Board.

3. Audit Committee

The Company has an Audit Committee comprising three independent Directors and one Executive Director. The terms of reference, role and scope of the Audit Committee are in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges. The Company also complies with the provisions of Section 292A of the Companies Act, 1956 pertaining to Audit Committee and its functioning.

The terms of reference of the Audit Committee are as follows:-

- (a) Hold discussions with the Auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- (b) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (c) Recommending the appointment and removal of external auditor, fixation of audit fees and also approval of payment for any other services.
- (d) Reviewing with management the quarterly, half-yearly and annual financial statements before submission to the Board, focusing primarily on —
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions, i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

- (e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- (f) Reviewing the adequacy of internal audit function, 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.
- (g) Discussion with internal auditors on any significant findings and follow up thereon.
- (h) 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.
- (i) Discussion with the external auditors before the audit commences on the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (j) Reviewing of Company's financial and risk management policies.
- (k) 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.

The composition of the Audit Committee as on 31st March, 2005 was as under:

Name of the Director	Designation	No. of Meetings attended during the year
Shri V.B. Haribhakti	Chairman	3
Shri D.B. Dhruv	Member	1
Shri Ashok Kumar Jalan	Member	3

The Committee met three times during the financial year 2004-05 on 10th June, 2004, 29th October, 2004 and 21st January, 2005.

The Audit Committee invites such of the executives, as it considers appropriate to be present at its meetings. The heads of Internal Audit and Finance attend the meetings. The Statutory Auditors are also invited to the meetings. Shri Mangesh Patil, the Company Secretary, acts as the Convenor of the Committee.

4. **Share Transfer Committee**

The Company has a Share Transfer Committee consisting of Shri Shekhar Bajaj, Shri.A.K.Jalan, and Shri Madhur Bajaj. In most cases, applications for transfer of shares are approved and the Certificates are despatched/kept ready for delivery within 30 days' time. Shri Mangesh Patil, Company Secretary has been designated as Compliance Officer as required under the Listing Agreement.

The Committee meets periodically to deal with matters relating to transfers, transmission, splitting and consolidation of shares.

5. **Shareholders' Grievance Committee**

The Company has a Shareholders' Grievance Committee comprising two independent Directors for

redressal of the shareholders' grievances, if any. Shri Mangesh Patil, Company Secretary has been designated as Compliance Officer. The Committee consists of the following Directors:

Shri V.B. Haribhakti, Chairman
Shri D.B. Dhruv

During the period from 1st April, 2004 to 31st March, 2005, the Company received 27 complaints from the shareholders. As on the date of this report, there are no unresolved shareholders' complaints. The secretarial department endeavours to resolve the shareholders' complaints within 2/3 working days' time.

At every meeting of the Board, the Secretary provides to the Directors, status as to the shareholders' grievances, which is taken on record by the Board.

Since all the complaints of the shareholders were resolved at the executive level, the Committee had no occasion to consider the unresolved complaints from the shareholders during the financial year 2004-05.

6. **Remuneration Committee/Remuneration paid to Directors**

The composition of the Remuneration Committee as on 31st March, 2005 was as under:

Name of the Director	Designation	No. of Meetings attended during the year
Shri V.B. Haribhakti	Chairman	1
Shri D.B. Dhruv	Member	—
Shri Ashok Kumar Jalan	Member	1

All the above Directors are Independent & Non-Executive. The Committee met only once on 29.10.2004 to consider the reappointment of Shri Shekhar Bajaj as the Managing Director of the Company.

Terms of Reference:

The terms of reference of the Committee include recommending to the Board of Directors specific remuneration package for Managing Director.

Remuneration Policy:

Non-Executive Directors:

Non-Executive Directors are paid remuneration by way of sitting fees. The Non-Executive Directors were paid a sitting fee of Rs.10,000/- for the Board/Committee Meeting attended by them.

Executive Directors:

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the Managing Director. Salary is paid within the range approved by the Shareholders.

Details of remuneration/sitting fees paid to all the Directors for the financial year is as follows:

- (i) The aggregate of salary, perquisites and commission paid in the financial year 2004-05 to Shri Shekhar Bajaj, Chairman & Managing Director is Rs.41.15 lacs.

(ii) The details of sitting fees paid to other Directors during the financial year 2004-05 are as follows:

Name of the Director	Sitting Fees paid (Gross)	
	Board Meetings	Committee Meetings
Shri H.V. Goenka	Rs. 20,000/-	N.A.
Shri A.K. Jalan	Rs. 50,000/-	Rs.40,000/-
Shri Ajit Gulabchand	Rs. 30,000/-	N.A.
Shri V.B. Haribhakti	Rs. 50,000/-	Rs.40,000/-
Shri Madhur Bajaj	Rs. 40,000/-	N.A.
Shri Dakshesh B.Dhruv	Rs. 20,000/-	Rs.10,000/-
Shri S.C. Batra*	Rs. 20,000/-	N.A.
Shri H.R. Srivastava	Rs. 50,000/-	N.A.

* Ceased to be a Director w.e.f. 21.1.2005.

7. Details of General Body Meetings

The last three Annual General Meetings (AGMs) were held as under:

Financial Year	Day & Date	Time	Venue
2001-2002	Friday, 23 rd August, 2002	4.30 P.M.	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.
2002-2003	Tuesday, 12 th August, 2003		
2003-2004	Thursday, 29 th July, 2004		

One Special Resolution was put to vote and carried by show of hands. No resolution was put to vote by ballot. No resolution is proposed to be adopted through postal ballot at the ensuing Annual General Meeting.

8. Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large during the financial year 2004-05.

The Company has entered into the following contracts with one of its Promoter Directors; his relative and certain Private Companies in which the Promoter Directors are interested as members/directors and/or through their relatives:

- (i) The Company has entered into an arrangement with Hind Musafir Agency Pvt. Ltd. (HMA) for availing from them, travel related services. The Company has, during the Financial Year 2004-05, paid to HMA a sum of Rs.2.07 lacs for availing various travel related services (reimbursement of actual expenditure on purchase of tickets, etc. excluded). Approval from Central Government under section 297 of the Companies Act, 1956 has been obtained in respect of the said arrangement.
- (ii) The Company has entered into an agreement with Bajaj International Pvt. Ltd. (BIPL) for availing from them, services for export of fans. For rendering such services, BIPL is entitled to a

commission @ 5% on the FOB value of such export. During the year under review, the Company has exported fans worth Rs.182.12 lacs through BIPL for which they are entitled to a commission of Rs.9.35 lacs. Approval from Central Government under section 297 of the Companies Act, 1956 has been obtained in respect of this agreement.

- (iii) The Company has entered into an arrangement with Bajaj International Pvt. Ltd. (BIPL) for availing from them, import related services like information on products, intelligence on suppliers, negotiations with suppliers, arrangement with shipping Companies, customs clearance, etc. For rendering such services, BIPL is entitled to a commission @ 1% on the CIF value of goods imported. For the year under review, BIPL is entitled to a commission of Rs.24.88 lacs for providing import related services. Approval from Central Government under section 297 of the Companies Act, 1956 has been obtained in respect of this arrangement.
- (iv) The Company has entered into a Registered User Agreement with Bajaj International Pvt. Ltd. (BIPL) to allow them to purchase from third parties, goods under Trade Marks owned by the Company only for the purpose of export. BIPL is required to pay a royalty @ 1 % on FOB value of such export. During the year under review, the Company has received the royalty of Rs.23.58 lacs from BIPL. The Company has been advised that no approval of the Government is required for such an agreement.
- (v) As per the request of Bajaj International Pvt. Ltd. (BIPL), who are providing export and import related services as also exporting the goods to other countries under the trade mark "bajaj", the Company has provided them the services of Shri Sanjay Sharma, General Manager and Shri Anant Bajaj, Manager (Special Assignment) of the Company, on a part time basis. The Company is charging Rs.20,000/- and Rs.10,000/- per month respectively as compensation for lending the above referred services. The Company thus recovered a sum of Rs.3.20 lacs during the financial year 2004-05 from BIPL on this account. The Company is advised that no approval from the Government is required for lending the services of its employees to BIPL on a part time basis.
- (vi) The Company has entered into an agreement with Mrs. Kiran Bajaj for use of a flat owned by her, bearing No.201, on 20th floor, at Maker Tower "A", Cuffe Parade, Mumbai 400 005, on a leave and licence basis. The said flat has been allotted to Shri Shekhar Bajaj for his residence. The licence fee of Rs.50,000/- per month is payable for use of the said flat. The Company has placed with Mrs. Kiran Bajaj an interest free deposit of Rs.250 lacs as a security for due performance of the terms of the agreement. The Company is advised that no approval from the Government is required for this transaction.

9. Disclosure of pecuniary relationship or transactions of the Non-executive Directors vis-a-vis the Company.

The Company during the year gave certain professional assignments to Shri Dakshesh B.Dhruv, one of the non-executive Directors of the Company. The Company has, during the financial year 2004-05, paid an aggregate amount of Rs.10,04,750/- towards the fees for professional services and reimbursement of out-of-pocket expenses.

10. Details of non-compliance by the Company, penalties, 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.

None.

11. Means of Communication

- (i) The Quarterly, Half yearly and Annual results are published in newspaper having wide circulation. During last two years, the results have been published in newspapers as follows:

Period (Quarter/Year ended)	Names of Newspapers	Date of Publication
Quarter ended June, 2003	Free Press Journal & Nav Shakti	02.08.2003
Quarter ended September, 2003 (Reviewed)	Same as above	30.10.2003
Quarter ended December, 2003	Same as above	31.01.2004
Year ended March, 2004 (Audited)	Same as above	13.06.2004
Quarter ended June, 2004 (Reviewed)	Same as above	31.07.2004
Quarter ended September, 2004 (Reviewed)	Same as above	01.11.2004
Quarter ended December, 2004 (Reviewed)	Same as above	23.01.2005

- (ii) The financial results of the Company are also displayed on the Company's Web Site: www.bajajelectricals.com
- (iii) Complete Annual Report is sent to every Shareholder.
- (iv) Management Discussion & Analysis Report is annexed to the Directors' Report.

12. General Shareholder Information

- (A) Sixty-sixth Annual General Meeting:

Day, Date and Time : Thursday, 28th day of July, 2005
at 11.30 A.M.

Venue : Kamalnayan Bajaj Hall
Bajaj Bhavan
Jamnalal Bajaj Marg
Nariman Point
Mumbai 400 021

- (B) Financial Calendar of the Company:

Financial Year : April to March

Financial Reporting for:

First Quarter Results : End July

Second Quarter Results : End October

Third Quarter Results : End January

Last Quarter Results : End June with Audited Results.

- (C) Book Closure Date : 20th July, 2005 to 28th July, 2005
(both days inclusive)
- (D) Dividend Payment Date : On or after 4th August, 2005
- (E) Listing of Equity Shares on Stock Exchanges at : The Stock Exchange Mumbai
(Regional Stock Exchange) and
The Delhi Stock Exchange
Association Ltd., Delhi

(F) Stock Code : The Stock Exchange,
Mumbai - 500031
The Delhi Stock Exchange
Association Ltd., Delhi - 02031
Demat ISIN : INE 193E01017

(G) Stock Market Data and comparison of performance with BSE Sensex:

The Stock Exchange Mumbai:

Month	Bajaj Electricals Ltd.		Sensex		Performance of the Company's Share Prices vis-a-vis BSE Sensex (+)	
	High	Low	High	Low	Bajaj Electricals Limited	Sensex
					%	%
April 2004	46.00	35.45	5979.25	5599.12	▲ 20.59	▲ 1.00
May 2004	43.50	32.00	5772.64	4227.50	▼ (20.46)	▼(15.70)
June 2004	50.00	34.60	5012.52	4613.94	▲ 24.51	▲ 0.07
July 2004	50.00	41.00	5200.85	4723.04	▲ 2.97	▲ 7.41
August 2004	55.60	43.10	5269.22	5022.29	▲ 13.78	▼ (0.02)
September 2004	75.50	54.70	5638.79	5178.57	▲ 28.30	▲ 7.33
October 2004	88.00	68.55	5803.82	5558.14	▲ 4.22	▲ 1.52
November 2004	104.00	77.00	6248.43	5649.03	▲ 22.62	▲ 9.78
December 2004	129.35	92.50	6617.15	6176.09	▲ 27.14	▲ 5.49
January 2005	155.95	107.90	6696.31	6069.33	▲ 19.80	▼ (1.06)
February 2005	208.90	146.00	6721.08	6508.33	▲ 36.23	▲ 2.26
March 2005	319.00	195.00	6954.86	6321.31	▲ 48.98	▼ (3.47)

(Source: BSE Website)

Symbols:

▲ (gain); ▼ (loss); ►◄ (no change)

+ (Difference between Opening and Closing Prices during the period.)

Delhi Stock Exchange:

Shares have not been traded at this Stock Exchange during the financial year 2004-05.

(H) Registrar & Share Transfer Agents : Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound
L B S Marg, Bhandup (West)
Mumbai 400 078

(I) Share Transfer System:

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to the Share Transfer Committee. The Share Transfer Committee attends to share transfer formalities at least once in a fortnight. The shares for transfer

received in physical form are transferred expeditiously, provided the documents are complete and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to the shareholders who prefer to retain the shares in physical form. Confirmation in respect of the requests for dematerialisation of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) expeditiously.

(J) Dematerialisation of Shares:

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 59,57,457 Equity Shares of the Company, forming 68.93% of the Share Capital of the Company, stand dematerialized as on 31st March, 2005.

(K) Shareholding Pattern and Distribution (Equity Shares) as on 31st March, 2005:

(a) Shareholding Pattern:

Particulars	Equity Shares	
	No. of Shares	Per cent
Promoters	58,33,195	67.49
Financial Institutions, Banks etc.	9,61,528	11.13
General Public	18,48,157	21.38
Total	86,42,880	100.00

(b) Distribution Schedule:

Slab	No. of Shareholders				No. of Shares					
	Physical	Demat	Total	%	Physical	%	Demat	%	Total	%
1 – 500	2172	2534	4706	88.78	213288	2.47	341019	3.95	554307	6.41
501 – 1000	73	174	247	4.66	53358	0.62	139202	1.61	192560	2.23
1001 – 2000	49	86	135	2.55	72007	0.83	132792	1.54	204799	2.37
2001 – 3000	16	39	55	1.04	41595	0.48	96953	1.12	138548	1.60
3001 – 4000	6	15	21	0.40	20760	0.24	56522	0.65	77282	0.89
4001 – 5000	6	14	20	0.38	26130	0.30	65117	0.75	91247	1.06
5001 – 10000	18	16	34	0.64	125085	1.45	107508	1.24	232593	2.69
10001 & above	48	35	83	1.57	2133200	24.68	5018344	58.06	7151544	82.74
Total	2388	2913	5301	100.00	2685423	31.07	5957457	68.93	8642880	100.00

(L) Factories Location:

- | | |
|--|---|
| 1. Chakan Unit:
Village Mahalunge, Chakan
Chakan Talegaon Road
Tal: Khed, Dist: Pune
Maharashtra
PIN: 410 501 | 2. Wind Farm:
Village Vankusawade
Tal: Patan
Dist: Satara
Maharashtra
PIN: 415 206 |
| 3. Ranjangaon Unit:
MIDC – Ranjangaon
Village Dhoksangavi
Tal: Shirur, Dist: Pune
Maharashtra
PIN: 412 210 | |

(M) For any query on Annual Report, you may write to : Company Secretary
Bajaj Electricals Limited
45-47, Veer Nariman Road
Mumbai 400 023

13. **Information on Directors seeking Re-appointment:**

(i) **Shri Ashok Kumar Jalan:**

Shri A.K.Jalan is a B.A. (Hons.). He is an Industrialist with substantial experience in business. He is on the Board of your Company since 18th January, 1989. He is also a Director of the following Companies:

(a) Asiatic Textile Co. Ltd. (b) Elphinstone Spg. & Wvg. Mills Co. Ltd. (c) Webrands.Com Ltd.
(d) Dupont Holdings Pvt. Ltd. (e) Dupont Exports Pvt. Ltd. (f) Dupont Sportswear Ltd.

(ii) **Shri V.B. Haribhakti:**

Shri Vishnubhai B. Haribhakti is a Chartered Accountant and in practice for the past several years. He was the President of the Institute of Chartered Accountants of India in the year 1968-69. He has considerable experience in the field of accountancy and management. He is on the Board of your company since 12th August, 1991. He is also a Director of following Companies:

(a) Rohit Pulp & Paper Mills Ltd. (b) The Simplex Mills Co. Ltd. (c) The Anglo-French Drug Co. (Eastern) Ltd. (d) Ester Industries Ltd. (e) Tilaknagar Industries Ltd. (f) Lakshmi Automatic Loom Works Ltd. (g) Prudential ICICI Trust Ltd. (h) Hindustan Composites Ltd. (i) Haribhakti MRI Corporate Services Pvt. Ltd. (j) Moores Rowland Consulting Pvt. Ltd.

For and on behalf of the Board of Directors

Mumbai, 30th May, 2005

Shekhar Bajaj
Chairman & Managing Director

To
The Members of
Bajaj Electricals Limited

CERTIFICATE BY THE AUDITORS ON CORPORATE GOVERNANCE

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India for the financial year ended on March 31, 2005.

The objective of our examination is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to us by the Company.

On the basis of the records maintained by the "Shareholders/Investor's Grievance Committee" of the Company, we state that there were no investor grievances pending against the Company for a period exceeding one month.

Based on such examinations, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges of India.

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

For and on behalf of
DALAL & SHAH
Chartered Accountants

Anish Amin
Partner
Membership No. 40451

Mumbai, 30th May, 2005

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis presented in this Annual Report focuses on the theme of 'Faster, Higher and Stronger' which was the Company-wide initiative to continue on the path of profitable growth. We have achieved a significant success in the implementation of this theme. The Company has registered a strong revenue growth of 28.2% while reaching a turnover of Rs.650 crores and has achieved a Profit before Tax of Rs.21.79 crores. The new organization structure, various strategies followed and processes implemented, along with excellent team-work, a strong management and leadership has enabled the Company to turn around and move forward on the path of profitable growth.

Overall Review

Bajaj Electricals Limited is a 66-year-old diversified Company, with interests in Lighting, Luminaires, Appliances, Fans and Engineering & Projects. In the fiscal year 2004-05, the net turnover of the Company has increased to Rs.649.63 crores as against Rs.506.92 crores last year, registering a growth of over 28.2%. The costs of inputs in key raw materials like Steel, Copper, Plastics & Aluminium continued to escalate, thereby affecting the material costs adversely. The industry witnessed intense competition for market share and significant pressures on margins and profits.

The Company continued its focus on enhancing revenue growth through introduction of new products, expansion of the dealer and retailer network along with good brand building efforts. Various actions in terms of cost reduction, value engineering, competitive sourcing and improving credit discipline have been undertaken. There has been a significant progress in the Power Transmission Tower business as also in the Luminaires and Appliances businesses.

Business Review

Engineering and Projects BU

The Engineering & Projects Business Unit has emerged as the largest BU in the company with an excellent performance marked by a turnover of Rs.193 Crores, registering a growth of 91% and a CAGR of 60%. This business is poised for continued healthy growth in the foreseeable future also. Another significant landmark is the Rs.100 crores sales turnover from the Transmission Line Business. The Ranjangaon Unit has clocked despatches worth Rs.120 crores and has achieved a capacity utilization of over 90%.

The foray into the Transmission Line Construction activity is progressing satisfactorily with a prestigious Rs.42 Crores 400 KV Transmission Line Project of Power Grid Corporation of India under execution. Successful completion of this project will open opportunities for further expansion of the construction activity.

The leadership in the Highmast business has been maintained with an increase in market share to over 60%, having sold over 1350 masts during the year. The galvanized Octagonal Bajaj "Smart Poles" launched two years back have been received well and over 15000 poles have been sold. A prestigious football stadium with Bajaj Highmasts has been commissioned recently in Oman. The Business Unit has also entered into fabrication of Signages and has been supplying Highmast Signages to various Petroleum Companies like HPCL, BPCL, Indian Oil, etc.

To meet the growing demand for Bajaj Highmasts and Poles, the Ranjangaon manufacturing capacity for Highmast & Poles is being increased and this plant is likely to be commissioned by September 2005. Our Special Project sales grew by 29% with significant business coming from our Power plant lighting jobs.

The focus of the government on Infrastructure, Power Transmission, etc., offer a good opportunity to our E&P BU to improve its growth and profitability in the future.

Appliances BU

The Appliances BU continues on its growth path and has achieved a growth of 14% over the previous year. Categories like Mixer Grinders, Water Heaters, Irons and Room Heaters have registered good growth rates. The Company continues to enjoy a strong market position in Irons, Water Heaters, Ovens and Room Coolers. Sales in the month of March were impacted due to implementation of VAT across many States as also the delay in the on-set of the summer season.

To avail of the excise duty benefits in Himachal Pradesh, many of the Appliances vendors have started their production facilities in Himachal Pradesh, which has favourable cost implications for the Company. This has given a competitive edge to the Company in the market place.

The Morphy Richards brand has been rolled out to around 70 cities in the country and has received a good consumer response. This brand is under a Registered User Agreement with Morphy Richards, which is the No.1 small appliances Company in the United Kingdom.

The Company advertised its Morphy Richards brand, Bajaj Water Heaters and Room Coolers through effective television advertising. The Appliances BU with its good distribution network, strong product range, effective sourcing strategies and good marketing is poised to do well in the future also.

Fans BU

The Fans BU was affected significantly in the month of March, due to the implementation of VAT. Despite this impact, the Fans BU has grown by 8% over the previous year and has registered a healthy CAGR also. The Fans BU continued its efforts at expanding the dealer network, good marketing efforts along with the focus on “Bajaj Fans Dealer Privilege Club”. The year also witnessed the introduction of various new models such as Bajaj “Elegance”, “Marvel”, “Victor”, “Kalash” as also the Premium end Magnifique range. The sub-economy fans namely “Bahar” and “Maxima” continued to do well in the market.

The unorganized sector in the fan industry has been under pressure due to the introduction of lower priced products by the organized sector. The Company’s products, which are exported through Bajaj International Private Limited, are also doing well in the overseas market.

The Fans BU is expected to do well with its excellent product range catering to all segments, the good efforts aimed at gaining shop share in key retailers and the good brand building efforts.

Luminaires BU

The Luminaires BU has registered a strong growth of 24% and has also gained market share. The year witnessed the introduction of new products in various segments such as office lighting, retail lighting and landscape lighting. The Luminaires BU also stepped up its marketing activities and demand generation efforts with key influencers and decision makers. These efforts are expected to improve the demand for the Company’s products in the commercial and decorative range.

The Luminaires BU has also initiated a Key Account Management strategy to focus on new products and emerging segments. The Luminaires BU has also initiated a Distribution Arrangement with M/s. Trilux Lenze of Germany, who are a strong professional lighting Company in Europe. The Trilux products are aimed at the premium segments of the market as also at Airports, Office lighting and Prestigious Installations. The Luminaires BU is confident of improving its market share through innovative products, effective demand generation and strong supply chain system.

Lighting BU

The Lighting BU has grown by 4% in the face of significant competitive pressures. However, the CFL segment has registered a strong growth due to greater adoption of energy saving lamps. A number of new products in

CFL and consumer Luminaires have been introduced. The lighting industry has witnessed a reduction in GLS volumes and severe price pressures due to intense competition. The Lighting BU aims to improve its retail presence by expanding in the Kirana segment as also in key electrical outlets. A new advertising campaign of Bajaj lighting was aired on television and was received well.

Financial Review

The Company achieved a PBT before extra ordinary items of Rs.2,257 lakhs as against Rs.502 lakhs in the previous year. This is an increase of 350%. The interest burden has reduced to Rs. 1,638 lakhs as against Rs.1,865 lakhs in the previous year, which is a reduction of 12.2%. The net profit stands at Rs. 1,366 lakhs as against Rs.1,031 lakhs in the previous year, which is a growth of 32.5%. The previous years financials include profit on sale of development rights of land of Rs.1,170 lakhs as against Rs.237 lakhs in the current year.

The Company continues to find ways and means to reduce its cost of borrowings and replacing its high cost debt with lower cost debt.

Profitability Statement

The profitability performance has been very encouraging and the Company has bounced back with renewed vigor and confidence. The Company looks forward to continuing its focus on profitable growth in the coming years.

	(Rupees in Lacs)		
	FY 2004-05	FY 2003-04	FY 2002-03
Sales and Other Income	65,172.62	52,200.95	44,027.64
Gross Profit	2,809.25	2,385.16	(527.85)
Less: Depreciation	598.75	602.32	635.80
Less: Impact of discontinued operations	78.19	—	—
Profit before Taxes & Provisions	2,132.31	1,782.84	(1,163.65)
Less: Provision for —			
(i) Doubtful Debts & Advances (Net)	(46.95)	110.51	156.66
(ii) Diminution in Value of Investments	—	—	27.24
(iii) Taxation (including deferred taxation)	795.18	536.32	(367.74)
Profit after Tax	1,384.08	1,136.01	(979.81)

The Company expects to retain its focus on Profitable Growth in the year 2005-06 also.

Faster, Higher, Stronger Initiative

To continue on the path taken under the “War for Profit” initiative, the Company moved on the theme of “Faster, Higher, Stronger”. The Company aimed at faster revenue growth, faster pace of new product introduction and faster net work expansion. This was coupled with a focus on higher profitability, better controls on working capital and higher market share. The Company also aimed to achieve a stronger bottom line, a stronger team performance and a stronger brand image. There has been significant progress across BUs’ on these initiatives. These efforts have been coupled with focus on process improvement, improvement in Information Technology/ MIS and better management of costs to enable the Company to improve its financial performance. The Company believes that its strategy and direction is correct and will contribute to strengthening the organization in the years ahead.

Opportunities

The Indian economy is growing very well and the growth is also sustainable. With greater focus on industrial development, infrastructure sector, rural development and poverty alleviation programmes, we believe that the opportunities for the Company will remain positive in the foreseeable future. It is expected that consumer spending will continue to rise with rising income levels and higher aspirations of the people of India. The spurt

in the industrial activity in sectors like manufacturing, capacity expansion, infrastructure, retail, BPO/I.T. etc. will result in a higher demand for the Company's industrially oriented business of Luminaires and Engineering & Projects. The housing boom augurs well for businesses such as Fans, Appliances and Lighting.

All the business units have structured their operations appropriately to take advantage of the opportunities presented by the environment. With an improvement in the Company's corporate image as well as the brand image, coupled with a clear strategy supported by effective implementation, the Company can look to the future with confidence.

Challenges

Catering to the continuously evolving higher order needs of the Indian consumer, by offering innovative products that are differentiated from competition is a continuous challenge. With the reduction in customs duty, there has been an increase in the flow of imported products into the country and the Company has responded with an appropriate sourcing strategy. The unorganized sector in the Fans, Appliances and Lighting businesses offer a significant price challenge due to lower overheads and weaker product standards. Meeting the requirements of Power Transmission Towers by augmenting the production capacities and preparing for significant growth in the future will also be an important challenge. The Company needs to persevere with its efforts to improve revenues along with higher operating margins, while reducing working capital and fixed costs in order to improve the profitability in the future also. However, all the challenges are in fact an opportunity for the Company to take advantage of.

Future Outlook

The Company has a good business portfolio with both consumer facing and industry facing businesses. The higher propensity to spend by the Indian consumer augurs well for the consumer facing businesses of Appliances, Fans and Lighting. With increasing industrial activity, growing investments, higher capacity creation and greater infrastructure focus, the Luminaires and Engineering & Projects businesses are likely to do well. The Company has internally become stronger in terms of its organization structure, process and systems which will enable it to take advantage of the opportunities available for business. The outlook for the future is likely to be positive and the Company is confident about the prospects for the F.Y. 2005-06.

Adequacy of Internal controls

The Company believes that good Corporate governance is the adoption of best business practices which ensure that the Company operates not only within the regulatory framework but is also guided by ethics and a strong belief in the tradition of trust. The following committees are in place to ensure effective corporate governance:

- Board of Directors
- Audit Committee
- Project Management Committee
- Share Transfer Committee
- Remuneration Committee
- Shareholders Grievance Committee
- Management Committee

Human Resource Development

The Company believes that its human resource has played the most important role in enabling the Company to turn around and embark upon a more prosperous future. The Company has invested on its human resource by providing appropriate training and developmental inputs along with career progress opportunities to deserving employees. During the year 32 training programmes were conducted by faculty drawn from both within and outside the Company and around 745 people were trained. The Company's focus on having good people related processes in terms of recruitment, training, performance appraisal and performance rewards have been well received by all the employees. The Company has also achieved an award for "Best HR

Practices for Employee Motivation” in the Asia Pacific HR Outsourcing Conference” held in February 2005 in Mumbai. Earlier the Company was awarded a trophy for “HR Excellence - Organization that Creates Fun and Joy at Work Award 2004” in November 2004. Our President & C.O.O., Mr. R. Ramakrishnan was awarded the “Indira Super Achiever Award” by the Indira Group of Institutes, Pune in August 2004.

Social Responsibility

The Company has continued to remain closely involved in various projects aimed at improving Quality and the status of women in the society. Some of the projects where Bajaj Electricals has been closely involved include:

IMC – Ramkrishna Bajaj National Quality award: This award is a part of our effort in supporting the Quality movement in the country. The Company has contributed Rs.7.5 Lacs towards the corpus of this prestigious award.

IMC Ladies Wing – Jankidevi Bajaj Puraskar: The objective of this award is to encourage and develop entrepreneurship in rural India by recognizing outstanding contribution of women, who have been involved in rural development. It comprises a cash award of Rs.1.5 Lacs. The Company has contributed Rs.11 Lacs towards the corpus of this award.

SNDT Women’s University – The Company had contributed Rs.10 Lacs for establishing the “Center for Household Appliances Testing”. The center is also involved in Food and Nutrition education. The Company has also instituted a ‘Jankidevi Bajaj Puraskar’ for the best student in SNDT Women’s university.

BMA Management Woman Achiever of the Year Award – The Company continues to sponsor the above Award to recognize a Management Woman Achiever who has made a significant impact in her role in Management. This Award is expected to encourage women in Management to get a platform for recognition of their contribution to their company and to the society at large.

Paryavaran Mitra – The Company is also supporting the activities of a NGO called Paryavaran Mitra (Friends of the Environment) which aims to protect the environment from Air Pollution, Water Pollution, Chemical Pollution and Noise Pollution. A number of activities are being carried out by the employees of the Company to support this initiative.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the Company’s strategies on business, projections and estimates, are forward-looking statements. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.

For and on behalf of the Board of Directors

Mumbai, 30th May, 2005

Shekhar Bajaj
Chairman & Managing Director

निदेशकों की रिपोर्ट

प्रति

सदस्यगण,

निदेशकों को ३१ मार्च २००५ को समाप्त हुए वर्ष हेतु कंपनी के कारोबार तथा प्रचालनों पर छियासठवीं वार्षिक रिपोर्ट तथा लेखों की विवरणियां प्रस्तुत करते हुए हार्दिक प्रसन्नता हो रही है।

वित्तीय विशिष्टताएं / बिक्री तथा अन्य आय

समीक्षा वर्ष कंपनी के कार्य निष्पादन में उल्लेखनीय परिवर्तन का महत्वपूर्ण वर्ष रहा है। आपकी कंपनी ने रु. ६५१.७३ करोड़ की आमदनी बिक्री तथा अन्य आय से प्राप्त की, जो कि गत वर्ष अर्जित आमदनी रु. ५२२.०१ करोड़ से २४.८५% अधिक है। कर तथा प्रावधानों से पूर्व लाभ में रु. २१.७९ करोड़ के साथ सुधार आया है (इसमें रु. २.३७ करोड़ के भूमि विकास अधिकार की बिक्री से हुआ लाभ भी शामिल है) गत वर्ष यह लाभ १६.७२ करोड़ का था (जिसमें रु. ११.७० करोड़ का भूमि विकास अधिकार की बिक्री से हुआ लाभ भी शामिल है.)। कर पश्चात लाभ रु. १३.८४ करोड़ रहा जबकि गतवर्ष यह रु. ११.३६ करोड़ था। कंपनी का शुद्ध मूल्य अब रु. ८३.६३ करोड़ है जो कि रु. ९६.७६ प्रति शेयर की बुक वैल्यू दर्शाता है।

वित्तीय परिणाम

	वित्तीय वर्ष २००४-०५ रु. लाखों में	वित्तीय वर्ष २००३-०४ रु. लाखों में
बिक्री व अन्य आय*	६५,१७२.६२	५२,२००.९५
सकल लाभ	२,८०९.२५	२,३८५.१६
घटाएं : मूल्यहास	५९८.७५	६०२.३२
करों व प्रावधानों के पूर्व लाभ	२,२१०.५०	१,७८२.८४
घटाएं : निम्न हेतु प्रावधान-		
(i) संदिग्ध ऋण तथा अग्रिम (शुद्ध) (४६.९५)		११०.५१
(ii) कर (विलम्बित कर के साथ)	७९५.१८	५३६.३२
(iii) समापित प्रचालनों का प्रभाव	७८.१९	-

कर पश्चात लाभ	१३८४.०८	११३६.०१
घटाएं: पूर्व अवधि समायोजन	१८.४९	१०५.२९
जोड़े : पिछले वर्ष से अग्रणीत राशि	४९९.१३	-
अनुभाजन हेतु उपलब्ध अतिशेष	१,८६४.७२	१,०३०.७२

अनुभाजन :

(i) प्रस्तावित लाभांश : इक्विटी	२५९.२९	८६.४३
प्रिफरेन्स	१००.००	११०.००
(ii) कॉर्पोरेट लाभांश पर कर	४९.४४	२५.१६
(iii) सामान्य प्रारक्षित (से)/को अंतरित	९५०.००	३१०.००

तुलनपत्र से ले जाया गया

अतिशेष	५०५.९९	४९९.१३
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*अन्य आय रु. २.०९ करोड़ (पिछले वर्ष रु. ३.३९ करोड़) तथा भूमि विकास अधिकारों पर बिक्री से लाभ रु. २.३७ करोड़ (पिछले वर्ष ११.७० करोड़)

लाभांश

प्रिफरेन्स शेयरों के इश्यू की शर्तों के अनुसार बोर्ड ने ३१ मार्च २००५ को समाप्त हुए वर्ष के लिए रु. १०/- प्रति शेयर मूल्य के १,००,००,००० - १०% क्यूमुलेटिव नॉन-पार्टिसिपेटिंग प्रिफरेन्स शेयरों पर कुल रु. १००.०० लाख का अंतरिम लाभांश घोषित और अदा किया है। निदेशकगण अंतिम लाभांश के रूप में इसकी सिफारिश करते हैं।

बेहतर प्रदर्शन को देखते हुए, निदेशकगण ३१ मार्च, २००५ को समाप्त होने वाले वर्ष के लिए ३०% (रु. ३/- प्रति शेयर) के बेहतर लाभांश की प्रसन्नता से सिफारिश करते हैं जो कि पिछले वर्ष १०% (रु. १/- प्रति शेयर) था। यह लाभांश ८६,४२,८८० इक्विटी शेयरों पर है जो यदि शेयर धारकों द्वारा वार्षिक साधारण सभा में स्वीकृत हो गया तो अदा किया जाएगा (i) उन सभी इक्विटी शेयरधारकों को, जिनके नाम २८ जुलाई २००५ को धारकों के रजिस्टर में दर्ज हैं और (ii) वे सभी जिनके नाम नेशनल सिक्योरिटीज़ डिपॉज़िटरी लिमिटेड और सेन्ट्रल डिपॉज़िटरी सर्विसेज़ (इंडिया) लिमिटेड ने लाभाधिकारी मालिकों के रूप में प्रस्तुत किए हैं। लाभांश में रु. २९५.६६ लाख (रु. ३६.३७ लाख के लाभांश कर सहित) की राशि प्रयुक्त होगी।

बाज़ार स्थितियां एवं निष्पादन

कंपनी ने अपने कारोबार को और बेहतर बनाने का जी तोड़ प्रयास किया है, प्रचालन व्यय घटाए हैं साथ ही “बजाज” के मज़बूत भरोसेमंद नाम को पूंजी में परिणित किया है। प्रबंधकों ने अपने प्रबंध कौशल द्वारा स्पष्ट और समुचित नीतियों का पालन कर कंपनी की कार्यकुशलता को नए आयाम दिए हैं, इस महत्व के काम में प्रबंधन की सटीक कार्यपालन नीति और टीम भावना भी शामिल रही। इन सभी के साथ बाज़ार की अनुकूल स्थितियों ने भी कंपनी को पिछले वर्ष की रु. ५०५.०७ करोड़ की बिक्री में २८.२% की संतोषप्रद बढ़त हासिल कराके चालू वर्ष में बिक्री रु. ६४७.८९ करोड़ करने में सहायता की है।

सभी मुख्य कारोबारी इकाइयों ने ऊंचे दर्जे की बढ़त दिखाई है। सभी उत्पादनों के ‘ब्रांड डेवलपमेंट’ को विशेष केन्द्र बिन्दु बनाने से ग्राहकों में बढ़ोतरी और डीलरों के नेटवर्क में मज़बूती ने उच्चतर बिक्री और लाभ में वृद्धि के अवसर जुटाए हैं।

विभागों का कार्यनिष्पादन

लाइटिंग व औद्योगिक उत्पाद

लाइटिंग व औद्योगिक उत्पाद यानी लैम्प, ट्यूब, ल्यूमिनायर, हाइमास्ट और प्रोजेक्ट के कारोबार में इस वर्ष २५% की वृद्धि हुई है, बिक्री पिछले वर्ष के रु. २४८.७१ करोड़ से बढ़कर रु. ३११.७६ करोड़ हो गई है।

इस वर्ष कंपनी ने एक अग्रणी योरोपियन ल्यूमिनायर्स ब्रांड, ‘ट्राइलक्स’ से एक वितरण संबंधी अनुबंध किया है जिसके तहत कंपनी उनके उत्पादन भारत में बेच सके। कंपनी में ल्यूमिनायर्स की दो नई रेंज भी पेश की हैं, ‘एम्बियांस’ और ‘ली मैज़ीक’ जिनके लक्ष्य बाज़ार के क्रमशः रीटेल और लैंडस्केप सैगमेंट हैं।

कंज्यूमर ड्यूरेबल्स

कंज्यूमर ड्यूरेबल्स, जिनमें पंखे और छोटे उपकरण शामिल हैं, की बिक्री में, इस समीक्षित वर्ष के दौरान १५% की वृद्धि हुई है। यह राशि इस वर्ष रु. २५९.१० करोड़ हो गई जबकि पिछले वर्ष रु. २२४.१४ करोड़ थी। कंपनी का मॉर्फी रिचर्ड ब्राण्ड

उत्पाद जैसे ओवन, मिक्सर, आयरन, टोस्टर जिन्हें ‘प्रीमियम सैगमेंट’ में प्रस्तुत किया गया, उन्हें बाज़ार ने हाथों हाथ लिया। आनेवाले वर्षों में इन उत्पादनों का योगदान महत्वपूर्ण होने की संभावना है। प्रतियोगिता में आगे रहने के लिए कंपनी ने मौजूदा उत्पादनों की कड़ी में नए उत्पादों और विभिन्न मॉडलों को प्रस्तुत करना जारी रखा है और जहाँ भी संभव हो उनकी तकनीकी और गुणवत्ता में सुधार भी किया है। हिमाचल प्रदेश में उत्पाद शुल्क में छूट का लाभ उठाने के लिए कंपनी के बहुत से एप्लायंस और पंखों के निर्माताओं ने उत्पादन शुरू कर दिया है।

मैचवेल इकाई

कंपनी ने मैसर्स ब्रह्मा बिल्डर्स के साथ हुए एक समझौता पत्रक के अनुसार एक अनुबंध करके ज़मीन के एक हिस्से के विकास अधिकार कुल रु. ५.५० करोड़ में बेचे और यह रकम प्राप्त भी हो गई। बाकी की ज़मीन के विकास अधिकार बेचने हेतु कंपनी को रु. २ करोड़ की अग्रिम धनराशि भी प्राप्त हुई।

चाकन इकाई

समीक्षित वर्ष के दौरान इस इकाई में थोड़ा सुधार आया है। पिछले वर्ष के दौरान हुए ५,०२,२५० पंखों के स्थान पर इस वर्ष ५,१७,५६० पंखों का उत्पादन हुआ है। यह इकाई अपने कार्य में लगातार सुधार दिखा रही है।

रांजनगांव इकाई

रांजनगांव इकाई द्वारा क्षमता उपयोग में वृद्धि हुई है जो कि पिछले वर्ष के ७८% की तुलना में ९०% हो गई है जिससे इकाई ने पिछले वर्ष के रु. ३८६९ लाख के उत्पादन की तुलना में इस वर्ष रु. ८८४९ लाख का उत्पादन किया है जिससे १२९% की वृद्धि अंकित हुई है। इस वर्ष इकाई ने १३४५ हाईमास्ट शाफ़्ट और १८४६५ पोल बनाए जब कि पिछले वर्ष इनकी संख्या क्रमशः १०५९ और ७५७९ थी। यूनिट ने इस वर्ष लैटिस मास्ट/ट्रांस्मिशन लाइन टावर के १९८४१ मेट्रिक टन निर्मित किए जब कि पिछले वर्ष इनकी मात्रा १४०१३ मेट्रिक टन थी। यह इकाई बाज़ार में अपनी ६०% हिस्से के साथ हाइमास्ट कारोबार में प्रभुत्व का दर्जा कायम रखी है। इकाई के पास उत्पादन क्षमता की पूर्ति के लिए भरपूर ऑर्डर हैं और बेहतर

कीमतों के कारण इकाई को अपने प्रगति पथ पर बढ़ते जाने की पूरी आशा है. राजनगांव इकाई ने उल्लेखनीय परिवर्तन किया है और 'पावर ट्रांसमिशन टावर' कारोबार में महत्वपूर्ण सफलता पाई है. 'ई एंड पी बीयू' ने टर्नकी पावर ट्रांसमिशन टावर के अनुबंधों का निष्पादन भी आरंभ कर दिया है इसमें उन्हें खड़ा करना और कार्यारंभ भी शामिल है. मुख्य ग्राहकों में शामिल हैं, पावरग्रिड कॉर्पोरेशन और विविध राज्य विद्युत मंडल आदि.

पवन ऊर्जा

महाराष्ट्र के वंकुसावड़े गांव में स्थापित २.८ मेगावाट की क्षमतावाले 'विंड फार्म' ने समीक्षा वर्ष में ४२,७९,९८० लाख विद्युत इकाइयों का उत्पादन किया (गत वर्ष ४४,०७,४६२ विद्युत इकाइयां). कंपनी ने रु. १६५.४० लाख रुपयों का उपलब्ध बिक्री कर प्रोत्साहन स्थानान्तरित किया (गत वर्ष रु. १६६.९६ लाख).

आस्थगित कर दायिता

इंस्टिट्यूट ऑफ चार्टर्ड अकाउन्टेन्ट्स ऑफ इंडिया के "अकाउन्टिंग फॉर टैक्सेज ऑन इनकम" से संबंधित अकाउन्टिंग स्टैण्डर्ड २२ की शर्तों के अनुसार कंपनी ने समीक्षा वर्ष में शुद्ध आस्थगित कर सम्पत्ति के रूप में, लाभ व हानि खाते में रु. ६२०.१८ लाख जमा कराए हैं.

डिपॉजिटरी सिस्टम

जैसा कि सदस्यगण जानते हैं आपकी कंपनी के शेयर अनिवार्य रूप से इलेक्ट्रॉनिक रूप में ट्रेड किए जाते हैं और आपकी कंपनी ने दोनों डिपॉजिटरियों अर्थात् नेशनल सिक्योरिटीज डिपॉजिटरी लिमिटेड (एनएसडीएल) तथा सेन्ट्रल डिपॉजिटरी सर्विसेज (इंडिया) लिमिटेड (सीडीएसएल) के साथ सम्पर्कशीलता स्थापित की है. डिपॉजिटरी सिस्टम द्वारा दिए जाने वाले अनेक फायदों को देखते हुए सदस्यों से अनुरोध है कि वे ऊपर उल्लेख किए गये किसी भी डिपॉजिटरी से कंपनी के शेयरों के डिमैटीकरण की सुविधाओं का लाभ उठाएं.

कॉर्पोरेट प्रशासन

स्टॉक एक्सचेंजों के साथ लिस्टिंग करार की धारा ४९ के अंतर्गत

कॉर्पोरेट प्रशासन की शर्तों के अनुपालन हेतु प्रबंधन चर्चा तथा विश्लेषण विवरणी, कॉर्पोरेट प्रशासन रिपोर्ट तथा लेखापरीक्षणों के प्रमाणपत्र को वार्षिक रिपोर्ट में शामिल किया गया है.

निदेशकों के उत्तरदायित्व का विवरण

प्रचालन प्रबंधन से प्राप्त सूचना/प्रतिनिधित्व के आधार पर आपके निदेशकगण, अधिनियम की धारा २१७(२एए) के अनुक्रम में पुष्टि करते हैं कि :

- (क) वार्षिक लेखा बनाते समय लेखा-विधि के लागू मानकों का पालन किया गया है और उन मानकों में कोई बुनियादी अंतर नहीं किया गया है ;
- (ख) ऐसी लेखा नीतियां चुनकर उन्हें समरूपता से अपनाया गया है तथा उचित, विवेकपूर्ण अनुमान लगाए गए हैं ताकि वित्तीय वर्ष के अंत में कंपनी के कामकाज तथा उस काल में कंपनी की लाभ-हानि की स्थिति का सही आकलन किया जा सके ;
- (ग) कंपनी अधिनियम, १९५६ के प्रावधानों के अनुसार पर्याप्त लेखा-दस्तावेज रखने, कंपनी की संपत्ति की सुरक्षा सुनिश्चित करने तथा धोखाधड़ी व अनियमितताएं रोकने और खोजने के लिए उचित व समुचित सावधानी बरती गई है ; और
- (घ) चलित कारोबार के आधार पर वार्षिक लेखे तैयार किए गए हैं.

निदेशकगण

गत वर्ष के दौरान कंपनी के बोर्ड के निदेशक श्री एस.सी. बत्रा ने २१ जनवरी, २००५ से त्यागपत्र दे दिया. बोर्ड श्री एस.सी. बत्रा द्वारा कंपनी को दिए गए अमूल्य योगदान की लिखित रूप में सराहना करता है.

कंपनी एक्ट, १९५६ के प्रावधानों के तहत और कंपनी के आर्टिकल्स ऑफ एसोसिएशन के अनुसार श्री वी.बी. हरिभक्ति तथा श्री अशोक कुमार जालान चक्रानुक्रम के अनुसार अवकाश प्राप्त करते हैं तथा उपयुक्तता के आधार पर स्वयं को पुनर्नियुक्ति के लिए प्रस्तुत करते हैं.

लेखा परीक्षक

लेखा परीक्षक, मेसर्स दलाल एंड शाह कंपनी भी आगामी वार्षिक साधारण सभा के समय सेवानिवृत्त होंगे और उपयुक्तता के आधार पर अपनी पुनर्नियुक्ति के लिए प्रस्तुत हैं. आपसे निवेदन है कि उनकी नियुक्ति और पारिश्रमिक निर्धारण करें.

कंपनी नियम १९८८ (निदेशक मंडल की रिपोर्ट में विवरणों का प्रकटीकरण) के अंतर्गत विवरण

कंपनी अधिनियम, १९५६ की धारा २१७ (१) (ई) और कंपनी नियम १९८८ (निदेशक मंडल की रिपोर्ट में विवरणों का प्रकटीकरण) के संयुक्त पठन के अंतर्गत ऊर्जा संरक्षण, टेक्नोलॉजी, समावेशन आदि से संबंधित लागू होने वाले निर्धारित विवरण संलग्न परिशिष्ट-I में दिए गए हैं.

कर्मचारीगण

कंपनी अधिनियम, १९५६ की धारा २१७(२ए) और कंपनी नियम (कर्मचारियों का विवरण) के संयुक्त पठन के अंतर्गत कर्मचारियों का विवरण जो कि निदेशकों की रिपोर्ट का अभिन्न अंग है, संलग्न परिशिष्ट-II में दिया गया है.

कर्मचारियों के साथ कंपनी के संबंध सौहार्दपूर्ण बने रहे.

आपके निदेशकगण कंपनी को अच्छी स्थिति में लाने तथा फिर से लाभदायक बनाने में कर्मचारियों के योगदान के प्रति आभार प्रकट करते हैं.

निदेशक मंडल के आदेशानुसार
कृते बजाज इलेक्ट्रिकल्स लिमिटेड

मुंबई
३० मई, २००५

मंगेश पाटिल
कंपनी सेक्रेटरी

ए.के. जालान
डायरेक्टर

शेखर बजाज
चेयरमैन व मैनेजिंग डायरेक्टर

निदेशकों की रिपोर्ट का परिशिष्ट-I

कंपनी अधिनियम १९५६ की धारा २१७(१)(ई) और कंपनी नियम १९८८ (निदेशक मंडल की रिपोर्ट में विवरण का प्रकटीकरण) के संयुक्त पठन के अनुसार जानकारी, जो कि ३१ मार्च २००५ को समाप्त वर्ष की निदेशकों की रिपोर्ट का अंग है.

I. ऊर्जा का संरक्षण :

(क) ऊर्जा संरक्षण के लिए उठाए गये कदम :

कुछ नहीं.

(ख) ऊर्जा की खपत में कमी लाने के लिए अमल में लाए जा रहे, यदि कोई है तो, अतिरिक्त निवेश एवं प्रस्ताव :

कुछ नहीं.

(ग) ऊर्जा-खपत में कमी लाने के मामले में उल्लिखित (क) तथा (ख) कदमों का प्रभाव तथा उसके फलस्वरूप वस्तुओं की उत्पादन-लागत पर उसका प्रभाव :

कुछ नहीं.

(घ) अनुसूची में उल्लिखित उद्योगों में संबंधित नियमों के परिशिष्ट के फॉर्म-ए के अनुरूप कुल ऊर्जा की खपत और प्रति इकाई उत्पादन पर ऊर्जा की खपत :

७६ यूनिट/टन/१८,७४,०८० यूनिट प्रति वर्ष.

II. टेक्नोलॉजी का समावेशन :

शोध व विकास (आर एंड डी)

१. विशिष्ट क्षेत्र जहां कंपनी ने आर एंड डी का उपयोग किया है :

कुछ नहीं.

२. उपरोक्त आर एंड डी उपायों से प्राप्त लाभ :

कुछ नहीं.

३. भावी कार्य योजना :

नये उत्पादों की रचना

४. शोध व विकास पर व्यय :

(क) पूंजी : रु. १०.२६ लाख

(ख) आवर्ती : रु. १९९.७७ लाख

(ग) कुल : रु. २१०.०३ लाख

(घ) कुल बिक्री के प्रतिशत के रूप में कुल शोध व विकास की लागत : ०.३२%

III. टेक्नॉलाजी का समावेशन, धारण और अभिनवीकरण :

१. टेक्नॉलाजी समावेशन, धारण और अभिनवीकरण की दिशा में किए गये प्रयासों का संक्षेप में उल्लेख :
कुछ नहीं.
२. उक्त प्रयासों के परिणामस्वरूप प्राप्त लाभ जैसे कि - उत्पाद सुधार, लागत में कमी, उत्पाद विकास, आयात विकल्प आदि :
लागू नहीं होता.
३. आयातित टेक्नोलॉजी (वित्तीय-वर्ष के प्रारंभ से गत ५ वर्षों में आयातित) के संदर्भ में निम्नलिखित जानकारी दी जाए:
(क) आयातित टेक्नोलॉजी.
(ख) आयात का वर्ष.
(ग) क्या टेक्नोलॉजी पूरी तरह अपना ली गई है ?
(घ) यदि नहीं, तो उन क्षेत्रों का विवरण जहां पूरी तरह नहीं अपनाई गई है और जहां ऐसा नहीं हुआ है, उनके कारण तथा भावी कार्य योजना.
लागू नहीं होता.

IV. विदेशी मुद्रा का अर्जन तथा व्यय :

१. निर्यात संबंधी प्रवृत्तियां; निर्यात वृद्धि की दिशा में की गई पहल; उत्पाद तथा सेवाओं के नये निर्यात बाजार का विकास एवं निर्यात योजनाएं :
निर्यात वृद्धि की दिशा में की गई पहल; उत्पाद तथा सेवाओं के लिए नये बाजारों का विकास तथा निर्यात योजनाएं.
२. कुल विदेशी मुद्रा का अर्जन व उपयोग :
(विस्तृत जानकारी के लिए ३१ मार्च, २००५ की स्थिति के अनुसार तुलन पत्र की अनुसूची १४ के नोट सं. १४ को देखें.)

विदेशी मुद्रा	राशि
अर्जित	रु. ३७१.३० लाख
उपयोग की गई	रु. २५९५.९० लाख

निदेशक मंडल के आदेशानुसार
कृते बजाज इलेक्ट्रिकल्स लिमिटेड

शेखर बजाज

चेयरमैन व मैनेजिंग डायरेक्टर

मुंबई, ३० मई, २००५

कॉर्पोरेट प्रशासन पर रिपोर्ट

१. प्रशासन (गवर्नेंस) की आचार संहिता के संबंध में कंपनी की विचारधारा

अच्छा कॉर्पोरेट प्रशासन सर्वश्रेष्ठ व्यावसायिक नीतियों को अपनाता है, जिससे कंपनी न सिर्फ नियमों के ढांचे के अनुरूप कार्य करती है, बल्कि नैतिकता से भी संचालित होती है। इस तरह के कॉर्पोरेट व्यवहार को अपनाने से एक ओर तो कंपनी को चलाने वाले व्यक्तियों में जिम्मेदारी आती है, दूसरी ओर निवेशकों, ग्राहकों, सप्लायरों, ऋणदाताओं, कर्मचारियों और समाज को भी लाभ पहुंचता है।

कंपनियों के संचालन में शेयरधारकों की भी भूमिका है। उन्हें निदेशकों और लेखापरीक्षकों की नियुक्ति करके इस बात का ध्यान रखना होता है कि कंपनी संचालन का सही ढांचा बना रहे। प्रबंधन की भूमिका अपनी जिम्मेदारी निभाने में है और सरकार की भूमिका है निगरानी करना और उसे जनता की नजरों में लाना।

२. निदेशक मंडल

आपकी कंपनी के निदेशक मंडल में इस समय शामिल हैं- दो प्रमोटर डायरेक्टर (जिनमें से एक मैनेजिंग डायरेक्टर हैं) तथा छः नॉन-प्रमोटर, स्वतंत्र और नॉन एक्ज़िक्यूटिव डायरेक्टर। बोर्ड की संरचना लिस्टिंग एग्रीमेंट की धारा ४९ के अनुरूप है।

कोई भी डायरेक्टर उन समस्त कंपनियों में दस से अधिक समितियों में सदस्य या पांच से अधिक समितियों में चेयरमैन नहीं हैं, जिनमें वे डायरेक्टर हैं। (जैसा कि धारा ४९ में विनिर्धारित किया गया है)। समिति में स्थितियों के बारे में डायरेक्टरों द्वारा किया गया प्रकटीकरण निम्नानुसार है :

नाम	एक्ज़िक्यूटिव/ नॉन एक्ज़िक्यूटिव/ प्रमोटर/स्वतंत्र	अन्य डायरेक्टरशिप की संख्या (*)	अन्य मंडल समितियों में सदस्यता की कुल संख्या(**)	अन्य मंडल समितियों में चेयरमैनशिप की संख्या(**)
श्री शेखर बजाज	चेयरमैन व मैनेजिंग डायरेक्टर (प्रमोटर)	१३	२	१
श्री एच. वी. गोयंका	नॉन-एक्ज़िक्यूटिव डायरेक्टर (स्वतंत्र)	९	१	१
श्री ए. के. जालान	नॉन-एक्ज़िक्यूटिव डायरेक्टर (स्वतंत्र)	६	३	३
श्री अजित गुलाबचंद	नॉन-एक्ज़िक्यूटिव डायरेक्टर (स्वतंत्र)	१२	२	-
श्री वी.बी. हरिभक्ति	नॉन-एक्ज़िक्यूटिव डायरेक्टर (स्वतंत्र)	१०	८	४
श्री मधुर बजाज	नॉन-एक्ज़िक्यूटिव डायरेक्टर (प्रमोटर)	९	१	-
श्री डी.बी. ध्रुव	नॉन-एक्ज़िक्यूटिव डायरेक्टर (स्वतंत्र)	६	-	-
श्री एच. आर. श्रीवास्तव	नॉन-एक्ज़िक्यूटिव डायरेक्टर (नामित डायरेक्टर)	-	-	-

* इसमें प्राइवेट लिमिटेड कंपनियों में डायरेक्टरशिप भी शामिल है।

** लेखा समितियों, शेयरधारक/निवेशक शिकायत समिति तथा पारिश्रमिक समिति की सदस्यता/चेयरमैनशिप का प्रतिनिधित्व।

मंडल की बैठकों की संख्या और तिथियां, मंडल की बैठकों तथा पिछली वार्षिक आम बैठक में उपस्थितियां :

वित्तीय वर्ष के दौरान आवश्यक न्यूनतम ४ बैठकों के मुकाबले मंडल की पांच बैठकें हुईं तथा दो बैठकों के बीच चार महीने से अधिक समय का अंतर नहीं था. ये बैठकें इन तिथियों को आयोजित हुईं : ११ जून २००४, २९ जुलाई २००४, २९ अक्टूबर २००४, २१ जनवरी २००५ तथा १७ मार्च २००५.

डायरेक्टर का नाम	वर्ष के दौरान जिन मंडल-बैठकों में शामिल हुए, उनकी संख्या	२९ जुलाई २००४ को आयोजित ६५वीं वार्षिक आम बैठक
		उपस्थिति
श्री शेखर बजाज	५	हां
श्री एच. वी. गोयंका	२	हां
श्री ए. के. जालान	५	हां
श्री अजित गुलाबचंद	३	हां
श्री वी. बी. हरिभक्ति	५	हां
श्री मधुर बजाज	४	हां
श्री डी.बी. ध्रुव	२	नहीं
श्री एस. सी. बत्रा*	२	नहीं
श्री एच.आर. श्रीवास्तव	५	हां

* २१.१.२००५ से निदेशक नहीं रहे.

निदेशक मंडल के सामने रखी गई जानकारीयां

मंडल के सामने नियमित रूप से रखी गई जानकारीयों में निम्नलिखित शामिल हैं :

- वार्षिक प्रचालन योजनाएं तथा बजट और कोई अद्यतनीकरण.
- पूंजी बजट तथा कोई अद्यतनीकरण.
- कंपनी और उसके प्रचालनरत डिवीज़नों या व्यावसायिक विभागों के तिमाही परिणाम.
- मंडल की लेखा परीक्षा तथा अन्य समितियों की बैठक के विवरण.
- मंडल स्तर से ठीक नीचे के वरिष्ठ अधिकारियों की भर्ती तथा पारिश्रमिक संबंधी जानकारी, जिसमें चीफ़ फायनान्शियल अधिकारी तथा कंपनी सेक्रेटरी की भर्ती या बर्खास्तगी भी शामिल है.
- कारण बताओ, मांग, अभियोजन नोटिस और जुर्माना नोटिस, जो आर्थिक दृष्टि से महत्वपूर्ण हैं.
- घातक या गंभीर दुर्घटनाएं, खतरनाक घटनाएं, निस्सरण अथवा प्रदूषण समस्याएं.
- कंपनी के साथ या कंपनी के द्वारा किसी वित्तीय दायित्व में भारी चूक या कंपनी द्वारा बेचे गये माल का भुगतान न होना.
- कोई भी ऐसा मुद्दा जिसका संबंध किसी संभावित जन या उत्पाद दायित्व दावे से है जिसमें कोई ऐसा कानूनी फैसला या

आदेश भी हो सकता है जिसमें कंपनी के कामकाज पर टीका-टिप्पणी की गई हो, और जिसके परिणाम कंपनी के विपरीत हो सकते हैं.

- किसी संयुक्त उद्यम या गठबंधन समझौते का विवरण.
- सद्भावना, ब्रांड इक्विटी अथवा बौद्धिक सम्पदा से संबंधित कोई सौदा जिससे कोई बड़ा भुगतान सम्बद्ध हो.
- महत्वपूर्ण श्रम समस्याएं और उनके प्रस्तावित समाधान, मानव संसाधन/औद्योगिक संबंधों में कोई महत्वपूर्ण घटना जैसे वेतन समझौते पर हस्ताक्षर, स्वैच्छिक सेवानिवृत्ति योजना का कार्यान्वयन इत्यादि.
- निवेश, नियंत्रित कंपनियों, सम्पत्ति आदि की विशेष महत्व की बिक्री जो कि कंपनी के व्यवसाय का सामान्य अंग न हो.
- विदेशी मुद्रा के प्रकटीकरण के तिमाही विवरण तथा विदेशी मुद्रा की दरों की प्रतिकूल हलचलों, यदि महत्वपूर्ण हों तो, के जोखिमों को सीमित करने के लिए प्रबंधन द्वारा उठाए गये कदम.
- नियमन अथवा कानून संबंधी अथवा लिस्टिंग की आवश्यकताओं तथा शेयर धारक सेवा में कोई अनियमितता जैसे लाभांश का भुगतान न होना, शेयर ट्रांसफर में विलम्ब आदि.

मंडल प्रक्रिया

निदेशकों को एजेन्डा से संबंधित कागजात, एजेन्डा के प्रत्येक मद पर उचित व्याख्याकारी टिप्पणियों के साथ यथा समय अग्रिम रूप से परिचालित किए जाते हैं ताकि बैठक में सार्थक, जानकारीपूर्ण तथा विषयकेन्द्रित चर्चा हो सके. बैठक में चेयरमैन द्वारा कंपनी के समग्र कार्यनिष्पादन की समीक्षा की जाती है, जिसके पश्चात एजेन्डा पर चर्चा होती है. मंडल के समक्ष अनुमति हेतु रखे जाने वाले वैधानिक रूप से अनिवार्य मामलों के साथ-साथ अन्य समस्त महत्वपूर्ण मामले मंडल के विचारार्थ उनके समक्ष रखे जाते हैं.

३. लेखा परीक्षा समिति

कंपनी की एक लेखा परीक्षा समिति है, जिसमें तीन स्वतंत्र निदेशक तथा एक कार्यकारी निदेशक हैं. लेखा परीक्षा समिति की संदर्भ शर्तें, भूमिका तथा कार्यक्षेत्र स्टॉक एक्सचेंजों के साथ लिस्टिंग एग्रीमेन्ट की धारा ४९ में किए गये विनिर्धारणों के अनुक्रम में है. कंपनी द्वारा लेखा परीक्षा समिति एवं इसके कार्य से संबंधित कंपनी अधिनियम १९५६ की धारा २९२ ए के प्रावधानों का भी अनुपालन किया जाता है.

लेखा परीक्षा समिति की संदर्भ शर्तें निम्नानुसार हैं :

- (क) आंतरिक नियंत्रण प्रणालियों, लेखा परीक्षा के क्षेत्र तथा लेखा परीक्षा के अवलोकनों के बारे में लेखा परीक्षकों से आवधिक चर्चाएं आयोजित करना तथा मंडल को प्रस्तुत किए जाने से पूर्व अर्धवार्षिक एवं वार्षिक वित्तीय विवरणियों की समीक्षा करना तथा आंतरिक नियंत्रण प्रणालियों का अनुपालन भी सुनिश्चित करना.
- (ख) कंपनी की वित्तीय रिपोर्टिंग प्रक्रिया तथा वित्तीय जानकारी के प्रकटीकरण का पर्यवेक्षण ताकि यह सुनिश्चित हो सके कि वित्तीय विवरणियां सही, पर्याप्त व विश्वसनीय हैं.
- (ग) बाहरी लेखा परीक्षक की नियुक्ति व बरखास्तगी तथा उनके शुल्क के निर्धारण की सिफारिश तथा अन्य सेवाओं के लिए भी भुगतान की मंजूरी.
- (घ) मंडल को प्रस्तुत किए जाने से पूर्व तिमाही, छमाही और वार्षिक वित्तीय विवरणियों पर मुख्यतः निम्नलिखित पर ध्यान केन्द्रित करते हुए प्रबंधन के साथ समीक्षा-

- लेखा नीतियों तथा व्यवहार में कोई परिवर्तन.
- प्रबंधन के निर्णय प्रयोग के आधार पर प्रमुख लेखा प्रविष्टियां.
- ड्राफ्ट लेखा परीक्षा रिपोर्ट में आपत्तियां.
- लेखा परीक्षा से होने वाले महत्वपूर्ण समायोजन.
- चलित संबंधित पूर्वानुमान.
- लेखा मापदण्डों का अनुपालन.
- स्टॉक एक्सचेंज का अनुपालन तथा वित्तीय विवरणियों से संबंधित विधिक आवश्यकता.
- किसी संबंधित पक्ष से लेन-देन जैसे कि महत्वपूर्ण स्वरूप के प्रमोटर्स या प्रबंधक, उनकी सहायक कंपनियों या संबंधियों आदि से लेन-देन, जिसकी कंपनी के व्यापक हितों से टकराव की संभावना हो सकती है.

(च) प्रबंधन, बाहरी तथा आंतरिक लेखा परीक्षकों से आंतरिक नियंत्रण प्रणालियों की पर्याप्तता की समीक्षा.

(छ) आंतरिक लेखा परीक्षा कार्य की पर्याप्तता की समीक्षा करना, जिसमें आंतरिक लेखा परीक्षा विभाग की संरचना, कर्मचारी तथा विभाग के प्रमुख अधिकारी की वरिष्ठता, रिपोर्टिंग स्वरूप विस्तार और आंतरिक लेखा परीक्षा की आवृत्ति का भी समावेश है.

(ज) किसी महत्वपूर्ण जांच-परिणाम पर आंतरिक लेखा परीक्षकों से चर्चा करना तथा उस पर अनुवर्ती कार्रवाई करना.

(झ) ऐसे किन्हीं मामलों पर जहां बड़ी धोखेधड़ी या अनियमितता या आंतरिक नियंत्रण प्रणालियों के विफल होने की संभावना हो, आंतरिक लेखा परीक्षकों द्वारा की गई आंतरिक जांच के परिणामों की समीक्षा करना तथा मंडल को उसकी जानकारी देना.

(प) लेखा परीक्षा शुरू करने से पहले बाहरी लेखा परीक्षकों से लेखा परीक्षा की प्रकृति एवं क्षेत्र के बारे में चर्चा करना तथा विचारणीय विषय क्षेत्र निर्धारित करने के लिए लेखा-परीक्षा उपरान्त चर्चा करना.

(फ) कंपनी की वित्तीय तथा जोखिम प्रबंधन नीतियों की समीक्षा.

(ब) जमाकर्ताओं, डिबेंचरधारकों, शेयरधारकों को (घोषित लाभांश का भुगतान न होने की स्थिति में) तथा ऋणदाताओं को भुगतान में महत्वपूर्ण चूक के कारणों पर गौर करना.

३१ मार्च २००५ को लेखा परीक्षा समिति की संरचना इस प्रकार थी :

डायरेक्टर का नाम	पदनाम	वर्ष के दौरान बैठकों में उपस्थिति की संख्या
श्री वी.बी. हरिभक्ति	चेयरमैन	३
श्री डी.बी. ध्रुव	सदस्य	१
श्री अशोक कुमार जालान	सदस्य	३

वित्तीय वर्ष २००४-२००५ के दौरान समिति की तीन बैठकें १० जून २००४, २९ अक्टूबर २००४ तथा २१ जनवरी २००५ को हुईं.

लेखा परीक्षा समिति अपनी बैठकों में उन एक्जिक्यूटिवों को आमंत्रित करती है जिनकी उपस्थिति को वह उपयुक्त मानती है. आंतरिक लेखा परीक्षा तथा वित्त के प्रमुख इन बैठकों में शामिल होते हैं. वैधानिक लेखा परीक्षकों को भी बैठकों में आमंत्रित किया जाता है. श्री मंगेश पाटिल, कंपनी सचिव, समिति के संयोजक के रूप में काम करते हैं.

४. शेयर ट्रांसफर समिति

कंपनी की एक शेयर ट्रांसफर समिति है, जिसके सदस्य हैं श्री शेखर बजाज, श्री ए.के. जालान और श्री मधुर बजाज. अधिकांश मामलों में शेयर ट्रांसफर के आवेदनों को ३० दिनों के अंदर ही स्वीकृत कर दिया जाता है और सर्टिफिकेट भी इसी दौरान भेज दिए जाते हैं या डिलीवरी के लिए तैयार कर दिए जाते हैं. लिस्टिंग एग्रीमेंट के अनुसार कंपनी सेक्रेटरी श्री मंगेश पाटिल को अनुपालन अधिकारी नियुक्त किया गया है.

समिति शेयरों के ट्रांसफर, प्रेषण, विभाजन तथा समेकीकरण से संबंधित मामलों को निपटाने के लिए समय-समय पर बैठकों का आयोजन करती रहती हैं.

५. शेयरधारक शिकायत समिति

शेयरधारकों की शिकायतों, (अगर कोई हों) के समाधान के लिए कंपनी की एक शेयरधारक शिकायत समिति है जिसमें तीन स्वतंत्र निदेशक हैं. कंपनी सेक्रेटरी श्री मंगेश पाटिल को अनुपालन अधिकारी नियुक्त किया गया है. समिति में निम्नलिखित निदेशक हैं :

श्री वी.बी. हरिभक्ति, चेयरमैन

श्री डी.बी. ध्रुव

१ अप्रैल २००४ से ३१ मार्च २००५ की अवधि के दौरान कंपनी को शेयरधारकों से कुल २७ शिकायतें मिली. इस रिपोर्ट की तिथि तक शेयरधारकों की कोई भी अनसुलझी शिकायत बाकी नहीं है. सेक्रेटेरियल विभाग २/३ कार्यदिवसों के भीतर ही शेयरधारकों की शिकायतों को हल करने की कोशिश करता है.

मंडल की प्रत्येक बैठक में, सेक्रेटरी द्वारा निदेशकों को शेयरधारकों की शिकायतों की स्थिति से अवगत कराया जाता है, जिसे मंडल द्वारा रिकॉर्ड में लिया जाता है.

चूंकि शेयरधारकों की सभी शिकायतों का समाधान एक्जिक्यूटिव स्तर पर हो गया था अतः वित्तीय वर्ष २००४-०५ के दौरान समिति के समक्ष शेयरधारकों की अनसुलझी शिकायतों पर विचार करने का कोई मुद्दा ही नहीं था.

६. पारिश्रमिक समिति/निदेशकों को दिया गया पारिश्रमिक

३१ मार्च २००५ को पारिश्रमिक समिति की संरचना निम्नानुसार थी :

डायरेक्टर का नाम	पदनाम	वर्ष के दौरान जिन बैठकों में शामिल हुए उनकी संख्या
श्री वी.बी. हरिभक्ति	चेयरमैन	१
श्री डी.बी. ध्रुव	सदस्य	-
श्री अशोक कुमार जालान	सदस्य	१

उपरोक्त सभी निदेशक स्वतंत्र तथा नॉन-एक्जिक्यूटिव हैं. समिति केवल एक बार, दिनांक २९.१०.२००४ को, श्री शेखर बजाज की, प्रबंध निदेशक के तौर पर पुनर्नियुक्ति के निर्धारण के लिए ही मिली.

संदर्भ की शर्तें :

समिति की संदर्भ शर्तों में मैनेजिंग डायरेक्टर के लिए निदेशक मंडल विशिष्ट पारिश्रमिक पैकेज शामिल है.

पारिश्रमिक नीति :

नॉन-एक्ज़िक्यूटिव डायरेक्टर :

नॉन-एक्ज़िक्यूटिव डायरेक्टरों को सिटिंग फ़ीस के रूप में पारिश्रमिक अदा किया जाता है. नॉन-एक्ज़िक्यूटिव डायरेक्टरों को प्रति मंडल/समिति की बैठक में शामिल होने के लिए रु. १०,०००/- की सिटिंग फ़ीस अदा की जाती है.

एक्ज़िक्यूटिव डायरेक्टर :

कंपनी मैनेजिंग डायरेक्टर को वेतन, सुविधाओं तथा भत्तों (निश्चित हिस्सा) एवं कमीशन (परिवर्तनशील हिस्सा) के रूप में पारिश्रमिक अदा करती है. वेतन का भुगतान शेयरधारकों द्वारा स्वीकृत की गई श्रेणी के अंतर्गत किया जाता है.

वित्तीय वर्ष में सभी निदेशकों को दिए गये पारिश्रमिक/सिटिंग फ़ीस का ब्यौरा इस प्रकार है :

- (i) चेयरमैन एवं मैनेजिंग डायरेक्टर श्री शेखर बजाज को वित्तीय वर्ष २००४-२००५ के लिए दिए गये वेतन, सुविधाओं और कमीशन की कुल राशि रु. ४१.१५ लाख है.
- (ii) वित्तीय वर्ष २००४-२००५ के दौरान अन्य निदेशकों को दी गई सिटिंग फ़ीस का ब्यौरा इस प्रकार है :

डायरेक्टर का नाम	अदा की गई सिटिंग फ़ीस (सकल)	
	मंडल की बैठक	समिति की बैठक
श्री एच.वी. गोयंका	रु. २०,०००/-	लागू नहीं
श्री ए.के. जालान	रु. ५०,०००/-	रु. ४०,०००/-
श्री अजित गुलाबचंद	रु. ३०,०००/-	लागू नहीं
श्री वी.बी. हरिभक्ति	रु. ५०,०००/-	रु. ४०,०००/-
श्री मधुर बजाज	रु. ४०,०००/-	लागू नहीं
श्री दक्षेष् बी. ध्रुव	रु. २०,०००/-	रु. १०,०००/-
श्री एस. सी. बत्रा*	रु. २०,०००/-	लागू नहीं
श्री एच.आर. श्रीवास्तव	रु. ५०,०००/-	लागू नहीं

* २१.०१.२००५ से निदेशक नहीं रहे.

७. साधारण सभाओं का विवरण

पिछली तीन वार्षिक साधारण सभाएं (एजीएम) निम्न अनुसार आयोजित हुईं :

वित्तीय वर्ष	दिन तथा तिथि	समय	स्थान
२००१-२००२	शुक्रवार, २३ अगस्त, २००२	शाम ४.३० बजे	कमलनयन बजाज हॉल, बजाज भवन, जमनालाल बजाज मार्ग, नरीमन पॉइंट, मुंबई ४०० ०२१.
२००२-२००३	मंगलवार, १२ अगस्त, २००३		
२००३-२००४	गुरुवार, २९ जुलाई, २००४		

एक विशेष प्रस्ताव पर मतदान हुआ और हाथ उठाकर उसे पारित किया गया. किसी भी प्रस्ताव के लिए मतपत्र का उपयोग नहीं हुआ. वार्षिक साधारण सभाओं में डाक पत्र की सुविधा अपनाए जाने हेतु कोई संकल्प प्रस्तावित नहीं है.

८. वित्त वर्ष २००४-२००५ में संबंधित पार्टी के साथ आर्थिक दृष्टि से महत्वपूर्ण सौदों का प्रकटीकरण, जैसे कंपनी के अपने प्रमोटरों, निदेशकों अथवा मैनेजमेंट, उनकी नियंत्रित कंपनियों अथवा संबंधियों के साथ कंपनी के समझौते जिनका कंपनी के व्यापक हितों से टकराव होने की संभावना हो.

कंपनी ने अपने एक प्रमोटर डायरेक्टर, उनके संबंधी और कुछ निजी कंपनियों के साथ निम्नलिखित अनुबंध किए हैं जिनमें से एक प्रमोटर निदेशक का सदस्यों/निदेशकों के रूप में और/या उनके संबंधियों का हित है.

- (i) यात्रा से संबंधित सेवाएं प्राप्त करने के लिए कंपनी ने हिन्द मुसाफिर एजेंसी प्रा.लि. (एचएमए) के साथ एक समझौते के अनुक्रम में वित्तीय वर्ष २००४-२००५ के दौरान, यात्रा से संबंधित विभिन्न प्रकार की सेवाओं के लिए एचएमए को रु. २.०७ लाख का भुगतान किया (टिकटों की खरीद आदि के वास्तविक व्यय की प्रतिपूर्ति इसमें शामिल नहीं है). इस व्यवस्था के लिए केन्द्र सरकार से कंपनी अधिनियम १९५६ की धारा २९७ के अंतर्गत स्वीकृति प्राप्त कर ली गई है.
- (ii) कंपनी ने पंखों के निर्यात की सेवा लेने के लिए बजाज इंटरनेशनल प्रा.लि. (बीआईपीएल) से एक करार किया है. इस तरह की सेवाएं देने के लिए बीआईपीएल को निर्यात के एफओबी पर ५% की दर से कमीशन लेने का अधिकार है. समीक्षा वर्ष में कंपनी ने रु. १८२.१२ लाख के पंखे बी आई पी एल के ज़रिए निर्यात किए हैं जिसके लिए बी आई पी एल रु. ९.३५ लाख के कमीशन का हकदार है. इस समझौते के लिए कंपनी अधिनियम १९५६ की धारा २९७ के अंतर्गत केंद्र सरकार की स्वीकृति प्राप्त कर ली गई है.
- (iii) कंपनी ने बजाज इंटरनेशनल प्रा.लि. (बीआईपीएल) के साथ एक व्यवस्था की है जिससे कि कंपनी को उनसे आयात संबंधी सेवाएं मिल सकें - जैसे उत्पादों की सूचनाएं, सप्लायर्स के बारे में जानकारी, सप्लायर्स से मोलभाव, शिपिंग कंपनियों से समझौते, कस्टम से माल छुड़ाना आदि. इस तरह की सेवाएं देने के लिए बीआईपीएल आयातित माल के सी आई एफ मूल्य पर १.०% की दर से कमीशन लेने का हकदार होगा. समीक्षा वर्ष में आयात संबंधी सेवाएं देने के लिए बीआईपीएल रु. २४.८८ लाख कमीशन का अधिकारी है. कंपनी अधिनियम १९५६ की धारा २९७ के अंतर्गत इस व्यवस्था के लिए केन्द्र सरकार की स्वीकृति प्राप्त कर ली गई है.
- (iv) कंपनी ने बजाज इंटरनेशनल प्रा.लि. (बीआईपीएल) के साथ एक समझौता किया है जिसके तहत बीआईपीएल को छूट दी गयी है कि वह अन्य पार्टियों से केवल निर्यात के लिए कंपनी के ट्रेडमार्क के अंतर्गत माल खरीद सकता है. ऐसे निर्यात में बीआईपीएल को एफ ओ बी मूल्य की १% की दर से रॉयल्टी का भुगतान करना होगा. समीक्षा वर्ष में कंपनी ने बीआईपीएल से रु. २३.५८ लाख रॉयल्टी प्राप्त की है. कंपनी को राय दी गई है कि इस तरह के समझौते के लिए सरकारी स्वीकृति की आवश्यकता नहीं है.
- (v) बजाज इंटरनेशनल प्रा.लि. (बीआईपीएल) के अनुरोध पर, जो कि निर्यात तथा आयात संबंधित सेवाएं प्रदान करते हैं तथा “बजाज” ट्रेडमार्क के अंतर्गत दूसरे देशों को माल का निर्यात भी करते हैं, कंपनी ने उनको कंपनी के डेप्यूटी जनरल मैनेजर श्री संजय शर्मा तथा मैनेजर (स्पेशल असाईनमेंट) श्री अनंत बजाज की सेवाएं अंशकालीन आधार पर उपलब्ध करायी हैं. कंपनी उपरोक्त संदर्भित सेवा देने के लिए मुआवज़े के रूप में क्रमशः रु. २०,०००/- तथा १०,०००/- प्रति माह चार्ज कर रही है. कंपनी ने इस प्रकार वित्तीय वर्ष २००४-२००५ के दौरान बीआईपीएल से इस खाते में कुल रु. ३.२० लाख की रकम वसूल की है. कंपनी को राय दी गई है कि बीआईपीएल को अंशकालीन आधार पर किसी कर्मचारियों की सेवाएं उपलब्ध कराने के लिए किसी सरकारी स्वीकृति की आवश्यकता नहीं है.

(vi) कंपनी ने श्रीमती किरण बजाज के साथ उनके फ्लैट नं. २०१, २०वां माला, मेकर टॉवर “ए”, कफ़ परेड, मुंबई ४०० ००५ के लीव एंड लाइसेंस आधार पर इस्तेमाल के लिए एक समझौता किया है. यह फ्लैट श्री शेखर बजाज को उनके निवास के लिए आवंटित किया गया है. उक्त फ्लैट के इस्तेमाल के लिए रु. ५०,०००/- प्रति माह लाइसेंस फीस के रूप में देय है. कंपनी ने एग्रीमेन्ट की शर्तों के अनुसार सिक्योरिटी के रूप में श्रीमती किरण बजाज के पास ब्याज रहित डिपॉजिट रु. २५० लाख रखे हैं. कंपनी को सलाह दी गई है कि इस सौदे के लिए सरकारी स्वीकृति की आवश्यकता नहीं है.

९. कंपनी के नॉन-एक्ज़िक्यूटिव डायरेक्टरों के साथ आर्थिक संबंधों या सौदों का प्रकटीकरण

कंपनी ने साल के दौरान कंपनी के एक नॉन-एक्ज़िक्यूटिव डायरेक्टर श्री दक्षेस बी. ध्रुव को कुछ व्यवसायिक काम दिए. जिसके लिए कंपनी ने वित्तीय वर्ष २००४-०५ के बीच कुल १०,०४,७५०/- रूपयों का भुगतान उनकी व्यावसायिक सेवाओं और फुटकर खर्चों के भुगतान स्वरूप किया.

१०. पिछले तीन वर्षों में कैपिटल मार्केट से संबंधित किसी मामले में कंपनी द्वारा अनुपालन न करने, स्टॉक एक्सचेंजों या सेबी अथवा किसी कानूनी अधिकारी द्वारा की गई टीका-टिप्पणी या जुर्माने का विवरण.

कोई नहीं.

११. संप्रेषण के साधन

(i) तिमाही, छमाही और वार्षिक परिणाम व्यापक प्रसार संख्या वाले समाचार-पत्रों में प्रकाशित किए जाते हैं. पिछले दो वर्षों में ये परिणाम इन समाचार पत्रों में प्रकाशित किए गये :

अवधि (तिमाही/समाप्त वर्ष)	समाचार पत्र का नाम	प्रकाशन तारीख
जून २००३ को समाप्त तिमाही	फ्री प्रेस जर्नल और नवशक्ति	०२.०८.२००३
सितंबर २००३ को समाप्त तिमाही (समीक्षित)	वही	३०.१०.२००३
दिसंबर २००३ को समाप्त तिमाही	वही	३१.०१.२००४
मार्च २००४ को समाप्त वर्ष (लेखा परीक्षित)	वही	१३.०६.२००४
जून २००४ को समाप्त तिमाही (समीक्षित)	वही	३१.०७.२००४
सितंबर २००४ को समाप्त तिमाही (समीक्षित)	वही	०१.११.२००४
दिसंबर २००४ को समाप्त तिमाही (समीक्षित)	वही	२३.०१.२००५

(ii) कंपनी के वित्तीय परिणाम कंपनी के वेब साइट www.bajajelectricals.com पर भी दिए गए हैं.

(iii) प्रत्येक शेयरधारक को पूरी वार्षिक रिपोर्ट भेजी गई है.

(iv) प्रबंधन चर्चा तथा विश्लेषण रिपोर्ट निदेशकों के रिपोर्ट परिशिष्ट में है.

१२. सामान्य शेयरधारक सूचनाएं

- (क) ६६वीं वार्षिक आम बैठक :
दिन, तिथि और समय : बृहस्पतिवार, २८ जुलाई २००५, सुबह ११.३० बजे
स्थल : कमलनयन बजाज हॉल, बजाज भवन,
जमनालाल बजाज मार्ग,
नरीमन पॉइंट, मुंबई ४०० ०२१.
- (ख) कंपनी का वित्तीय कैलेण्डर :
वित्तीय वर्ष : अप्रैल से मार्च
वित्तीय रिपोर्टिंग :
प्रथम तिमाही के परिणाम : जुलाई अंत
द्वितीय तिमाही के परिणाम : अक्टूबर अंत
तृतीय तिमाही के परिणाम : जनवरी अंत
अंतिम तिमाही के परिणाम : जून अंत, लेखा परीक्षित परिणामों के साथ
- (ग) खाता बंद करने की तिथि : २० जुलाई २००५ से २८ जुलाई २००५
(दोनों दिन समाहित)
- (घ) लाभांश भुगतान की तिथि : ४ अगस्त २००५ को या इसके पश्चात
- (च) जिन स्टॉक एक्सचेंजों में इक्विटी शेयर सूचीबद्ध हैं : स्टॉक एक्सचेंज, मुंबई (क्षेत्रीय स्टॉक एक्सचेंज)
तथा दिल्ली स्टॉक एक्सचेंज असोसिएशन, दिल्ली
- (छ) स्टॉक कोड : स्टॉक एक्सचेंज, मुंबई - ५००३१
दिल्ली स्टॉक एक्सचेंज असोसिएशन, दिल्ली - ०२०३१
- डी-मैट आईएसआईएन : आईएनई १९३ई०१०१७
- (ज) स्टॉक मार्केट के आंकड़े और कार्यनिष्पादन की बी एस ई सेन्सैक्स से तुलना

मुंबई स्टॉक एक्सचेंज :

माह	बजाज इलेक्ट्रिकल्स लि.		सेन्सैक्स		कंपनी के शेयर कीमतों का बी एस ई सेन्सैक्स (+) पर कार्यनिष्पादन	
	उच्च रु.	निम्न रु.	उच्च	निम्न	बजाज इलेक्ट्रिकल्स लि.	सेन्सैक्स
					%	%
अप्रैल-०४	४६.००	३५.४५	५९७९.२५	५५९९.१२	▲ २०.५९	▲ १.००
मई-०४	४३.५०	३२.००	५७७२.६४	४२२७.५०	▼ (२०.४६)	▼ (१५.७०)
जून-०४	५०.००	३४.६०	५०१२.५२	४६१३.९४	▲ २४.५१	▲ ०.०७
जुलाई-०४	५०.००	४१.००	५२००.८५	४७२३.०४	▲ २.९७	▲ ७.४१
अगस्त-०४	५५.६०	४३.१०	५२६९.२२	५०२२.२९	▲ १३.७८	▼ (०.०२)
सितंबर-०४	७५.५०	५४.७०	५६३८.७९	५१७८.५७	▲ २८.३०	▲ ७.३३
अक्तूबर-०४	८८.००	६८.५५	५८०३.८२	५५५८.१४	▲ ४.२२	▲ १.५२
नवंबर-०४	१०४.००	७७.००	६२४८.४३	५६४९.०३	▲ २२.६२	▲ ९.७८
दिसंबर-०४	१२९.३५	९२.५०	६६१७.१५	६१७६.०९	▲ २७.१४	▲ ५.४९
जनवरी-०५	१५५.९५	१०७.९०	६६९६.३१	६०६९.३३	▲ १९.८०	▼ (१.०६)
फरवरी-०५	२०८.९०	१४६.००	६७२१.०८	६५०८.३३	▲ ३६.२३	▲ २.२६
मार्च-०५	३१९.००	१९५.००	६९५४.८६	६३२१.३१	▲ ४८.९८	▼ (३.४७)

(स्रोत : बी एस ई वेब साइट)

प्रतीक :

▲ (लाभ); ▼ (हानि); ▲▼ (कोई परिवर्तन नहीं)
+ (अवधि के दौरान आरंभिक व अंतिम कीमतों के बीच अंतर)

दिल्ली स्टॉक एक्सचेंज :

वित्तीय वर्ष २००४-२००५ के दौरान इस स्टॉक एक्सचेंज में शेयरों की सौदेबाजी नहीं हुई है.

(झ) रजिस्ट्रार और शेयर ट्रांसफर एजेन्ट्स :

इनटाइम स्पेक्ट्रम रजिस्ट्री लिमिटेड
सी-१३, पन्नालाल सिल्क मिल्स कम्पाउंड
एलबीएस मार्ग, भांडुप (पश्चिम), मुंबई ४०० ०७८.

(प) शेयर ट्रांसफर प्रणाली :

शेयर ट्रांसफर की प्रक्रिया को शीघ्रता के साथ करने के लिए कंपनी के निदेशक मंडल ने शेयर ट्रांसफर के अधिकार, शेयर ट्रांसफर समिति को सौंपे हैं. शेयर ट्रांसफर समिति द्वारा शेयर ट्रांसफर संबंधी औपचारिकताओं पर हर पखवाड़े में कम से कम एक बार ध्यान दिया जाता है. ट्रांसफर के लिए जो शेयर भौतिक रूप में प्राप्त होते हैं, वे शीघ्रता के साथ ट्रांसफर कर

दिए जाते हैं, बशर्ते कागजात पूर्ण हों तथा ट्रांसफर किए जाने वाले शेयरों पर कोई विवाद न हो. शेयर सर्टिफिकेटों को विधिवत पृष्ठांकित कर तुरन्त शेयरधारकों को भिजवा दिया जाता है, जो कि अपने शेयरों को भौतिक रूप में रखा जाना पसन्द करते हैं. शेयरों के डिमैटीकरण के अनुरोध के संबंध में पुष्टि संबंधित डिपॉजिटरियों अर्थात नेशनल सिक्क्योरिटीज़ डिपॉजिटरी लिमिटेड (एनएसडीएल) तथा सेन्ट्रल डिपॉजिटरी सर्विसेज़ (इंडिया) लिमिटेड (सीडीएसएल) को शीघ्रता के साथ भेजी जाती है.

(फ) शेयरों का डिमैटीकरण

कंपनी के शेयर अनिवार्य डिमेट वर्ग में हैं तथा ट्रेडिंग के लिए नेशनल सिक्क्योरिटीज़ डिपॉजिटरी लिमिटेड (एनएसडीएल) व सेन्ट्रल डिपॉजिटरी सर्विसेज़ (इंडिया) लिमिटेड (सीडीएसएल) दोनों डिपॉजिटरी प्रणालियों में उपलब्ध हैं. ३१ मार्च २००५ के अनुसार कंपनी के ५९,५७,४५७ इक्विटी शेयर जो कि कंपनी की शेयर पूंजी का ६८.९३% हैं, डिमैटीकृत रूप में हैं.

(ब) ३१ मार्च २००५ को शेयरधारिता स्वरूप तथा वितरण (इक्विटी शेयर) :

(क) शेयरधारिता पैटर्न :

विवरण	इक्विटी शेयर	
	शेयरों की संख्या	प्रतिशत
प्रमोटर्स	५९,३३,१९५	६७.४९
वित्तीय संस्थाएं, बैंक इत्यादि	९,६१,५२८	११.१३
आम जनता	१८,४८,१५७	२१.३८
कुल	८६,४२,८८०	१००.००

(ख) वितरण तालिका :

स्लैब	शेयरधारकों की संख्या				शेयरों की संख्या					
	भौतिक	डिमेट	कुल	%	भौतिक	%	डिमेट	%	कुल	%
१-५००	२१७२	२५३४	४७०६	८८.७८	२१३२८८	२.४७	३४१०१९	३.९५	५५४३०७	६.४१
५०१ - १०००	७३	१७४	२४७	४.६६	५३३५८	०.६२	१३९२०२	१.६१	१९२५६०	२.२३
१००१-२०००	४९	८६	१३५	२.५५	७२००७	०.८३	१३२७९२	१.५४	२०४७९९	२.३७
२००१-३०००	१६	३९	५५	१.०४	४१५९५	०.४८	९६९५३	१.१२	१३८५४८	१.६०
३००१-४०००	६	१५	२१	०.४०	२०७६०	०.२४	५६५२२	०.६५	७७२८२	०.८९
४००१-५०००	६	१४	२०	०.३८	२६१३०	०.३०	६५११७	०.७५	९१२४७	१.०६
५००१-१००००	१८	१६	३४	०.६४	१२५०८५	१.४५	१०७५०८	१.२४	२३२५९३	२.६९
१०००० से अधिक	४८	३५	८३	१.५७	२१३३२००	२४.६८	५०१८३४४	५८.०६	७१५१५४४	८२.७४
कुल	२३८८	२९१३	५३०१	१००.००	२६८५४२३	३१.०७	५९५७४५७	६८.९३	८६४२८८०	१००.००

(भ) कारखानों की अवस्थिति :

१) चाकण इकाई :

ग्राम महालुंगे, चाकण,
चाकण तलेगांव मार्ग,
तालुका : खेड़, जिला : पुणे
महाराष्ट्र-४१० ५०१

२) विंड फ़ार्म :

ग्राम : वंकुसावडे
तालुका : पाटण,
जिला : सातारा
महाराष्ट्र-४१५ २०६

३) रांजनगांव इकाई :

एम आई डी सी-रांजनगांव
ग्राम : ढोकसांगवी,
तालुका : शिरूर, जिला : पुणे.
महाराष्ट्र-४१२ २१०

(म) वार्षिक रिपोर्ट से संबंधित किसी भी जानकारी के लिए आप
इस पते पर लिख सकते हैं

: कंपनी सेक्रेटरी
बजाज इलेक्ट्रिकल्स लिमिटेड
४५-४७, वीर नरीमन रोड,
मुंबई ४०० ०२३

१३. पुनर्नियुक्ति के इच्छुक निदेशकों के बारे में जानकारी :

(१) श्री अशोक कुमार जालान :

श्री ए.के. जालान, बी.ए. (ऑनर्स) हैं। वह एक उद्योगपति हैं जिन्हें कारोबार का काफ़ी अनुभव है। वह आपकी कंपनी के बोर्ड पर १८ जनवरी १९८९ से हैं। वह निम्नलिखित कंपनियों के भी निदेशक हैं :

(क) एशियाटिक टेक्सटाइल कं. लि. (ख) एल्फ़िन्स्टन स्पिनिंग एंड वीविंग मिल्स कं. लि. (ग) वैबरण्ड्स. कॉम लि., (घ) ड्यूपॉन्ट होल्डिंग प्रा.लि. (च) ड्यूपॉन्ट एक्सपोर्ट प्रा. लि. (छ) ड्यूपॉन्ट स्पोर्ट्सवेयर लि.

(२) श्री वी.बी. हरिभक्ति :

श्री विष्णुभाई बी. हरिभक्ति एक चार्टर्ड एकाउन्टेन्ट हैं और गत कई वर्षों से कार्यरत हैं। वह १९६८-६९ में इन्स्टीट्यूट ऑफ़ चार्टर्ड एकाउन्टेन्ट्स ऑफ़ इंडिया के प्रेसीडेन्ट थे। उन्हें लेखा तथा प्रबंधन के क्षेत्र में काफ़ी अनुभव है। वह बोर्ड में १२ अगस्त, १९९१ से हैं। वह निम्नलिखित कंपनियों के भी निदेशक हैं :

(क) रोहित पल्प एंड पेपर मिल्स लि. (ख) द सिंफ्लैक्स मिल्स कं. लि. (ग) द एंग्लो-फ्रेंच ड्रग कं. (ईस्टर्न) लि. (घ) ईस्टर इंडस्ट्रीज़ लि. (च) तिलकनगर इंडस्ट्रीज़ लि. (छ) लक्ष्मी ऑटोमैटिक लूम वर्क्स लि. (ज) प्रूडैन्शियल आई सी आई सी आई ट्रस्ट लि., (झ) हिन्दुस्तान कम्पोज़िट्स लि., (प) हरिभक्ति एमआरआई कॉर्पोरेट सर्विसेज़ प्रा.लि., (फ) मूर्स रोलैंड कंसल्टिंग प्रा. लि.

निदेशक मंडल के आदेशानुसार
कृते बजाज इलेक्ट्रिकल्स लिमिटेड

मुंबई, ३० मई, २००५

चेयरमैन व मैनेजिंग डायरेक्टर

प्रबंधन चर्चा और विश्लेषण

इस वार्षिक रिपोर्ट में प्रस्तुत प्रबंधन चर्चा और विश्लेषण को “तीव्रतर, उच्चतर और दृढ़तर” (फास्टर, हायर, स्ट्रॉंगर) की विषयवस्तु पर केन्द्रित किया गया है जो कि लाभकारी विकास की राह पर निरंतर बढ़ते जाने की, कंपनी की, व्यापक पहल रही है। इस विषय वस्तु के कार्यान्वयन में हमें महत्वपूर्ण सफलता मिली है। कंपनी ने २८.२% की सुदृढ़ आय वृद्धि दर्ज की है; बिक्री रु. ६५० करोड़ तक पहुंची है तथा करपूर्व लाभ २१.७९ करोड़ रुपयों का है। नयी प्रबंधन संरचना, विविध नीतियों का अनुसरण, और नई प्रणालियों का कार्यान्वयन, जिनके साथ रही दलगत काम करने की भावना, एक सुदृढ़ प्रबंधन और कुशल नेतृत्व; इन्होंने कंपनी में भारी परिवर्तन करके इसे लाभकारी विकास की राह पर आगे बढ़ाया है।

समग्र समीक्षा

बजाज इलेक्ट्रिकल्स लिमिटेड एक ६६ वर्ष पुरानी विविध क्षेत्रों में कार्यरत कंपनी है, जो कि लाइटिंग, ल्युमिनायर्स, एप्लाएन्सेज, पंखे, इंजीनियरिंग तथा प्रोजेक्ट्स के क्षेत्र से जुड़ी है। वित्तीय वर्ष २००४-०५ में कंपनी के शुद्ध कारोबार में २८.२% से अधिक की वृद्धि हुई है और यह पिछले वर्ष के रु. ५०६.९२ करोड़ से बढ़कर रु. ६४९.६३ करोड़ पर पहुंच गया है। मूल कच्चे माल जैसे, स्टील, कॉपर, प्लास्टिक्स और अलमूनियम की कीमतों लगातार चढ़ते रहने के कारण चीजों की कीमतों पर बुरा प्रभाव पड़ा। बाजार में अपनी जगह बनाने, गुंजाइश और मुनाफे के लिए इस उद्योग ने बड़ी खींचतान देखी।

कंपनी ने अपनी नजर नए उत्पादों के प्रस्तुतीकरण से आमदनी बढ़ाने पर रखी साथ ही डीलर और फुटकर नेटवर्क का विस्तार करके ब्राण्ड को मजबूत बनाने के प्रयासों पर जोर दिया। लागत घटाने, वैल्यू इंजीनियरिंग, प्रतियोगी स्रोत जुटाने और ऋण/साख अनुशासन को सुधारने के लिए कई आवश्यक कदम उठाए गए। पावर ट्रांसमिशन टावर कारोबार और ल्युमिनायर्स तथा एप्लाएन्सेज कारोबारों में महत्वपूर्ण प्रगति हुई।

व्यवसाय समीक्षा

इंजीनियरिंग तथा प्रोजेक्ट्स बीयू

‘इंजीनियरिंग तथा प्रोजेक्ट्स बिज़नेस यूनिट’ कंपनी की सबसे बड़ी बीयू बन कर उभरी है, इनके उत्कृष्ट प्रदर्शन का प्रभाव है रु. १९३ करोड़ का कारोबार जिसने ९१% की वृद्धि दर्ज की है और ६०% का सी ए जी आर। इस कारोबार ने निकट भविष्य में भी सुदृढ़ वृद्धि की निरन्तरता के लिए कमर कस रखी है। एक और मील का पत्थर है ट्रांसमिशन लाइन बिज़नेस के द्वारा रु. १०० करोड़ का बिक्री कारोबार। रंजनगांव इकाई ने रु. १२० करोड़ के प्रेषण किए हैं और ९०% से भी ऊपर के क्षमता उपयोग को हासिल किया है।

ट्रांसमिशन लाइन कंस्ट्रक्शन के काम में आक्रामक प्रक्रिया भी संतोषजनक है क्योंकि पावर ग्रिड कॉर्पोरेशन ऑफ़ इंडिया के लिए रु. ४२ करोड़ की प्रतिष्ठापूर्ण ४०० केवी की ट्रांसमिशन लाइन प्रोजेक्ट पर इस समय काम चल रहा है। इस योजना का सफल समापन निर्माण कार्यों में विकास के और भी अवसर प्रदान करेगा।

हाईमास्ट बिज़नेस ने बाजार में अपनी हिस्सेदारी ६०% से भी अधिक रख कर अपना नेतृत्व कायम रखा है और साल के दौरान १३५० से अधिक मास्ट बेचे हैं। दो साल पहले बाजार में उतारे गए दि गैल्वनाइज़्ड ऑक्टागोनल बजाज “स्मार्ट पोल्स” हाथोंहाथ लिए गए हैं और १५००० पोल बेचे जा चुके हैं। हाल ही में ओमान में एक प्रतिष्ठित फुटबॉल स्टेडियम में बजाज हाईमास्ट्स का ही उपयोग हुआ है। यह व्यावसायिक इकाई साइनेजेज की संरचना में भी जुट गई है और विविध पेट्रोलियम कंपनियों जैसे एचपीसीएल, बीपीसीएल, इंडियन ऑयल इत्यादि को हाईमास्ट साइनेजेज की आपूर्ति कर रही है।

बजाज हाईमास्ट और पोलस की बढ़ती हुई मांग की आपूर्ति के लिए रांजनगांव की हाईमास्ट और पोलस की निर्माण क्षमता बढ़ाई जा रही है और उम्मीद है कि यह प्लांट सितम्बर २००५ तक कार्य प्रारंभ कर देगा. हमारे पावर प्लांट लाइटिंग जॉब्स से महत्वपूर्ण कारोबार मिलने के कारण, हमारे स्पेशल प्रोजेक्ट की बिक्री २९% बढ़ गई है.

सरकार का ज़ोर इन्फ्रास्ट्रक्चर और पावर ट्रांसमिशन इत्यादि पर होने के कारण हमारे ई एन्ड पी बीयू को भविष्य में अपने विकास और लाभप्रदता विचार को और आगे बढ़ाने का अच्छा अवसर मिला है.

एप्लाएन्सेज़ बीयू

एप्लाएन्सेज़ बीयू अपने विकास के पथ पर अग्रसर है. इसने पिछले वर्ष से १४% की वृद्धि प्राप्त की है. मिक्सर ग्राइंडर, वाटर हीटर, आयरन और रूम हीटर, जैसी श्रंखलाओं ने वृद्धि की अच्छी दर दर्ज की है. कंपनी आयरन, वाटर हीटर, ओवन और रूम कूलर को लेकर बाज़ार में अपना नाम कायम रखे हुए है. मार्च के महीने में बिक्री पर थोड़ा असर पड़ा जिसका कारण कई राज्यों में 'वैट' को लागू करना और गर्मी का मौसम आने में देरी होना भी था.

हिमाचल प्रदेश में उत्पाद शुल्क की सुविधा का लाभ उठाने के लिए बहुत से एप्लायेंस निर्माताओं ने हिमाचल प्रदेश में अपनी निर्माण सुविधाएं प्रारंभ कर दीं जिसका कंपनी के लागत मूल्यों पर अच्छा प्रभाव हुआ है. इस सुविधा ने कंपनी को बाज़ार की प्रतियोगिता में धारदार बने रहने में मदद की है.

मॉफी रिचर्ड्स ब्राण्ड देश के ७० शहरों में उतारा गया और ग्राहकों से अच्छी सराहना मिली. यह ब्राण्ड मॉफी रिचर्ड्स के साथ यूज़र एग्रीमेंट के तहत रजिस्टर्ड है जो कि युनाइटेड किंगडम में अव्वल दर्जे की 'स्मॉल एप्लायेंसेज़' कंपनी है.

कंपनी ने अपने मॉफी रिचर्ड्स ब्राण्ड, वाटर हीटर और रूम कूलरों को प्रभावशाली टेलिविज़न विज्ञापनों द्वारा आगे बढ़ाया. एप्लाएन्से बीयू अपने बढ़िया वितरक नेटवर्क, सुदृढ़ उत्पाद श्रंखला, प्रभावकारी स्रोत योजना और बढ़िया विपणन आदि के होने से भविष्य में भी अच्छे से अच्छा करने को अग्रसर है.

फैन्स बीयू

मार्च के महीने में फैन्स बीयू पर अच्छा-खासा दबाव रहा. कारण था 'वैट' का लागू होना. इस दबाव के बावजूद, फैन्स बीयू ने पिछले वर्ष की तुलना में ८% अधिक की वृद्धि की है और बेहतर सीएजीआर भी दर्ज किया है. फैन्स बीयू ने अपने वितरक नेटवर्क को विस्तारित करने में अपने प्रयास जारी रखे, विपणन के अच्छे प्रयास किए, साथ ही "बजाज फैन्स डीलर प्रिविलेज क्लब" पर भी नज़र गड़ाए रखी. इस वर्ष कई नए मॉडल भी उतारे गए जैसे बजाज 'ऐलेगैस', "मार्वेल", "विक्टर", "कलश" और प्रीमियम श्रेणी में 'मैग्नीफिक' श्रंखला भी. अति-किफ़ायती पंखे जैसे "बहार" और "मैक्सिमा" ने भी बाज़ार में अच्छा कारोबार किया.

पंखा उद्योग के असंगठित क्षेत्र पर आजकल काफ़ी दबाव है क्योंकि संगठित क्षेत्र ने भी कम क्रीमतों के उत्पाद बाज़ार में उतारे हैं. कंपनी के उत्पाद जिन्हें "बजाज इन्टरनैशनल प्राइवेट लिमिटेड" के द्वारा निर्यात किया जा रहा है वे भी विदेशी बाज़ार में काफ़ी अच्छा प्रदर्शन कर रहे हैं.

फैन्स बी यू, सभी वर्गों के लिए उपयोगी, अपनी बेजोड़ उत्पाद श्रंखला के कारण और भी अच्छा करने वाले हैं; सारे प्रयास खास-खास फुटकर व्यापारियों और ब्राण्ड की अच्छी धाक जमाने की ओर मोड़ दिए गए है.

ल्युमिनायर्स बीयू

ल्युमिनायर्स बीयू ने २४% की अच्छी बढ़त दर्ज की है और बाज़ार में अपनी हिस्सेदारी भी बढ़ाई है। इस साल विभिन्न क्षेत्रों के लिए कई नए उत्पाद प्रस्तुत किए गए जैसे कि 'ऑफ़िस लाइटिंग', 'रिटेल लाइटिंग' और 'लैंडस्केप लाइटिंग'। ल्युमिनायर्स बी यू ने अपनी विपणन गतिविधियों को और तेज़ किया और विशेष प्रभावशाली वर्ग और निर्णय-क्षमतावानो के बीच मांग-उत्पत्ति के प्रयास भी तेज़ किये। इन प्रयासों के कारण व्यापार और सजावट के क्षेत्रों में कंपनी के उत्पादों की मांग बढ़ने की संभावना है।

ल्युमिनायर्स बीयू ने एक "की अकाउन्ट मैनेजमेंट" योजना भी प्रारंभ की है जिसका ध्यान नए उत्पादों और नए उभरने वाले वर्गों पर होगा। ल्युमिनायर्स बीयू ने 'मैसर्स ट्राइलक्स लेंज़ ऑफ जर्मनी' के साथ एक वितरण व्यवस्था की शुरूआत भी की है। यह कंपनी योरोप की एक सुदृढ़ व्यावसायिक लाइटिंग कंपनी है। 'ट्राइलक्स' उत्पादों को बाज़ार के प्रीमियम सेगमेंट के अलावा हवाई अड्डों, कार्यालयों की प्रकाश व्यवस्था और गरिमायुक्त स्थानों के लिए ही छांटा गया है। ल्युमिनायर्स बीयू को भरोसा है कि अभिनव उत्पादों, मांग में प्रभावशाली बढ़त और सुदृढ़ संभरण श्रृंखला पद्धति के आधार पर ये, अपना हिस्सा, बाज़ार में ज़रूर बढ़ाएंगे।

लाइटिंग बीयू

लाइटिंग बीयू ने ज़बरदस्त प्रतियोगी दबावों के रहते हुए भी ४% की बढ़त हासिल की है। 'सीएफएल' प्रभाग ने ऊर्जा बचाने वाले लैम्पों की बढ़ती हुई मांग के कारण सुदृढ़ बढ़त दर्ज की है। 'सीएफएल' में कई नए उत्पाद और कन्ज़्यूमर ल्युमिनायर्स को उतारा गया है। प्रकाश उद्योग में छाई भारी प्रतियोगिता के कारण 'जीएलएस' की बिक्री में कमी और कीमतों पर भयंकर दबाव रहा है। इसलिए लाइटिंग बीयू अपनी फुटकर उपस्थिति को किराना क्षेत्र और बिजली के खासखास ठिकानों पर पहुंचा कर सुधारना चाहते हैं। बजाज लाइटिंग की एक नई विज्ञापन श्रृंखला टेलिविज़न पर दिखाई गई और उसे अच्छा प्रतिसाद मिला।

वित्तीय समीक्षा

कंपनी ने अति विशिष्ट वस्तुओं से पहले ही रु. २,२५७ लाख का पीबीटी हासिल कर लिया जो कि गत वर्ष केवल रु. ५०२ लाख ही था। यह शुद्ध ३५०% की बढ़त है। ब्याज का बोझ भी गत वर्ष के रु. १,८६५ लाख की तुलना में इस वर्ष रु. १,६३८ लाख ही रह गया। यह कमी १२.२ प्रतिशत की है। शुद्ध लाभ भी पिछले वर्ष के रु. १,०३१ लाख की तुलना में रु. १,३६६ लाख है। यह बढ़त भी ३२.५ प्रतिशत की है। पिछले साल के वित्त में ज़मीन के विकास अधिकार बेचने से प्राप्त रु. १,१७० का मुनाफ़ा भी शामिल है जबकि इस वर्ष यह रु. २३७ लाख है।

कंपनी लगातार अपने ऋणों का व्यय घटाने के तरीके सोचती रहती है और ज़्यादा खर्चों वाले ऋणों की जगह अब कम खर्चों वाले ऋणों ही ले रही है।

लाभप्रदता विवरण

लाभप्रद कार्य कौशल अत्यंत उत्साहवर्धक रहा है और कंपनी ने नए जोश और आत्मविश्वास के साथ छलांग लगाई है। आने वाले वर्षों में कंपनी लाभप्रद वृद्धि की दिशा में आगे बढ़ते जाने के लिए कटिबद्ध है।

(रु. लाखों में)

	वित्तीय वर्ष २००४-०५	वित्तीय वर्ष २००३-०४	वित्तीय वर्ष २००२-०३
बिक्री तथा अन्य आय	६५,१७२.६२	५२,२००.९५	४४,०२७.६४
सकल लाभ	२,८०९.२५	२,३८५.१६	(५२७.८५)
घटाएं : मूल्यहास	५९८.७५	६०२.३२	६३५.८०
घटाएं : बन्द पड़ गए प्रचालन	७८.१९	-	-
कर तथा प्रावधानों से पूर्व लाभ	२,१३२.३१	१,७८२.८४	(१,१६३.६५)
घटाएं : निम्न हेतु प्रावधान			
(i) संदिग्ध ऋण तथा अग्रिम (शुद्ध)	(४६.९५)	११०.५१	१५६.६६
(ii) निवेश के मूल्य में हास	-	-	२७.२४
(iii) कराधान (आस्थगित कराधान सहित)	७९५.१८	५३६.३२	(३६७.७४)
कर पश्चात लाभ	१,३८४.०८	१,१३६.०१	(९७९.८१)

कंपनी आशा करती है कि वर्ष २००५-०६ में भी अपनी दृष्टि विकास पर ही रखेगी.

तीव्रतर, उच्चतर, दृढ़तर (फास्टर, हायर, स्ट्रॉंगर) पहल

“फ़ायदे के लिए जंग” (वार फॉर प्रॉफिट्स) की पहल के रास्ते पर चलते रहने के लिए कंपनी ने “तीव्रतर, उच्चतर, दृढ़तर” का नारा दिया था. कंपनी ने तीव्रतर आय वृद्धि, नए उत्पादों को प्रस्तुत करने में तेज़ी और नेटवर्क के प्रसार में भी तेज़ी को ही अपना लक्ष्य बनाया. इसके साथ ही साथ ज़ोर था ऊंचे मुनाफ़े, कार्य पूंजी पर नियंत्रण और बाज़ार में ज़्यादा जगह हासिल करने पर. कंपनी का लक्ष्य नींव को मज़बूत करना, दलगत कार्यक्षमता को मज़बूत बनाना और एक तगड़ी ब्राण्ड छवि खड़ा करना भी था. इन उपक्रमणों में सारी बीयू में महत्वपूर्ण सफलता मिली. इन प्रयासों के साथ ही साथ प्रक्रिया/प्रगति में सुधार, सूचना टेक्नोलॉजी में सुधार/एम आई एस और क्रीमतों का बेहतर प्रबंधन जिससे कि कंपनी की वित्तीय कार्यकुशलता सुधारी जा सके, भी किया गया. कंपनी को विश्वास है कि हमारी नीति और दिशा उचित है और आने वाले वर्षों में इससे संस्था को और भी मज़बूती हासिल होगी.

अवसर

भारतीय अर्थव्यवस्था वृद्धि के पथ पर अग्रसर है और विकास भी क्रायम रहने वाला है. औद्योगिक विकास, इन्फ्रास्ट्रक्चर सेक्टर, ग्रामीण विकास और गरीबी मिटाओ, कार्यक्रम पर अत्याधिक एकाग्रता होने के कारण लगता है कि आगामी भविष्य में कंपनी के लिए गुणात्मक अवसर मिलते रहेंगे. यह भी लगता है कि ग्राहक की व्यय क्षमता बढ़ती ही रहेगी. कारण है भारत के लोगों की आमदनी का बढ़ता पैमाना और उनकी ऊंची आकांक्षाएं ! निर्माण, क्षमता विस्तारण, इन्फ्रास्ट्रक्चर, फुटकर, बीपीओ/आई.टी. आदि क्षेत्रों में व्यावसायिक क्रियाकलापों का उछाल आ जाने के कारण कंपनी के ल्युमिनायर्स और इंजीनियरिंग एंड प्रोजेक्ट्स जैसे औद्योगिक अनुकूलता वाले व्यवसायों की भारी मांग बढ़ जाएगी. रिहायशी इमारतों के लगातार निर्माण से पंखों, एप्लायेंसेज़ और लाइटिंग की मांग भी बढ़ेगी.

वातावरण द्वारा प्रस्तुत अवसरों का भरपूर लाभ उठाने के लिए, सभी व्यवसायिक इकाइयों ने, अपनी कार्यप्रणालियों को, उन्हीं के अनुरूप ढाल लिया है. कंपनी की कॉर्पोरेट छवि और ब्राण्ड छवि में सुधार के साथ ही स्पष्ट लक्ष्य और तदनुसार प्रभावदायक कार्यान्वयन; इन सबके साथ कंपनी भविष्य की ओर पूर्णतः आश्वस्त होकर देख सकती है.

चुनौतियां

भारतीय ग्राहकों की लगातार विकसित होती जा रही, ऊंचे दर्जे की मांगों को देखते हुए, दूसरे प्रतियोगियों से अलग हट कर, उन्हें अभिनव उत्पाद प्रदान करना निरंतर एक चुनौती है। सीमा शुल्क में कमी होने के कारण देश में आयातित सामानों की बाढ़ सी आ गई है और कंपनी ने इसका जवाब एक समुचित स्रोत कौशल से दिया है। पंखों, एप्लायेंसेज और रोशनी के कारोबारों में असंगठित क्षेत्र भी एक महत्वपूर्ण मूल्य चुनौती है क्योंकि इनके खर्चे कम होते हैं और उत्पाद की गुणवत्ता काफ़ी खराब होती है। पावर ट्रांसमिशन टावर्स के लिए निर्माण क्षमता में वृद्धि और भविष्य में महत्वपूर्ण विकास के लिए तैयारी भी एक विशेष चुनौती है। कंपनी को अपने प्रयासों में और भी तत्परता लानी पड़ेगी जिससे कार्यवहन में भारी बचत के साथ आमदनी में बढ़ोतरी हो जबकि कार्य पूंजी और नियत खर्चों में कमी हो ताकि भविष्य में भी लाभप्रदता में सुधार हो। तथापि, ये सारी ही चुनौतियां वास्तव में एक अवसर प्रदान करती हैं कि कंपनी इन सभी का लाभ उठाए।

भावी दृष्टिकोण

बहरहाल कंपनी का एक उत्तम व्यावसायिक रूप है फिर चाहे वह ग्राहक की ओर हो चाहे उद्योग की ओर ! ग्राहकों द्वारा खर्चा करने की उत्तरोत्तर बढ़ती प्रवृत्ति, ग्राहक संबंधी एप्लायेंसेज, पंखे और लाइटिंग के व्यवसायों के साथ पूरा ताल मेल बनाती है। बढ़ती हुई औद्योगिक गतिविधियां, पूंजी लगाने में वृद्धि, भारी तादाद में संरचना और इन्फ्रास्ट्रक्चर पर अधिकतर ध्यान से 'ल्युमिनायर्स और इंजीनियरिंग एंड प्रोजेक्ट्स' का कारोबार भी अच्छा होगा, ऐसा लगता है। कंपनी अंदर से भी संगठन के ढांचे, प्रक्रिया और तन्त्र आदि में सुदृढ़ हुई है जिससे इसे व्यवसाय में उपस्थित अवसरों का लाभ उठाने में समर्थता मिलेगी। भविष्य सकारात्मक दीख पड़ता है और कंपनी अपने वित्तीय वर्ष २००५-०६ की संभावनाओं को लेकर पूर्णतः आश्वस्त है।

आंतरिक नियंत्रणों की पर्याप्तता

कंपनी की मान्यता है कि अच्छा कॉर्पोरेट प्रशासन व्यवसाय की सही नीतियों को अपनाना ही है जिससे सुनिश्चित होता है कि कंपनी केवल एक बंधी-टकी व्यवस्था के अंतर्गत ही काम नहीं करेगी बल्कि नैतिकता से भी दिशा लेगी और विश्वास की परम्परा में गहन आस्था रखेगी। अतः कॉर्पोरेट प्रशासन को प्रभावशाली बनाने के लिए निम्नलिखित समितियां कार्यरत हैं :

- निदेशक मंडल
- लेखा परीक्षा समिति
- प्रोजेक्ट प्रबंधन समिति
- शेयर ट्रांसफर समिति
- पारिश्रमिक समिति
- शेयरधारक शिकायत समिति
- प्रबंधन समिति

मानव संसाधन विकास

कंपनी की मान्यता है कि मानव संसाधन ने कंपनी में उलट-फेर करके इसे समृद्ध भविष्य की ओर अग्रसर करने में काफ़ी बड़ा रोल अदा किया है। इसीलिए कंपनी ने अपने मानव संसाधनों में उचित प्रशिक्षण देने, विकासपरक निवेश और साथ ही योग्य कर्मचारियोंको कैरियर में आगे बढ़ने के सुअवसरों आदि पर काफ़ी पूंजी लगाई है। इस वर्ष कंपनी ने ३२ प्रशिक्षण कार्यक्रम चलाए जिनमें कंपनी के भीतर और बाहर के भी प्राध्यापकगण शामिल थे और लगभग ७४५ लोग प्रशिक्षित किए गए। अच्छे लोगों को लेकर कंपनी में भरती

करने, प्रशिक्षण देने, उनकी कारगुजारी को मान्यता देने और अच्छे काम को पुरस्कृत करने का कंपनी का नज़रिया कर्मचारियों ने भी हाथों-हाथ लिया. सन २००५ के फरवरी माह में, मुंबई में हुई, 'एशिया-पैसिफिक एच आर आउटसोर्सिंग कान्फ्रेंस' में कंपनी ने "बैस्ट एचआर प्रेक्टिसेज़ फ़ॉर एम्प्लॉई मोटिवेशन" का पुरस्कार भी जीता. इसके पूर्व नवम्बर २००४ में कंपनी ने "एचआर एक्सेलेंस-ऑर्गनाइजेशन डैट क्रिएट्स फ़न एंड जॉय एट वर्क अवार्ड २००४" की ट्रॉफी भी जीती थी. हमारे प्रेसिडेंट ओर सी.ओ.ओ. श्री आर. रामकृष्णन को पुणे के इंदिरा गुप ऑफ़ इंस्टीट्यूट्स की ओर से, अगस्त २००४ में, "इंदिरा सुपर एचीवर एवार्ड", भी प्राप्त हुआ.

सामाजिक ज़िम्मेदारी

कंपनी, समाज में स्त्रियों का स्तर तथा स्थिति सुधारने के लिए शुरु किए गये विभिन्न प्रोजेक्ट कार्यों से जुड़ी हुई है. कुछ प्रोजेक्ट जिनसे बजाज इलेक्ट्रिकल्स घनिष्ठता से जुड़ा है, इस प्रकार हैं :

आई एम सी - रामकृष्ण बजाज नेशनल क्वालिटी अवार्ड : यह पुरस्कार देश में गुणवत्ता अभियान को समर्थन देने की हमारी कोशिश का एक अंग है. कंपनी ने इस प्रतिष्ठित पुरस्कार की निधि के लिए रु. ७.५ लाख का अंशदान किया है.

आई एम सी लेडीज़ विंग - जानकीदेवी बजाज पुरस्कार : इस पुरस्कार का उद्देश्य ग्रामीण विकास में समर्पित नारी के उत्कृष्ट योगदान को मान्यता प्रदान करके ग्रामीण भारत में उद्यमशीलता को प्रोत्साहित एवं विकसित करना है. इसके अंतर्गत रु. १.५ लाख की नकद राशि प्रदान की जाती है. कंपनी ने इस पुरस्कार की निधि हेतु रु. ११ लाख का अंशदान किया है.

एस एन डी टी महिला विश्वविद्यालय : कंपनी ने "घरेलू उपकरण टेस्टिंग सेन्टर" की स्थापना के लिए रु. १० लाख का अंशदान किया है. सेन्टर आहार तथा पोषण की शिक्षा से भी सम्बद्ध है. कंपनी ने एस एन डी टी महिला विश्वविद्यालय में सर्वोत्तम विद्यार्थी के लिए "जानकीदेवी बजाज पुरस्कार" की भी स्थापना की है.

बीएमए मैनेजमेन्ट "वर्ष की महिला" उपलब्धि पुरस्कार : मैनेजमेन्ट के क्षेत्र में यदि कोई महिला अपनी उल्लेखनीय भूमिका से महत्त्वपूर्ण प्रभाव जमाती है तो उसे मान्यता प्रदान करने के लिए कंपनी यह पुरस्कार प्रायोजित कर रही है. आशा की जाती है कि इस सम्मान से मैनेजमेन्ट क्षेत्र से जुड़ी महिलाओं के योगदान को कंपनी तथा समाज में मान्यता व प्रोत्साहन देनेवाला एक मंच मिलेगा.

पर्यावरण मित्र - कंपनी पर्यावरण मित्र नामक एक एनजीओ की गतिविधियों में भी सहायता करती है क्योंकि इनका उद्देश्य वातावरण को वायु प्रदूषण, जल प्रदूषण, केमिकल प्रदूषण और ध्वनि प्रदूषण से बचाना है. इस पहल में हाथ बंटाने के लिए कम्पनी के कर्मचारियों द्वारा कई कार्यक्रम चलाए जा रहे हैं.

सावधानी वक्तव्य

'प्रबंधन चर्चा और विश्लेषण' में कंपनी के व्यवसाय, बढ़त और अनुमानों के बारे में उल्लिखित विचार विकासपरक वक्तव्य हैं. वास्तविक नतीजे, जो कहे अथवा सोचे गये हैं, वे अर्थ स्थितियों, सरकारी नीतियों, नियम व धाराएं, कर अधिनियम और दूसरे इतर कारणों से प्रभावित होकर भिन्न भी हो सकते हैं.

निदेशक मंडल के आदेशानुसार
कृते बजाज इलेक्ट्रिकल्स लिमिटेड

शेखर बजाज

चेयरमैन व मैनेजिंग डायरेक्टर

मुंबई, ३० मई, २००५

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the attached Balance Sheet of BAJAJ ELECTRICALS LIMITED, as at 31st March, 2005 and also the Profit and Loss Account annexed thereto and the Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 (CARO, 2003), issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annexe hereto a Statement on the matters specified in paragraph 4 of the said Order.
3. Further to our comments in Annexure referred to in paragraph 2 above, we report that:
 - (a) We have 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 appears from our examination of the Books of the Company;
 - (c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by the report are in agreement with the Books of Account of the Company;
 - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement, dealt with by this report, comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable;
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2005 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said Accounts and read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005,
- (ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date, and
- (iii) In the case of the Cash Flow Statement, the cash flows of the Company for the year ended on that date.

For and on behalf of
DALAL & SHAH
Chartered Accountants

Anish Amin
Partner
Membership No. 40451

Mumbai, 30th May, 2005

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in Paragraph 2 of the Auditors' Report of even date to the Members of BAJAJ ELECTRICALS LIMITED on the Accounts for the year ended 31st March, 2005.

On the basis of the records produced to us for our verification/perusal, such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, we state that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, considering the nature of the Fixed Assets, the same have been physically verified by the management at reasonable intervals during the year as per the verification schedule adopted by the Company, whereby all the assets are verified, in a phased manner, once in a block of three years. According to the information and explanations given to us and the records produced to us for our verification, discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the Books of Account.
- (c) As per the information and explanations given to us on our enquiries, the disposal of assets during the year were not substantial, other than those disposed off consequent to the previous closure of the die casting activity and the Matchwel unit, which however would neither have an adverse impact on the operations of the Company nor affect its going concern.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year in a phased manner and at the close of the year;
- (b) The procedures of physical verification of inventories followed by the management as explained to us are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) According to the records produced to us for our verification and the information and explanations given to us upon our inquiries, proper records of inventory have been maintained by the Company and the discrepancies noticed on physical verification of inventories referred to above, as compared to book records, though not material, have been properly dealt with in the Books of Account.
- (iii) (a) As per the information and explanations given to us and the records produced to us for our verification, the Company has granted unsecured loans to two companies covered in the register maintained under section 301 of the Companies Act, 1956 aggregating Rs. 994.13 Lakhs of which loans granted to one of the said companies, aggregating Rs. 694.13 Lakhs, have been fully repaid during the year. As regards loans aggregating Rs. 300 Lakhs to the other company, no amounts have been received during the year.

The Company has not granted any other loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- (b) As per the explanations given to us, the rate of interest at which loans referred to in (a) above are,

in our opinion, not prima facie prejudicial to the interest of the Company having regards to the market yields and the business relationships with the companies to whom loans have been granted.

- (c) The companies to whom loans have been granted, as referred to in (a) above, have been regular in the payment of interest wherever stipulated. However, no repayments as to principal have been stipulated in respect of abovementioned loan outstanding during the year.
- (d) The Company has not taken any loans during the year, secured or unsecured, from the companies, firms, or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and also for the sale of goods and services. As per the information given to us, no major weaknesses in the internal controls have been identified by the management or the internal audit department of the Company during the year. During the course of our audit, nothing had come to our notice that may suggest a major weakness in the internal control systems of the Company.
- (v) (a) On the basis of the audit procedures performed by us and according to the information and explanations given to us on our enquires on this behalf and the records produced to us for our verification, the particulars of contracts and arrangements required to be entered into the register in pursuance of section 301 of the Companies Act, 1956 have been so entered.

(b) The transactions so entered, aggregating in excess of Rs. 500,000/- in respect of each party during the year, have been, in our opinion, as per the information and explanations given to us, made at prices which are reasonable having regard to prevailing market prices as available with the Company for such transactions or prices at which transactions, if any, for similar goods have been made with other parties at the relevant time.
- (vi) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, where applicable with regard to the deposits accepted by it from the public. Since the Company has not defaulted in repayments of deposits, compliance of Section 58AA or obtaining any order from the Company Law Board, National Company Law Tribunal, the Reserve Bank of India or any other court or tribunal does not arise;
- (vii) On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the Company has an adequate internal audit system commensurate with the size and nature of its business;
- (viii) We have broadly reviewed the Books of Account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956, in respect of the Company's products to which the said rules are made applicable, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate;

- (ix) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities;
- (b) According to the records of the Company and the information and explanations given to us upon our enquiries in this regards, disputed dues in respect of Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty/cess unpaid as at the last day of the financial year, are as follows:

Sr. No.	Statutes	FORUMS BEFORE WHOM PENDING				Total
		Commissioner Appeals	Tribunal	High Court	Supreme Court	
		Rs.	Rs.	Rs.	Rs.	
(1)	Sales Tax	2,59,11,337	28,34,636	—	—	2,87,45,973
(2)	Income Tax	—	32,81,130	17,99,885	—	50,81,015
(3)	Wealth Tax	—	—	—	—	—
(4)	Customs Duty	—	—	—	—	—
(5)	Excise	52,72,077	9,54,697	—	—	62,26,774

- (x) As per the information and explanations given to us, and keeping in mind the restructuring proposals sanctioned by the lenders, the Company has not defaulted in repayment of dues to banks or financial institutions during the year. The Company has not borrowed any sums through debentures;
- (xi) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xii) The terms and conditions at which guarantees have been given by the Company for loans taken from financial institutions and/or banks by others, are, in our opinion, not prejudicial to the interest of the Company;
- (xiii) We were unable to establish any audit trail of fund flows, which can correlate end use with corresponding funds raised. However, as per the information and explanations given to us and on the basis of the total expenditure incurred on the various assets till date, the term loans obtained by the Company, in our opinion, have been applied for the purpose for which they were obtained;
- (xiv) As we were not able to establish any audit trail of fund flows, which can correlate end use with corresponding funds raised we have examined the Balance Sheet of the Company as at 31st March, 2005 upon which we found that the Company as on that date had short term sources of funds amounting to Rs. 97,64.07 Lakhs, which was entirely utilized towards short term applications;

- (xv) As per the information and explanations given to us on our enquiries on this behalf, there were no frauds on or by the Company which have been noticed or reported during the year;

In view of the nature of business carried on by the Company, clause no (xiii) of CARO, 2003 is not applicable to the Company. Further, in view of the absence of conditions prerequisite to the reporting requirement of clauses (iii) (e), (f), (g), (x), (xiv), (xviii), (xix) and (xx) the said clauses are, at present, not applicable.

For and on behalf of
DALAL & SHAH
Chartered Accountants

Anish Amin
Partner
Membership No. 40451

Mumbai, 30th May, 2005

bajaj electricals limited

Balance Sheet as at 31st March, 2005

	Schedule	As at 31.3.2005 Rs. lacs	As at 31.3.2004 Rs. lacs
I. SOURCES OF FUNDS			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	1	18,64.29	18,64.29
(b) Reserves and Surplus	2	63,27.02	56,66.96
		<u>81,91.31</u>	<u>75,31.25</u>
(2) LOAN FUNDS			
(a) Secured Loans	3	1,21,53.11	1,00,03.83
(b) Unsecured Loans	4	46,65.03	40,02.68
		<u>1,68,18.14</u>	<u>1,40,06.51</u>
(3) DEFERRED TAX LIABILITY (See Note No. 3)		7,75.44	1,55.26
	TOTAL	<u>2,57,84.89</u>	<u>2,16,93.02</u>
II. APPLICATION OF FUNDS			
(1) FIXED ASSETS	5		
(a) Gross Block		1,22,60.92	1,28,77.80
(b) Less: Depreciation		34,09.93	32,71.47
(c) Net Block		88,50.99	96,06.33
Less: Impairments of Assets of Discontinued Operations		2,21.42	—
		<u>86,29.57</u>	<u>96,06.33</u>
(d) Capital Work-in-Progress		1,30.17	1,26.99
		<u>87,59.74</u>	<u>97,33.32</u>
(2) INVESTMENTS	6	14,96.62	4,95.85
(3) CURRENT ASSETS, LOANS & ADVANCES	7		
(a) Inventories		87,40.44	55,20.47
(b) Sundry Debtors		1,85,03.21	1,48,85.63
(c) Cash & Bank Balances		16,70.79	16,35.36
(d) Other Current Assets		14.69	62.31
(e) Loans & Advances		30,65.85	42,57.35
		<u>3,19,94.98</u>	<u>2,63,61.12</u>
Less:			
CURRENT LIABILITIES & PROVISIONS	8		
(a) Liabilities		1,57,34.84	1,46,43.28
(b) Provisions		8,55.18	4,42.64
		<u>1,65,90.02</u>	<u>1,50,85.92</u>
NET CURRENT ASSETS		<u>1,54,04.96</u>	<u>1,12,75.20</u>
(4) MISCELLANEOUS EXPENSES (to the extent not written-off or adjusted)	9	1,23.57	1,88.65
	TOTAL	<u>2,57,84.89</u>	<u>2,16,93.02</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

14

As per our report attached
For and on behalf of
Dalal & Shah
Chartered Accountants

Anish Amin
Partner

Mangesh Patil
Company Secretary

Shekhar Bajaj
Chairman & Managing Director

A. K. Jalan
Ajit Gulabchand
V. B. Haribhakti
Madhur Bajaj
D. B. Dhruv
H. R. Srivastava
Directors

Mumbai, 30th May, 2005

Mumbai, 30th May, 2005

bajaj electricals limited

Profit and Loss Account for the year ended 31st March, 2005

	Schedule	Year ended 31.3.2005 Rs. lacs	Year ended 31.3.2004 Rs. lacs
INCOME			
Sales	10-(a)	6,74,49.55	5,20,57.45
Less: Discount		5,07.11	5,12.14
Less: Excise duty on above		21,53.49	10,38.57
Net Sales		6,47,88.95	5,05,06.74
Operating Income	10-(b)	1,74.50	1,85.15
Other Income	10-(c)	2,09.17	3,39.26
Profit on sale of development rights of land (See Note No. 4)		—	11,69.80
		<u>6,51,72.62</u>	<u>5,22,00.95</u>
EXPENSES			
Cost of Goods Sold and Materials Consumed	11	4,91,30.25	3,90,17.97
Other Expenditure	12	1,29,66.69	1,05,54.62
Amounts Written Off	13	2,66.43	2,43.20
Depreciation		6,33.52	6,40.62
Less: Transferred from Revaluation Reserve		34.77	38.30
		<u>6,29,62.12</u>	<u>5,04,18.11</u>
Profit before Provisions and Tax		22,10.50	17,82.84
Provision for: Doubtful Debts and Advances		52.31	1,37.52
Doubtful Debts and Advances written back		(99.26)	(27.01)
Operating Profit before Tax		22,57.45	16,72.33
Less: Impact of Discontinued Operations (See Note No. 5)		78.19	—
Profit before Tax		21,79.26	16,72.33
Taxation — Current		1,75.00	1,26.00
Taxation — Deferred		6,20.18	4,10.32
Profit for the year after Tax		13,84.08	11,36.01
Prior Period Expenses		(18.49)	(1,05.29)
		<u>13,65.59</u>	<u>10,30.72</u>
Add: Balance brought forward from previous year		4,99.13	—
Balance available for appropriation		18,64.72	10,30.72
APPROPRIATIONS			
Interim Dividend on Preference shares		1,00.00	1,10.00
Proposed Dividend (Refer Directors' Report)		2,59.29	86.43
Tax on Corporate Dividend		49.43	25.16
Transferred to General Reserve		9,50.00	3,10.00
Balance carried to Balance Sheet		5,06.00	4,99.13
		<u>18,64.72</u>	<u>10,30.72</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS			
EPS — Numerator (See Note No. 27)	14	12,52.52	9,06.63
Basic and diluted (Rs.)		14.49	17.17
As per our report attached For and on behalf of Dalal & Shah Chartered Accountants			A. K. Jalan Ajit Gulabchand V. B. Haribhakti Madhur Bajaj D. B. Dhruv H. R. Srivastava Directors
Anish Amin Partner	Mangesh Patil Company Secretary	Shekhar Bajaj Chairman & Managing Director	

Mumbai, 30th May, 2005

Mumbai, 30th May, 2005

Schedule Nos. 1-14 annexed to and forming part of the Financial Statements for the year ended 31st March, 2005.

Schedule 1 - Share Capital

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
Authorised:		
1,00,00,000 Equity Shares of Rs. 10 each	10,00.00	10,00.00
1,00,00,000 Preference Shares of Rs. 10 each	10,00.00	10,00.00
	<u>20,00.00</u>	<u>20,00.00</u>
Issued, Subscribed & Paid up:		
86,42,880 Equity Shares of Rs. 10 each fully paid up	8,64.29	8,64.29
1,00,00,000 10% Cum. Redeemable Preference Shares of Rs. 10 each fully paid up (See note 3 below)	10,00.00	10,00.00
	<u>18,64.29</u>	<u>18,64.29</u>

Notes:

- The Equity Shares of Rs.100 each have been sub-divided into Equity Shares of Rs.10 each with effect from 28th November, 1994. Prior to sub-division of the above Shares:
 - 280 Equity Shares of Rs.100 each were allotted as fully paid pursuant to a contract without payment being received in cash,
 - 17,278 Equity Shares of Rs.100 each were issued to the Deferred Shareholders pursuant to the Scheme of Conversion of Deferred Shares into Equity Shares,
 - 3,754 Equity Shares of Rs.100 each were issued as fully paid to the Shareholders of the erstwhile Matchwel Electricals (India) Limited in terms of the Scheme of Amalgamation,
 - 96,032 Equity Shares of Rs.100 each were allotted as fully paid Bonus Shares by capitalising Reserves.
- 14,40,480 Equity Shares of Rs. 10 each were allotted as fully paid Bonus Shares by capitalising Reserves.
- 1,00,00,000, 11 % Cumulative Redeemable Preference Shares of Rs. 10 each fully paid issued during 1998-99 on private placement basis were redeemable at par after 5 years with put/call option after 3 years from the date of allotment, i.e., 7th January, 1999 w.r.t. 70,00,000 shares and 21st January, 1999 w.r.t. the balance 30,00,000 shares. The tenure of the said Preference Shares has been extended and the same are now redeemable in four installments with put and call option after 3 years from previous redemption due date. On and after 1st April, 2004, preference shares carry dividend at the rate of 10%.
- 43,21,440 Equity shares of Rs. 10 each, fully paid up were issued during the financial year 2003-04 and allotted on 20th November, 2003 at a premium of Rs. 15 per share, on right basis to the existing shareholders of the Company.

Schedule 2 - Reserves and Surplus

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
Securities Premium Account		
As per last Accounts	22,89.83	16,59.78
Received During the year	—	6,48.22
	<u>22,89.83</u>	<u>23,08.00</u>
Less: Share Issue Expenses	—	18.17
	<u>22,89.83</u>	<u>22,89.83</u>
Capital Subsidy		
From Maharashtra Energy Development Agency		
As per last Accounts	20.00	20.00
Revaluation Reserve (See Note No. 8)		
As per last Accounts	14,31.96	15,67.25
Less: Transferred to Profit & Loss Account	34.77	38.30
Less: Adjusted on Sale of Fixed Assets	2,62.04	96.99
	<u>11,35.15</u>	<u>14,31.96</u>
General Reserve		
As per last Accounts	14,26.04	14,91.04
Add: Transferred from Profit and Loss Account	9,50.00	3,10.00
	<u>23,76.04</u>	<u>18,01.04</u>
Less: On adjustment to carrying cost of investment	—	3,75.00
	<u>23,76.04</u>	<u>14,26.04</u>
Profit and Loss Account		
	5,06.00	4,99.13
	<u>63,27.02</u>	<u>56,66.96</u>

Schedule 3 - Secured Loans

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
Term Loans		
Long Term Loans:		
From Banks		
From State Bank of Patiala	4,93.80	5,06.81
From Bank of Punjab Ltd.	4,45.63	4,56.76
(Secured by first pari passu charge in favour of the above banks over the present and future Fixed Assets situated at Chakan Unit including an equitable Mortgage of immovable properties at Chakan Unit)		
From State Bank of Bikaner & Jaipur	7,82.00	8,02.00
From Bank of India	9,77.00	10,02.00
From Punjab National Bank	2,44.00	2,50.00
(Secured by first pari passu charge in favour of the above banks over the present and future Fixed Assets situated at Ranjangaon Unit including an equitable Mortgage of immovable properties situated at Ranjangaon Unit)		
From UTI Bank Limited	4,58.54	—
(i) (Secured by first pari passu charge to be created over present and future Fixed Assets of the company, situated at Ranjangaon Unit, Chakan Unit and Wind Farm including an equitable Mortgage of immovable properties situated at Ranjangaon Unit, Chakan Unit and Wind Farm situated at Village Vankusawade, Satara District, Maharashtra)		
(ii) (Second charge to be created over the present and future stock of inventories and other current assets of the Company)		
From HDFC Bank Ltd.	6.65	—
(Secured by way of hypothecation of vehicles acquired out of the said loan)		
Interest Accrued and Due on above Loans	17.25	1.98
From Others		
From Housing Development Finance Corporation Ltd.	5,17.56	5,90.56
(Secured by way of equitable mortgage of the Company's immovable properties)		
From Indian Renewable Energy Development Agency Limited	—	5,78.64
(Secured by equitable mortgage by deposit of title deeds in respect of Company's all immovable properties situated at Vankusawade Village, Satara District, Maharashtra)		
From Kotak Mahindra Primus Ltd.	11.61	—
(Secured by way of hypothecation of vehicle acquired out of the said loan)		
Short Term Loans		
From HDFC Bank Ltd.	10,00.00	10,00.00
(Secured by subservient charge over the present and future stock of inventories and other current assets of the Company)		
From IndusInd Bank Ltd.	10,00.00	5,00.00
(Secured by subservient charge to be created over the present and future stock of inventories and other current assets of the Company)		
Carried forward...	59,54.04	56,88.75

Schedule Nos. 1-14 annexed to and forming part of the Financial Statements for the year ended 31st March, 2005.

Schedule 3 - Secured Loans — contd.

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
brought forward...	59,54.04	56,88.75
Working Capital Loans		
From consortium banks		
Working Capital Demand Loan	27,42.43	34,24.82
Cash Credit	34,56.64	8,90.26
Secured by:		
(i) First pari passu charge by way of hypothecation of inventories, book debts and an equitable mortgage of the Company's immovable properties at Wardha and Mumbai.		
(ii) Second charge over present and future Assets at Ranjangaon Unit including equitable mortgage on immovable property at Ranjangaon and Chakan Unit These securities also extend to the various credit facilities including Guarantees and Letters of Credit of Rs. 59,10.91 lacs (previous year Rs. 36,85.15 lacs) executed on behalf of the Company established in the normal course of business.		
	<u>1,21,53.11</u>	<u>1,00,03.83</u>

Schedule 4 - Unsecured Loans

From Housing Development Finance Corporation Limited (Under a line of credit for employees)	34.62	54.44
Less: Disbursed to Employees as per contra (See Schedule 7(e))	<u>34.62</u>	<u>54.44</u>
	—	—
Fixed Deposits	9,87.50	8,61.83
Sales Tax Deferral Loan (an incentive under 1993 Package Scheme of Incentives of SICOM)	21,12.53	14,40.85
Short Term Loans:		
Inter-corporate Deposits	10,65.00	17,00.00
From Arab Bangladesh Bank Ltd.	5,00.00	—
	<u>46,65.03</u>	<u>40,02.68</u>

Schedule 5 - Fixed Assets

	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 31.3.2004	Additions/ Adjustments	Deductions	As at 31.3.2005	As at 31.3.2004	For the year	Recoupment on Deductions	Upto 31.3.2005	As at 31.3.2005	Adjustment on Impairments of Discontinued Operations@	Adjusted Net block 31.3.2005	As at 31.3.2004
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
Goodwill	0.38	—	—	0.38	0.38	—	—	0.38	—	—	—	—
*Land (Freehold)	3,89.60	—	78.94	3,10.66	—	—	—	—	3,10.66	—	3,10.66	3,89.60
*Land (Leasehold) #	2,88.34	—	3.02	2,85.32	—	—	—	—	2,85.32	—	2,85.32	2,88.34
Roads and Culverts	1,50.14	4.68	15.92	1,38.90	11.86	2.42	1.95	12.33	1,26.57	—	1,26.57	1,38.28
*Buildings (See Note 8)	28,30.16	75.64	4,98.11	24,07.69	4,97.85	82.25	1,28.72	4,51.38	19,56.31	—	19,56.31	23,32.30
*Ownership Premises (See Note 7)	13,72.06	78.63	1,02.10	13,48.59	2,12.64	24.18	24.58	2,12.24	11,36.35	—	11,36.35	11,59.43
**Plant & Machinery	54,13.51	2,60.37	4,98.81	51,75.07	13,36.00	2,99.01	2,43.80	13,91.21	37,83.86	2,21.42	35,62.44	40,77.51
Dies, Jigs and Patterns	4,27.54	1,03.92	34.66	4,96.80	1,42.83	51.00	16.16	1,77.67	3,19.13	—	3,19.13	2,84.71
Furniture & Fixtures and Equipments	17,77.54	1,73.10	46.97	19,03.67	9,48.02	1,46.35	35.39	10,58.98	8,44.69	—	8,44.69	8,29.51
Trade Marks	0.40	—	—	0.40	0.40	—	—	0.40	—	—	—	—
Vehicles	2,09.11	26.16	70.50	1,64.77	1,02.47	17.66	43.46	76.67	88.10	—	88.10	1,06.65
Temporary Structures	19.02	10.65	1.00	28.67	19.02	10.65	1.00	28.67	—	—	—	—
Total	1,28,77.80	7,33.15	13,50.03	1,22,60.92	32,71.47	6,33.52	4,95.06	34,09.93	88,50.99	2,21.42	86,29.57	96,06.33
Previous year	1,34,11.90	2,27.65	7,61.75	1,28,77.80	30,11.23	6,40.62	3,80.38	32,71.47	—	—	96,06.33	

Notes:

1. Gross Block at cost except items marked "*" which are at book value (See Note 8).

** Includes in net block assets not in use and held for disposal of Rs. 126.42 Lacs.

Represents **Rs. 3.02 lacs** which has been amortised over the lease period.

@ See Note 5.

Schedule Nos. 1-14 annexed to and forming part of the Financial Statements for the year ended 31st March, 2005.

Schedule 6 - Investments at Cost

	No. and Class of Shares/Units	Face Value Rupees	As at 31.3.2005 Rs. lacs	As at 31.3.2004 Rs. lacs
Long Term:				
Quoted:				
6.75% Tax free Bond of Unit Trust of India	77,385 Bonds (77,385 Bonds)	100	77.39	77.39
Unquoted:				
Government Securities:				
6 - Year National Savings Certificates	—	76,500	0.77	—
6 - Year Indira Vikas Patra*	—	56,200	0.56	0.56
Others:				
In Equity Shares				
M.P. Lamps Limited (Partly Paid Shares – Rs. 2.50 per share paid up, Called up Rs. 5.00 per share) (See Note 9)				
	48,000 Equity (48,000 Equity)	10	1.20	1.20
M.P. Lamps Limited (Partly Paid Shares – Rs. 1.25 per share paid up, Called up Rs. 5.00 per share) (See Note 9)				
	95,997 Equity (95,997 Equity)	10	1.20	1.20
Trade Investments (Fully Paid):				
The Kalyan Janata Sahakari Bank Ltd.	4,000 Equity (4,000 Equity)	25	1.00	1.00
Hind Lamps Limited	2,00,000 'A' Class Equity (2,00,000 'A' Class Equity)	25	25.00	25.00
Utkal Electricals Ltd.	14,400 Equity (14,400 Equity)	100	14.40	14.40
Mayank Electro Ltd.	100 Equity (100 Equity)	100	0.10	0.10
Bajaj Ventures Ltd.	75,00,000 Equity (75,00,000 Equity)	10	3,75.00	7,50.00
Less: Adjustment to carrying costs on rectification by averaging costs on investments sold in earlier year			—	(3,75.00)
In Preference Shares				
Bajaj Ventures Ltd.	1,00,00,000 – 2% Non-Cumulative Redeemable Preference Shares	(NIL)	10,00.00	—
			14,19.23	4,18.46
			14,96.62	4,95.85

Particulars	As at 31.3.2005		As at 31.3.2004	
	Cost Rs. lacs	Market Value Rs. lacs	Cost Rs. lacs	Market Value Rs. lacs
Total quoted	77.39	81.00	77.39	83.79
Total unquoted	14,19.23	N.A.	4,18.46	N.A.
	14,96.62	81.00	4,95.85	83.79

Details of investments purchased and sold during the year

	Face Value Rupees	Cost Rs. Lacs
In Mutual Funds		
ICICI Prudential Liquid Plan	2,22,35,079 Units	10 26,36.50

* 6-Year Indira Vikas Patra of the Face Value of Rs. 52,800 which are matured but not encashed are lying with Government department. See note 1(IV).

Figures and words in brackets, in this schedule, indicate previous years No. and Class of Shares/Units.

Schedule Nos. 1-14 annexed to and forming part of the Financial Statements for the year ended 31st March, 2005.

Schedule 7 - Current Assets, Loans and Advances

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
(a) Inventories: (As valued & certified by the Management)		
Stores, Spares and Packing Materials: At cost*	76.69	32.81
Raw Materials and Components: At cost*	15,64.47	8,65.33
Work-in-Process: At cost or net realisable value whichever is lower	6,51.91	3,11.12
Finished Goods in Transit: (Cost to date)	34.13	1,34.04
Finished Goods: At cost or net realisable value whichever is lower	<u>64,13.24</u>	<u>41,77.17</u>
	<u>87,40.44</u>	<u>55,20.47</u>
* Except slow and non-moving inventory which is valued at realisable value.		
(b) Sundry Debtors: Unsecured		
Over six months:		
Good	31,50.31	15,35.90
Doubtful	<u>3,35.25</u>	<u>4,32.03</u>
	34,85.56	19,67.93
Others: Good	<u>1,53,52.90</u>	<u>1,33,49.73</u>
	1,88,38.46	1,53,17.66
Less : Provision	<u>3,35.25</u>	<u>4,32.03</u>
	<u>1,85,03.21</u>	<u>1,48,85.63</u>
(c) Cash & Bank Balances:		
Cash in hand	9,39.63	9,45.20
(including cheques on hand Rs. 9,19.78 lacs, previous year Rs. 9,35.13 lacs)		
Balance with Scheduled Banks:		
In Cash Credit Account	6,57.83	—
In Current Accounts	47.93	29.34
In Deposits (Deposit receipts of the value of Rs. 0.44 lacs, previous year Rs. 0.44 lacs are deposited with Government Departments matured but not encashed)	21.03	42.30
Margin Money	3.16	6,02.91
Interest accrued but not due on above	<u>1.01</u>	<u>15.56</u>
Balance with Co-operative Bank: In Current Account The Kalyan Janta Sahakari Bank Ltd. Maximum balance outstanding during the year Rs. 0.20 Lacs (Previous year Rs. 0.05 Lacs)	<u>0.20</u>	<u>0.05</u>
	<u>16,70.79</u>	<u>16,35.36</u>
(d) Other Current Assets:		
Interest accrued on Investments, Loans, etc.	14.69	62.31
(e) Loans & Advances:		
(Unsecured, considered good, unless otherwise stated):		
Loans given to Companies		
Hind Lamps Ltd., an associate company. Maximum balance outstanding during the year Rs. 3,00.00 lacs (Previous year Rs. 3,00.00 lacs)*	3,00.00	3,00.00
Bajaj Ventures Ltd., an associate company. Maximum balance outstanding during the year Rs. 6,94.13 lacs (Previous year Rs. 6,94.13 lacs)	—	6,94.13
	3,00.00	9,94.13
Housing Loans to Employees	72.00	96.65
Less: Loan from HDFC as per contra (See Schedule 4)	<u>34.62</u>	<u>54.44</u>
	37.38	42.21
Advances recoverable in cash or in kind or for value to be received		
Good	24,63.87	30,70.97
Doubtful	<u>1,82.30</u>	<u>1,32.47</u>
	26,46.17	32,03.44
Less: Provision	<u>1,82.30</u>	<u>1,32.47</u>
	24,63.87	30,70.97
Advance Tax (Net of Provisions)	2,33.57	1,50.01
Balances with Central Excise and Customs Department	<u>31.03</u>	<u>0.03</u>
	<u>30,65.85</u>	<u>42,57.35</u>
	<u>3,19,94.98</u>	<u>2,63,61.12</u>

*No repayment schedules have been stipulated.

Schedule 8 - Current Liabilities and Provisions

	As at 31st March, 2005 Rs. lacs	As at 31st March, 2004 Rs. lacs
(a) Current Liabilities:		
Acceptances (See Note 12)	50,91.88	60,71.16
Sundry Creditors:		
Dues of Small Scale Industrial Undertakings (See Note 11(c))	43.53	36.95
Other than Small Scale Industrial Undertakings	99,08.29	77,57.71
Overdrawn in Current Account (Temporary overdraft, as per books of account only)	—	79.38
Trade Deposits	4,01.19	4,05.45
Advance against Proposed Sale of development rights of land	2,00.00	2,25.00
Unclaimed Dividends	9.53	10.20
Interest accrued but not due on Loans	80.42	57.43
	<u>1,57,34.84</u>	<u>1,46,43.28</u>
(b) Provisions:		
Provision for Leave Entitlement Liability	3,86.86	3,45.14
Provision for Warranties & Claims	1,72.67	—
Proposed Dividend	2,59.29	86.43
Provision for Tax on Proposed Corporate Dividend	36.36	11.07
	<u>8,55.18</u>	<u>4,42.64</u>
	<u>1,65,90.02</u>	<u>1,50,85.92</u>

Schedule 9 - Miscellaneous Expenditure (to the extent not written-off or adjusted)

(a) Compensation on Voluntary Retirement (See Note 1(XII))		
Amount un-amortised at the beginning of the year	1,83.92	3,69.55
Add: Amount transferred during the year	—	14.34
Less: Amount amortised during the year	60.35	1,99.97
Amount un-amortised at the end of the year	1,23.57	1,83.92
(b) Re-structuring Cost	—	4.73
	<u>1,23.57</u>	<u>1,88.65</u>

Schedule 10 - (a) Sales

	Year ended 31st March, 2005 Rs. lacs	Year ended 31st March, 2004 Rs. lacs
Sales (net of returns, rebates, etc.)	6,69,86.99	5,15,68.98
Job Work Receipts	1,90.21	3,07.47
Sale of Manufacturing Scrap	2,72.35	1,81.00
	<u>6,74,49.55</u>	<u>5,20,57.45</u>

Schedule 10 - (b) Operating Income

Compensation for transfer of Sales Tax Incentive entitlement	1,65.40	1,66.96
Export Incentive	9.10	18.19
	<u>1,74.50</u>	<u>1,85.15</u>

Schedule 10 - (c) Other Income

Profit on Sale of Assets (Net)	46.73	21.98
Dividend Income	1.65	0.04
Rent Income	3.64	1.13
Foreign Exchange Fluctuation Gain	—	99.64
Miscellaneous Income (See Note 23)	1,57.15	2,16.47
	<u>2,09.17</u>	<u>3,39.26</u>

Schedule 11 - Cost of Goods Sold and Materials Consumed

	Year ended 31st March, 2005 Rs. lacs	Year ended 31st March, 2004 Rs. lacs
(a) Raw Materials & Components Consumed:		
Stock at Commencement	8,65.33	9,92.27
Purchases	1,12,09.51	60,65.37
	<u>1,20,74.84</u>	<u>70,57.64</u>
Less: Sales	16.63	6.60
Less: Stock at Close	15,64.47	8,65.33
	<u>1,04,93.74</u>	<u>61,85.71</u>
(b) Components Processing Charges	7,48.67	5,60.87
(c) Purchases:		
Finished Goods and Materials for Works Contracts	3,84,99.29	3,06,12.26
Payments to Sub-Contractors	9,82.44	5,60.94
	<u>3,94,81.73</u>	<u>3,11,73.20</u>
(d) Freight, Octroi, Entry Tax, etc.	9,82.97	7,81.18
(e) (Increase) / Decrease in Stock:		
Stock at Commencement:		
Work-in-Process	3,11.12	2,68.01
Finished Goods	41,77.17	45,37.29
	<u>44,88.29</u>	<u>48,05.30</u>
Stock at Close:		
Work-in-Process	6,51.91	3,11.12
Finished Goods	64,13.24	41,77.17
	<u>70,65.15</u>	<u>44,88.29</u>
	<u>(25,76.86)</u>	<u>3,17.01</u>
	<u>4,91,30.25</u>	<u>3,90,17.97</u>

Schedule Nos. 1-14 annexed to and forming part of the Financial Statements for the year ended 31st March, 2005.

Schedule 12 - Other Expenditure

	Year ended 31st March, 2005 Rs. lacs	Year ended 31st March, 2004 Rs. lacs
Stores, Spares and Tools Consumed	5,25.33	2,08.36
Packing Materials Consumed	2,41.66	1,99.59
Power, Fuel and Water	65.90	17.18
Freight and Forwarding (Net)	6,68.83	5,92.56
Salaries, Wages, Bonus, etc.	24,40.51	18,85.29
Amortisation of compensation under Voluntary Retirement Scheme	60.35	1,99.97
Contribution to Provident & Other Funds and Schemes	4,78.33	4,08.67
Welfare Expenses	84.76	82.37
Advertisement and Publicity	13,69.89	10,42.89
Rent (Net)	2,51.25	2,32.64
Rates & Taxes (Including Leasehold Land Rent Rs. 0.01 lacs, previous year Rs. 0.01 lacs)	46.16	22.68
Lease Rent	74.88	18.51
Insurance	52.56	33.68
Travelling, Conveyance and Vehicle Expenses	9,01.07	7,81.91
Postage, Telegrams, Telephone and Telex	2,31.08	2,36.99
Printing and Stationery	92.42	79.02
Repairs: Buildings and Roads	52.56	23.55
Machinery	31.17	48.40
Others	1,09.20	71.60
	<u>1,92.93</u>	<u>1,43.55</u>
Interest: Fixed Loans	7,76.56	11,11.06
Other Loans	10,56.87	10,08.43
	<u>18,33.43</u>	<u>21,19.49</u>
*Less: Received/Receivable (Gross)	<u>1,95.84</u>	<u>2,54.36</u>
	<u>16,37.59</u>	<u>18,65.13</u>
Directors' Fees and Travelling Expenses	14.97	12.16
Product Promotion & Service Charges (Net)	9,45.61	6,00.98
Commission on sales	5,63.61	4,37.56
Foreign Exchange Fluctuation Loss	50.76	—
Donations	0.46	0.01
Miscellaneous Expenses	19,75.78	14,52.92
	<u>1,29,66.69</u>	<u>1,05,54.62</u>

*Tax deducted under Section 194A Rs. 19.74 lacs (previous year Rs. 22.68 lacs).

Schedule 13 - Amounts Written Off

Investment – On exchange of Units for Bonds	—	31.53
Less: Provided and charged for in earlier years	—	(27.24)
Fixed Assets	21.31	31.05
Leasehold land Amortised	3.02	3.02
Bad Debts	2,11.31	1,71.93
Irrecoverable Advances, Claims, etc.	30.79	32.91
	<u>2,66.43</u>	<u>2,43.20</u>

Schedule 14 - Notes Forming Part of the Financial Statements

1. Statement on significant Accounting Policies followed by the Company:

I. System of Accounting:

- (i) The Company generally follows the accrual basis of accounting both as to income and expenditure except those with significant uncertainties.
- (ii) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.
- (iii) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements.

II. (A) Fixed Assets:

- (i) Freehold Land, Leasehold Land, Buildings (including Leasehold Land appurtenant thereto) and Premises on Ownership basis have been revalued as on 30th September, 1994 and are accordingly carried thereafter at revalued figures less accumulated depreciation/amortisation thereon, except freehold land which are carried at their revalued figures. Additions thereafter are carried at their cost of acquisition less accumulated depreciation.
- (ii) Capital goods manufactured by the Company for its own use are carried at their cost of production (including duties and other levies, if any) less accumulated depreciation and Other Fixed Assets are carried at cost of acquisition (including cost of specific borrowings) less accumulated depreciation.

(B) Depreciation:

- (i) (a) Depreciation on all Fixed Assets (other than leasehold land which is amortised over the period of lease and those mentioned in (ii) and (iii) below) is being provided on "Straight Line Method" and at the SLM rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- (b) Pursuant to the revision in the rates prescribed in Schedule XIV to the Companies Act, 1956 vide notification No. GSR 756(E) dt.16.12.93 issued by the Ministry of Law, Justice and Company Affairs, depreciation has been calculated at new rates only on additions to assets made after the said date.
- (ii) The depreciation on increased value due to revaluation of buildings and the premises on ownership basis, is being provided on Straight Line Method at the rates specified considering the balance period of life of the assets.
The additional charge of depreciation on increased value due to revaluation of buildings and the premises on ownership basis, has been transferred from Revaluation Reserve to the Profit and Loss Account.
- (iii) The Company has provided 100% depreciation on items of Plant & Machinery costing Rs.5,000/- or less upto 15.12.93. Consequent to the amendment in the schedules as indicated in Note (i) (b) above from 16.12.93, on all additions to fixed assets costing Rs.5,000/- or less, 100% depreciation is provided.

III. Conversion of Foreign Currencies

The export sales are accounted with reference to the Mate's Receipt. The foreign currency loans and current assets outstanding on the date of Financial Statements are stated at the relevant exchange rate prevailing at the close of the year. The exchange difference arising from foreign currency transactions are dealt with in the Profit & Loss Account.

IV. Investments

Investments are valued at cost of acquisition less provisions made for diminution in the value of investments which, in the judgment of the management, are necessary.

V. Inventory Valuation

Costs of Inventories have been computed to include all costs of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

A. Finished Goods and Work-in-Process

(a) Finished Goods

- (i) Traded finished goods and spares are valued at cost, determined on "First In First Out" basis or Net Realizable Value, whichever is lower.
- (ii) Finished goods manufactured by the Company are valued at lower of cost, determined on "First In First Out" basis or Net Realizable Value.

(b) Work-in-Process is valued at cost.

Schedule 14 - Contd.

- B. Raw Materials
Raw materials are valued at monthly weighted average cost.
 - C. Stores, Spares and Loose tools
 - (i) Stores are valued at monthly weighted average cost.
 - (ii) Spares are valued at monthly weighted average cost.
 - (iii) Loose tools are valued at monthly weighted average cost.
 - D. However, obsolete and non-moving inventory of raw materials, stores and spares is carried at cost or market value, whichever is lower.
- VI. Income from Works Contracts
"Works Contract" revenues are recognized by reference to the stage/percentage of completion against each contract at the end of every accounting period. Stage of completion for each contract, is arrived at by reference to the aggregate billings to the total contract value. However, where the net outcome of any ongoing contract is reliably estimated to be a loss, due provisions for the estimated losses are made.
- VII. Retirement Benefits
- A. Gratuity
The Company is making contributions on an actuarial basis as determined by the Life Insurance Corporation of India (LIC), through Bajaj Electricals Limited Employees' Group Gratuity Trust, to the "Group Gratuity-cum-Life Assurance Scheme" under the Cash Accumulation Policy, which also covers employees who are entitled to gratuity after attainment of retirement age.
 - B. Superannuation
Contribution to Superannuation fund is being made to Life Insurance Corporation of India as per the Scheme of the Company.
 - C. Provident Fund
Employees' own and employer's contribution (after paying Family Pension Scheme portion to Provident Fund Authority) are paid to the trustees "Bajaj Electricals Limited Employees' Provident Fund Trust"/Concerned Authorities.
 - D. Employees' Pension Scheme
Contribution to Employees' Pension Scheme, 1995 is made to the Government Provident Fund Authority.
- VIII. Leave Encashment
Leave Encashment benefit is provided on the basis of actual liability as at the year end depending on the last drawn salary and the un-availed leave, subject to the maximum ceiling prescribed, to the credit of each eligible employee.
- IX. Export Incentives
Export incentives are accounted for on export of goods if entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.
- X. Borrowing Costs
Borrowing costs are recognized in the Financial Statements except in respect of specific borrowing raised for acquisition of capital asset until such time the asset is ready to be put to use for its intended purpose, which are added to carrying cost of such asset.
- XI. Taxation
- (i) Deferred Tax Assets and Liabilities are recognized for the future tax liability arising on account of timing difference between the taxable income and the profits as per the Financial Statements.
 - (ii) Deferred Tax Assets are recognized to the extent the management is virtually certain they are going to be realized in future.
 - (iii) Deferred Tax Assets and Liabilities have been recognized by considering the tax rate which has been enacted/enacted subsequently after the date of Financial Statements.
- XII. Voluntary Retirement benefits
In order to achieve 'Business Restructuring' through employee strength realignment, the Company, with a long-term view, retires employees by offering a Voluntary Retirement Scheme. Aggregate liability on account of the retirement package and connected statutory and other payments are, together, deferred over five financial years, being the estimated period of benefit.

Schedule 14 - Contd.

XIII. Discontinued Operations

Assets and Liabilities of Discontinued Operations are assessed at each Balance Sheet Date. Impacts of any impairments and write backs are dealt with in the Profit and Loss Account.

Impacts of Discontinued Operations are distinguished from the Ongoing Operations of the Company, so as their impact on the Profit and Loss Account for the year can be perceived.

XIV. Provisions

Provisions are recognized for current obligations which are likely to entail outflow of economic resources in future periods consequent to obligating events prior to the close of the year.

However, where such obligations are not likely to entail outflows in future periods and are contingent on the future outcome of events, are disclosed as a matter of information as "Contingent Liabilities".

2. (i) Contingent Liabilities not provided for:

	As at 31.3.2005	As at 31.3.2004
	Rs. lacs	Rs. lacs
(a) Disputed Income-tax Matters	50.81	55.97
(b) Disputed Excise Matters — Gross	93.76	97.95
— Net of tax	62.20	62.81
(c) Disputed Sales Tax Matters — Gross	3,47.47	4,22.35
— Net of tax	2,30.51	2,70.83
(d) Disputed Customs Duty Matters — Gross	15.00	15.00
— Net of tax	9.95	9.62
(e) Claims against the Company not acknowledged as debts — Gross	4,93.35	11,92.48
— Net of tax	3,27.29	7,64.68
(f) Disputed Liability in respect of Gratuity Contribution as demanded by LIC — Gross	6,22.98	5,40.07
— Net of tax	4,13.28	3,46.32
(g) Guarantees/Letter of Comfort given on behalf of other Companies (Including Rs. 4,50.00 lacs discharged in April 2005)	11,00.00	11,00.00
(h) Penalty/damages/interest, if any, due to non-fulfillment of any of the terms of works contracts }	Amounts not ascertainable	
(ii) Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20

3. The Company has recognised Deferred Taxes which result from the timing difference between the Book Profits and Taxable Income for the year 2004-05, the details of which are as under:

Particulars	Balance as at 31st March, 2004 Rs. in Lacs	For the year ended on 31.3.2005 Rs. in Lacs	Balance carried as at 31.3.2005 Rs. in Lacs
Deferred Tax Liabilities			
On Account of timing difference in			
(a) Depreciation	14,23.63	(1,35.11)	12,88.52
(b) Re-structuring Cost	1.70	(1.70)	—
Total	<u>14,25.33</u>	<u>(1,36.81)</u>	<u>12,88.52</u>
Deferred Tax Assets			
On Account of timing difference in			
(a) Unabsorbed Depreciation	11,35.61	(7,62.72)	3,72.89
(b) Section 43B Disallowances	8.50	(0.53)	7.97
(c) MAT credit	2.14	(0.13)	2.01
(d) Leave Entitlement Liability	1,23.82	6.39	1,30.21
Total	<u>12,70.07</u>	<u>(7,56.99)</u>	<u>5,13.08</u>
Net Deferred Tax (Asset)/Liability	<u>1,55.26</u>	<u>6,20.18</u>	<u>7,75.44</u>

Schedule 14 - Contd.

The management has recognized Deferred Tax Assets represented in Carried Forward Unabsorbed Depreciation on virtual certainty of the availability of adequate taxable profits in future years, which, in operations, is demonstrated by the improved profitability of some earlier under-performed operations of the Company coupled with a healthy and growing order book for the products.

4. The Company has, during the year, sold development rights attributable to the portion of land, at the erstwhile Matchwel Unit, vacant on closure of the said unit as against past sale of development rights of vacant surplus land.

Hence, the results of the aforementioned sale, this year, is treated as an "Impact of Discontinued Operations" detailed in Note 5 below, as required by Accounting Standard 24 issued by the Institute of Chartered Accountants of India.

5. Impact of Discontinued Operations:

The Company had in the previous years discontinued the operations of the Matchwel Unit and the Die Casting activity at Chakan Unit. The impact of the realizations on assets disposed off this year and impairment of assets held for disposal is detailed below:

Particulars	2004-05 Rs. In Lacs	2003-04 Rs. In Lacs
Profit on Sale of Development Rights of Factory Land (Matchwel Unit)	2,36.65	—
Less: Impairment in the value of assets of die-casting activity	3,14.84	—
Impact of impairment of Discontinued Operations	(78.19)	—

6. As required by Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets" mandatory in its application with effect from 1st April, 2004, recognized a liability aggregating to Rs. 172.67 lacs for expected warranty claims that are estimated to be incurred in future periods arising out of sales made upto the closure of the year. Until last year, the liability in respect of warranty claims was recognized by charging one-third value of spares inventory.
7. Ownership premises include the sum of **Rs. 950** (Previous Year Rs. 1,700) being the Face Value of Shares in co-operative societies required to be held under their respective bye-laws.
8. The buildings (including leasehold land appurtenant thereto) and ownership premises had been revalued as on 1st January, 1985 then resulting in the net increase in the book value by Rs. 3,21.01 lacs which had been transferred to Revaluation Reserve. All the freehold land, leasehold land, buildings (including leasehold land appurtenant thereto) and premises on ownership basis had been revalued as on 30th September, 1994 resulting in a further net increase in the book value of the said assets as on 1st October, 1994 by Rs. 23,05.87 lacs which also had been transferred to the Revaluation Reserve. As a result of the above, the total net increase in the book value of the said assets aggregates to Rs. 26,26.88 lacs (Rs. 62.51 lacs on freehold and Rs. 13.69 lacs on leasehold land, Rs. 8,16.49 lacs on building and Rs. 17,34.19 lacs on ownership premises).
- The depreciation on the increased value has resulted in an additional charge for the year of **Rs. 34.77 lacs** (Previous Year Rs. 38.30 lacs). An amount equivalent to the additional charge has been transferred from Revaluation Reserve to Profit & Loss A/c. Such transfer, according to an authoritative professional view, is acceptable for the purpose of the Company's Financial Statements. The balance depreciation charged on original cost of assets is in accordance with the SLM rates specified in Schedule XIV to the Companies Act, 1956.
9. In respect of Investments made in M. P. Lamps Ltd., a call of Rs. 2.50 on 48,000 equity shares and Rs. 3.75 on 95,997 equity shares aggregating to Rs. 4.80 lacs has not been paid by the Company. Against this, M. P. Lamps Limited holds a sum of Rs. 2.10 lacs due to the Company as one of the promoters. The entire matter continues to be under negotiation with them and the necessary adjustment will be made on finalisation of negotiations.
10. Estimated amount of contracts remaining to be executed on capital account **Rs. 3,33.42 lacs** (Previous Year Rs. 96.50 lacs) net of advances.
11. (a) To the extent of information available with the Company, no amount is overdue and outstanding at the close of the year (Previous Year Rs. Nil) payable to Small Scale and Ancillary Industrial Undertakings as defined by the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993. Consequently, no provision (Previous Year Rs. Nil) in respect of Interest Payable on Delayed Payments as required by the said Act is necessary.
- (b) As per the records maintained and to the extent of information available with the Company, the outstanding dues to Small Scale Industrial Undertaking at the close of the year has been shown in Schedule 8 separately under the head "Sundry Creditors". A Small Scale Industrial Undertaking has the same meaning as assigned to it under clause (j) of section 3 of the Industries (Development and Regulation) Act, 1951.

Schedule 14 - Contd.

(c) Names of Small Scale Industrial Undertakings to whom an amount was payable and outstanding for more than 30 days are as under:

1. Prakash Corrugated Pvt. Ltd.	2. Gild Packaging Pvt. Ltd.	3. KSP Electricals Pvt. Ltd.
4. HCPL Electricals Pvt. Ltd.	5. Sankhya Shafts & Spindels Pvt. Ltd.	6. Jayshree Industries
7. Theromolite Packaging Pvt. Ltd.	8. Fan Regulators	9. Jimcap Electronics India Pvt. Ltd.
10. Pearl Engineering Co.	11. Goa Precision Stampings	12. Tulika Appliances Pvt. Ltd.

12. Acceptances include **Rs. 13,27.02 lacs** (Previous Year Rs. 14,40.55 lacs) for bills accepted by the Company and discounted by the suppliers with Small Industries Development Bank of India under a line of credit extended to the Company, which are secured by a second charge on raw materials, goods in process, semi-finished goods, finished goods and book debts and also on the collateral security created by way of equitable mortgage on the Company's properties at Mumbai and Wardha.
13. Provision for taxation includes **Rs. 5.00 lacs** (Previous Year Rs. 5.00 lacs), provided in respect of wealth tax liability for the year.
14. C.I.F. value of imports, expenditure and earnings in foreign currencies:

	Rs. lacs	Previous Year Rs. lacs
(a) C.I.F. value of imports:		
(i) Raw Materials	64.47	2,55.30
(ii) Capital Goods	35.14	—
(iii) Finished Goods	23,61.69	14,86.30
(iv) Machinery Spares	1.30	—
	<u>24,62.60</u>	<u>17,41.60</u>
(b) Expenditure in foreign currency, Gross:		
(i) Other Expenses	1,33.30	64.99
	<u>1,33.30</u>	<u>64.99</u>
(c) Earnings in foreign exchange:		
(i) F.O.B. value of exports	3,71.30	1,92.11
(ii) Freight & Insurance on exports	—	20.47
	<u>3,71.30</u>	<u>2,12.58</u>
15. Payments made to Auditors:		
(a) Audit Fees (including service tax)	9.92	8.10
(b) Tax Audit Fees (including service tax)	4.03	3.24
(c) Certification Work (including service tax)	3.70	6.21
(d) Out of Pocket Expenses	0.82	0.68
	<u>18.47</u>	<u>18.23</u>

Particulars	Rs. lacs		Previous Year	
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
Profit Before Provisions		22,24.04		17,82.84
Add:				
(i) Depreciation	5,98.75		6,02.32	
(ii) Managerial Remuneration	27.61		21.95	
(iii) Compensation under VRS	60.35		1,99.97	
(iv) Directors' Sitting Fees	3.70	6,90.41	3.30	8,27.54
		<u>29,14.45</u>		<u>26,10.38</u>
Less:				
(i) Depreciation as per Section 350	5,98.75		6,02.32	
(ii) Profit on Sale of Fixed Assets	46.73		11,91.78	
(iii) Gratuity, LE under VRS included in (iii) above	11.16	6,56.64	30.89	18,24.99
Net Profit computed in accordance with Section 349		22,57.81		7,85.39
Excess of Expenditure over Income of previous year		9,03.26		16,88.65
Net Profit computed in accordance with Section 349		<u>13,54.55</u>		<u>(9,03.26)</u>
Commission payable to Managing Director		<u>13.54</u>		—

Schedule 14 - Contd.

17. Managing Director's Emoluments, included under 'Salaries, Wages, Bonus, etc.' in Schedule 12 – Other Expenditure

	Rs. lacs	Previous Year Rs. lacs
Salary	19.10	14.90
Contribution to Provident Fund, Gratuity Fund & Superannuation Scheme, etc.	5.16	5.26
Perquisites	3.35	1.79
Commission	13.54	—
	<u>41.15</u>	<u>21.95</u>

18. Information about Business Segments

Company has identified its Business Segments as its Primary reportable segments which comprise of (i) Lighting, (ii) Consumer Durables, (iii) Galvanised Structures and (iv) Others. 'Lighting' includes Lamps, Tubes, Luminaires & Projects. 'Consumer Durables' includes Appliances & Fans and 'Others' includes Die-Casting and Wind Energy.

	Rs. Lacs	Previous Year Rs. Lacs				
Primary Segment Information						
(1) Segment Revenue						
(a) Lighting	3,08,67.74	2,44,52.50				
(b) Consumer Durables	2,49,85.11	2,15,38.65				
(c) Galvanised Structures	89,45.10	45,33.78				
(d) Others	2,04.18	2,68.45				
Sub-total	<u>6,50,02.13</u>	<u>5,07,93.38</u>				
Less: Inter-segment Revenue	38.68	1,01.49				
Net Sales / Income from Operations	<u>6,49,63.45</u>	<u>5,06,91.89</u>				
(2) Segment Results [Profit/(Loss)] before Tax and Interest from each segment						
(a) Lighting	26,75.45	19,02.19				
(b) Consumer Durables	11,99.24	12,28.57				
(c) Galvanised Structures	2,85.07	(3,63.80)				
(d) Others	69.78	93.73				
Sub-total	<u>42,29.54</u>	<u>28,60.69</u>				
Less: (i) Interest	16,37.59	18,65.13				
(ii) Other un-allocable expenditure net of un-allocable income	3,81.45	3,82.52				
Operating Profit / (Loss)	<u>22,10.50</u>	<u>6,13.04</u>				
Extra ordinary item of income	(78.19)	11,69.80				
Profit / (Loss) before Tax	<u>21,32.31</u>	<u>17,82.84</u>				
Provision for Doubtful Debts & Advances	(46.95)	1,10.51				
Provision for Tax – Charge / (Release)	1,75.00	1,26.00				
Provision for Deferred Tax – Charge / (Release)	6,20.18	4,10.32				
Prior Period Expenses	18.49	1,05.29				
Profit / (Loss) after Tax	<u>13,65.59</u>	<u>10,30.72</u>				
(3) Capital Employed (Segment Assets less Segment Liabilities)						
		Previous Year				
	Assets Rs. lacs	Liabilities Rs. lacs				
	Net Rs. lacs	Assets Rs. lacs				
		Liabilities Rs. lacs				
		Net Rs. lacs				
(a) Lighting	1,07,87.14	47,82.26	60,04.88	92,83.25	59,56.58	33,26.67
(b) Consumer Durables	91,31.83	38,74.60	52,57.23	86,28.17	37,19.23	49,08.94
(c) Galvanised Structures	99,07.78	17,81.21	81,26.57	53,77.29	7,08.12	46,69.17
(d) Others	15,60.84	—	15,60.84	22,92.90	3.68	22,89.22
(e) Other Un-allocable	1,08,63.75	61,51.95	47,11.80	1,14,24.87	46,98.31	67,26.56
Total	<u>4,22,51.34</u>	<u>1,65,90.02</u>	<u>2,56,61.32</u>	<u>3,70,06.48</u>	<u>1,50,85.92</u>	<u>2,19,20.56</u>

Schedule 14 - Contd.

	Rs. Lacs	Previous Year Rs. Lacs
(4) Total cost incurred during the year to acquire segment assets that are expected to be used during more than one period.		
(a) Lighting	95.42	—
(b) Consumer Durables	6.20	21.45
(c) Galvanised Structures	2,60.37	57.23
(d) Others	—	—
(e) Other Unallocable	3,71.16	1,48.97
Total	7,33.15	2,27.65
(5) Depreciation and Amortisation:		
(a) Lighting	1,38.03	1,28.72
(b) Consumer Durables	34.10	32.31
(c) Galvanised Structures	1,12.93	1,05.31
(d) Others	1,02.89	1,32.45
(e) Other Unallocable	2,13.82	2,06.55
Total	6,01.77	6,05.34

The Company caters mainly to the needs of the Indian Markets and the export turnover being 0.55% (Previous Year 0.38%) of the total turnover of the Company; there are no reportable geographical segments. All assets are located in India.

19. Related Party Transactions

Details of Transactions with Related Parties during the year as required by Accounting Standard - 18 on 'Related Party Transactions' has been disclosed on the basis of parties identified by the Key managerial personnel to be within the definition of Related Parties as per the Standard and noted by the Board of Directors. Accordingly, the information is disclosed hereunder.

Names of Related Parties	Nature of Transactions	Transaction Value	Outstanding
			Amounts Carried in the Balance Sheet
		Rs. lacs	Rs. lacs
(A) Associates & Joint Ventures:			
Hind Lamps Ltd.	Purchases	52,59.16	435.11
	Sales	0.08	0.14
	Contribution to Equity	—	25.00
	Trade Advances Given	—	3,00.00
	Interest Received	28.16	—
	Services Rendered	4.00	—
Bajaj Ventures Ltd.	Purchases	3.68	(19.84)
	Sales	0.56	—
	Contribution to Equity	—	3,75.00
	Contribution to 2% Non-Cumulative Redeemable Preference Shares	10,00.00	10,00.00
	Interest Received	40.67	—
	Trade Advances Given	(6,94.13)	—
	Services Received	7.51	—
(B) Directors & Relatives:			
Mr. Shekhar Bajaj	Remuneration Paid	41.15	—
Mr. Madhur Bajaj	Sitting Fees	0.40	—
Mrs. Kiran Bajaj	Rent Paid	6.00	—
	Rent Deposit Advanced	—	2,50.00
Mrs. Minal Bajaj	NIL	—	—
Mr. Anant Bajaj	Remuneration Paid	2.08	—
Ms. Kumud Bajaj	NIL	—	—
Mr. Niraj Bajaj	NIL	—	—
Mr. Niravnayan Bajaj	NIL	—	—

Schedule 14 - Contd.

Names of Related Parties	Nature of Transactions	Transaction Value		Outstanding
		Rs. lacs		Amounts Carried in the Balance Sheet
				Rs. lacs
Ms. Deepa Bajaj	NIL	—		—
Mr. Rahul Bajaj	NIL	—		—
Mr. Rajivnayan Bajaj	NIL	—		—
Ms. Ruparani Bajaj	NIL	—		—
Mr. Sanjivnayan Bajaj	NIL	—		—
Ms. Minakshi Bajaj	NIL	—		—
Mr. Kushagra Bajaj	NIL	—		—
Mr. Shishir Bajaj	NIL	—		—
(C) Enterprises over which any person described in (B) above is able to exercise significant influence				
Hind Musafir Agency Ltd.	Services Received	2.07		—
	Reimbursement of Expenses	9.94		(17.82)
Bajaj Auto Ltd.	Sales	0.69		0.73
	Dividend on Preference Shares	30.00		—
Bajaj Hindustan Ltd.	Sales	2.86		0.61
Bajaj Sevashram Pvt. Ltd.	NIL	—		—
Jamnala Bajaj Seva Trust	Sales	0.05		—
	Hall Hire Charges Paid	0.10		—
Maharashtra Scooters Ltd.	Sales	—		0.23
Mukand Engineers Ltd.	Sales	—		0.16
Mukand Ltd.	Interest Received	—		0.68
Bajaj International Pvt. Ltd.	Commission paid on Imports	24.88		2.22
	Services Rendered	3.20		1.40
	Royalty Received	23.58		23.58
	Commission paid on Exports	9.35		6.02
Hindustan Housing Co. Ltd.	Services Received	6.16		—
Jamnala Sons Pvt. Ltd.	Rent Paid	17.63		—
	Rent Deposit Advanced	—		50.00
Hercules Hoists Ltd.	Corporate Loan received	(50.00)		—
	Interest paid on loan	4.11		—
Bajaj Allianz General Insurance Co. Ltd.	Insurance Premia paid	33.04		—
Bajaj Auto Finance Ltd.	Sales	0.09		—
Allianz Bajaj Life Insurance Co. Ltd.	NIL	—		—
Anant Trading Co.	NIL	—		—
Bajaj Consumer Care Ltd.	NIL	—		—
Bajaj Auto Holdings Ltd.	NIL	—		—
Bachhraj Trading Co.	NIL	—		—
Bachhraj & Co. Pvt. Ltd.	NIL	—		—
Baroda Industries Pvt. Ltd.	NIL	—		—
Bachhraj Factories Pvt. Ltd.	NIL	—		—
Kamalnayan Investments & Trading Pvt. Ltd.	NIL	—		—
Kushagra Trading Co.	NIL	—		—
Madhur Securities Pvt. Ltd.	NIL	—		—
Rahul Securities Pvt. Ltd.	NIL	—		—
Sikkim Janaseva Pratisthan Pvt. Ltd.	NIL	—		—
Hind Rectifiers Ltd.	NIL	—		—
Hopset Steels Ltd.	NIL	—		—
Jeewan Ltd.	NIL	—		—
Kalyani Mukand Ltd.	NIL	—		—
Mukand International Ltd.	NIL	—		—
Mukand Global Finance Ltd.	NIL	—		—
Shishir Holding Pvt. Ltd.	NIL	—		—
Vidyavihar Containers Ltd.	NIL	—		—

Schedule 14 - Contd.

Names of Related Parties	Nature of Transactions	Transaction Value		Outstanding
		Rs. lacs		Amounts Carried in the Balance Sheet
				Rs. lacs
Stainless India Ltd.	NIL	—		—
Niraj Holding Pvt. Ltd.	NIL	—		—
Shekhar Holdings Pvt. Ltd.	NIL	—		—
Bombay Forging Ltd.	NIL	—		—
Dhru & Co.	Consultancy Charges Paid	10.05		—

20. Details of materials consumption:

(a) Raw materials and components consumed:

Particulars	Unit	Quantity	Rs. lacs	Previous Year	
				Quantity	Rs. lacs
Ferrous Metal & Components	Nos. (100)	4,552)	70,32.07	4,010)	36,63.89
	Nos.	33,53,135)		33,07,919)	
	Sets	4,17,845)		4,58,333)	
	M.Tons	25,756)		15,130)	
Non-Ferrous Metal & Components	Kgs.	7,56,318)	19,21.77	6,57,405)	14,34.01
	Nos.	22,50,306)		21,90,974)	
	Sets	6,01,451)		5,29,091)	
	Nos. (100)	50,505)		32,225)	
	M.Tons	1,177)		971)	
Electrical Stampings	Kgs.	—)	4,67.01	—)	4,96.38
	Nos.	10,50,002)		10,96,990)	
Components Others	Nos.	9,14,902)	1,10.84	8,09,690)	1,01.13
	Sets	43)		1,565)	
	Nos. (100)	1,978)		1,020)	
Paints	Ltrs.	21,330)	97.78	19,714)	85.06
	Kgs.	39,739)		34,656)	
Others			8,64.24		4,05.24
			<u>1,04,93.74</u>		<u>61,85.71</u>

Imported and indigenous raw materials consumed:	%	Rs. lacs	Previous Year	
			%	Rs. lacs
Imported	0.61	64.46	4.13	2,55.24
Indigenous	99.39	1,04,29.28	95.87	59,30.47
	<u>100.00</u>	<u>1,04,93.74</u>	<u>100.00</u>	<u>61,85.71</u>

(b) Imported and indigenous stores, spare parts and tools consumed:

	%	Rs. lacs	Previous Year	
			%	Rs. lacs
Imported	—	—	—	—
Indigenous	100.00	5,25.33	100.00	2,08.36
	<u>100.00</u>	<u>5,25.33</u>	<u>100.00</u>	<u>2,08.36</u>

Schedule 14 - Contd.

21. Licensed and installed capacity and production:

Particulars	Unit	Licensed capacity		*Installed capacity		Production	
		2004-05	2003-04	2004-05	2003-04	2004-05	2003-04
		p.a.	p.a.	p.a.	p.a.		
Fans	Nos.	8,00,000	8,00,000	10,00,000	10,00,000	5,17,560	5,02,250
Parts & Accessories of Fans	Nos.	50,000	50,000	—	—	—	—
Fractional horse power motors	Nos.	—	6,000	—	—	—	—
Magneto Assemblies	Nos.	5,00,000	7,25,000	3,00,000	3,00,000	—	—
Parts & Accessories for Magneto	Nos.	25,000	25,000	25,000	25,000	—	—
Electric Motors	Nos.	25,000	25,000	—	—	—	—
Parts & Accessories for Electric Motors	Nos.	5,000	5,000	—	—	—	—
Dies made of Steel	Nos.	90	90	24	24	—	—
Parts & Accessories for Dies	Nos.	—	50	—	20	—	—
Power Generated				2.8	2.8	42,79,980	44,07,462
				MW	MW	KWH	KWH
Highmast Shafts**	Nos.			3,000	3,000	1,345	1,059
Swaged/Octagonal Poles**	Nos.			10,000	10,000	18,465	7,579
Lattice Mast/Transmission Line Towers/Others (Galvanising Job work etc.)**	M.Tons			22,525	22,525	23,705	21,382

* The installed capacity as certified by the Management, being a technical matter accepted by the Auditors as correct.

** The installed capacity is interchangeable based on business prospects.

22. Quantitative information regarding Opening and Closing Stock, Production excluding job work for outside parties, Purchases and Sales

Products	Opening Stock		Production Quantity	Purchases for Resale		Closing Stock		(Quantity in '000 pcs) Sales	
	Quantity	Value		*Quantity	Value	Quantity	Value	Quantity	Value
		Rs. lacs			Rs. lacs		Rs. lacs		Rs. lacs
1. Lamps	2087 (2453)	5,38.05 (5,55.28)		69828 (68265)	89,44.52 (82,39.02)	2875 (2087)	6,30.19 (5,38.05)	69040 (68631)	1,06,17.38 (99,42.49)
2. Fittings	360 (398)	13,13.54 (10,82.89)		6060 (4986)	1,35,71.25** (1,01,13.63)**	593 (360)	16,87.19 (13,13.54)	5827 (5024)	2,05,58.86 (1,49,28.41)
3. Galvanized Structure	***891 (497)	2,54.14 (1,76.05)	23399 (15995)	— (—)	— (—)	971 (891)	5,42.54 (2,54.14)	23319 (15601)	99,45.19 (41,41.20)
4. Appliances	177 (195)	11,82.50 (12,48.98)		1950 (1473)	1,10,08.75 (86,03.02)	292 (177)	19,86.84 (11,82.50)	1835 (1491)	1,42,11.70 (1,17,03.67)
5. Fans	135 (214)	8,74.17 (14,04.31)	517 (502)	944 (685)	59,42.96 (41,17.48)	222 (135)	15,60.24 (8,74.17)	1374 (1266)	1,16,97.94 (1,07,09.98)
6. Others		14.77 (69.78)			14.24 (1,00.05)		6.24 (14.77)		4,18.48 (6,31.69)
		<u>41,77.17</u> (45,37.29)			<u>3,94,81.73</u> (3,11,73.20)		<u>64,13.24</u> (41,77.17)		<u>6,74,49.55</u> (5,20,57.45)

* After adjusting breakages, excess/shortage, samples, etc.

** Including works contracts materials and payments to Sub-Contractors.

*** Figures are in Metric tones.

Note: Figures include value of spares but not quantity.

Figures in brackets pertain to previous year.

23. Miscellaneous Income includes Rs. 28.33 lacs (Previous Year Rs. 76.59 lacs) being the liabilities no longer payable.

Schedule 14 - Contd.

24. Premises & Vehicles Taken on Operating Lease:

The total future minimum lease rentals payable at the date of Financial Statements is as under:

	Rs. Lacs			Previous Year Rs. lacs		
	Rent	Lease Rent	Total	Rent	Lease Rent	Total
For a period not later than one year	2,33.10	80.34	3,13.44	1,94.98	64.72	2,59.70
For a period later than one year and not later than five years	9,12.88	2,29.23	11,42.11	7,42.30	2,40.35	9,82.65

25. Previous year's figures have been regrouped wherever necessary to make them comparable with those of the current year.

26. Statement of Abstract of Financial Statements and Company's General Business Profile, as compiled by the Company, is attached hereto.

27. Determination of Profits & Capital for computation of EPS:

	Rs. lacs	Previous Year Rs. lacs
A. Profit/(Loss) for the year after Tax & Prior Period Adjustments	13,65.60	10,30.72
Less: Preference Dividend	(1,13.07)	(1,24.09)
	12,52.53	9,06.63
B. Equity Shares of Rs. 10/- each		
For whole of the year	86.43	43.21
Shares allotted on 20.11.2003 on Rights basis	N.A.	43.22
E P S in Rs. = A/B (On pro-rata basis for shares issued during the year)		
Pre Rights Issue	N.A.	13.36
Post Rights Issue	N.A.	3.81
Total for the year	14.49	17.17

As per our report attached
For and on behalf of
Dalal & Shah
Chartered Accountants

Anish Amin
Partner

Mangesh Patil
Company Secretary

Shekhar Bajaj
Chairman & Managing Director

A. K. Jalan
Ajit Gulabchand
V. B. Haribhakti
Madhur Bajaj
D. B. Dhruv
H. R. Srivastava
Directors

Mumbai, 30th May, 2005

Mumbai, 30th May, 2005

Cash Flow Statement for the year ended 31st March, 2005

	Rs. Lacs	Rs. Lacs	Previous Year	
			Rs. Lacs	Rs. Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Profit/(Loss) before Tax		21,79.26		16,72.33
Less: Liability written back	(28.33)		(86.88)	
Add: Amounts written off	2,66.43		2,43.20	
Add : Loss/(Profit) on sale of assets	(46.73)	1,91.37	(11,91.78)	(10,35.46)
Net Profit/(Loss) before tax provision & extraordinary items		23,70.63		6,36.87
Adjustments for:				
Amortisation of Deferred Revenue Expenditure	65.08		2,96.04	
Depreciation	5,98.75		6,02.32	
Adjustment in Fixed Assets on account of Discontinued operations	2,21.42		—	
Interest on Loans	18,33.43	27,18.68	21,19.49	30,17.85
Interest Received		(1,95.84)		(2,54.36)
Dividend Received		(1.65)		(0.04)
Compensation under Voluntary Retirement Scheme		(15.03)		(98.97)
Operating Profit before Working Capital changes		48,76.79		33,01.35
Adjustments for (Increase)/Decrease in:				
Trade & Other Receivables (Gross before write-offs & making provision for doubtful recoveries)	(32,78.75)		(11,91.30)	
Inventories	(32,19.97)		3,60.51	
Increase/(Decrease) in Trade Payables before write-back	13,26.99	(51,71.73)	(16,94.31)	(25,25.10)
Cash Generated from Operations		(2,94.94)		7,76.25
Direct Taxes Paid		(2,82.70)		(31.37)
Prior Period Items		(18.49)		(1,05.29)
Net Cash from Operating Activities	(A)	(5,96.13)		6,39.59
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(7,36.33)		(3,48.60)	
Sale of Fixed Assets	6,39.66		14,76.17	
Assets Written-off	(24.33)		(34.07)	
Redemption/Diminution/(Purchase) of Investments	(1,000.77)		0.54	
Loan given to Company	6,94.13		—	
Interest Received	2,43.46		2,46.67	
Dividend Received	1.65	(1,82.53)	0.04	13,40.75
Net Cash Flow from Investing Activities	(B)	(1,82.53)		13,40.75

Cash Flow Statement - Contd.

	Rs. Lacs	Rs. Lacs	Previous Year	
			Rs. Lacs	Rs. Lacs
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from issue of share capital :				
Equity share capital	—		4,32.15	
Securities Premium Account	—		6,48.22	
Less: Share issue expenses	—		<u>(18.17)</u>	
	—		10,62.20	
Interest paid	(18,10.44)		(21,71.55)	
Proceeds from/(Repayment of) borrowings	28,11.63		(8,62.96)	
Dividends paid	(1,87.10)	8,14.09	<u>(1,12.00)</u>	<u>(20,84.31)</u>
Net Cash Flow from Financing Activities	(C)	8,14.09		<u>(20,84.31)</u>
Net Increase/(Decrease) in cash and cash equivalents	(A+B+C)	35.43		<u>(1,03.97)</u>
Cash and cash equivalents as at 1.4.2004		16,35.36		17,39.33
Cash and cash equivalents as at 31.3.2005		16,70.79		16,35.36

As per our report attached
For and on behalf of
Dalal & Shah
Chartered Accountants

Anish Amin
Partner

Mangesh Patil
Company Secretary

Shekhar Bajaj
Chairman & Managing Director

A. K. Jalan
Ajit Gulabchand
V. B. Haribhakti
Madhur Bajaj
D. B. Dhruv
H. R. Srivastava
Directors

Mumbai, 30th May, 2005

Mumbai, 30th May, 2005

bajaj electricals limited

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

9887

State Code 11

Balance Sheet Date

31 03 2005

Date Month Year

II. Capital Raised during the year (Rs. '000s)

Public Issue

Nil

Right Issue

Nil

Bonus Issue

Nil

Private Placement

Nil

III. Position of Mobilisation and Deployment of Funds (Rs. '000s)

Total Liabilities

2,578,489

Total Assets

2,578,489

Sources of Funds

Paid Up Capital

186,429

Reserves & Surplus

632,702

Secured Loans

1,215,311

Unsecured Loans

466,503

Deferred Tax Balance

77,544

Application of Funds

Net Fixed Assets

875,974

Investments

149,662

Net Current Assets

1,540,496

Miscellaneous Expenditure

12,357

IV. Performance of Company (Rs. '000s)

Turnover

6,496,345

Total Expenditure

6,296,212

Profit / (Loss) Before Tax

217,926

Profit / (Loss) After Tax

138,408

Earning Per Share in Rs.

14.49

Dividend Rate %

30%

V. Generic Names of Principal Products/Services of Company

Item Code No. (ITC Code)

Product Description

1. 841451.02

Ceiling Fans

2. 853910.00

Filament Lamps excluding
Ultra Violet or Infra Red Lamps

3. 851640.00

Electric Irons

4. 730820.01

Galvanized Structures

For and on behalf of the Board of Directors

Mumbai, 30th May, 2005

Shekhar Bajaj
Chairman & Managing Director

Financial Position at a Glance

As at In lacs of Rupees	31st March 2005	31st March 2004	31st March 2003	31st March 2002	31st March 2001
We Owned :					
Fixed Assets after deducting depreciation	87,59.74	97,33.32	1,04,06.71	1,09,65.35	1,16,75.44
Investments, Advances and Deposits	43,43.59	46,65.50	52,24.19	64,75.85	57,29.62
Materials and Products for use or sale	87,40.44	55,20.47	58,80.98	43,30.87	53,74.70
Amount due from Customers	1,85,03.21	1,48,85.63	1,37,12.62	1,18,91.12	1,15,21.60
Deferred Tax Asset (Net)	—	—	2,55.06	—	—
Cash and Bank Balances	16,70.79	16,35.36	17,39.33	13,78.02	13,75.68
Advance Payment of Tax (Net)	2,33.57	1,50.01	2,58.73	2,70.88	1,88.41
Total :	<u>4,22,51.34</u>	<u>3,65,90.29</u>	<u>3,74,77.62</u>	<u>3,53,12.09</u>	<u>3,58,65.45</u>
 We Owed :					
To Banks	61,99.07	47,31.27	49,69.48	49,34.42	38,61.60
To Others for Deposits & Loans	1,06,19.07	92,75.24	98,99.99	95,72.35	1,19,93.34
For Materials, Expenses, etc.	1,63,21.20	1,49,89.29	1,68,96.09	1,38,44.47	1,21,46.57
For Deferred Tax Liability (Net)	7,75.44	1,55.26	—	2,25.86	—
For Dividends	2,68.82	96.63	12.20	12.41	76.36
Total :	<u>3,41,83.60</u>	<u>2,92,47.69</u>	<u>3,17,77.76</u>	<u>2,85,89.51</u>	<u>2,80,77.87</u>
 Net Worth :					
Share Capital	18,64.29	18,64.29	14,32.14	14,32.14	14,32.14
Reserves (Net of Deferred Revenue Expenditure)	62,03.45	54,78.31	42,67.72	52,90.44	63,55.44
Total :	<u>80,67.74</u>	<u>73,42.60</u>	<u>56,99.86</u>	<u>67,22.58</u>	<u>77,87.58</u>

■ APPLIANCES

Irons

- DX5 Nonstick, DX5 Teflon, DX7, DX9, Light Weight, Glider, Popular, MX3, MX7, MX8, MX9, MX10, MX12

Toasters

- Pop-up, Easypop, Digipop, Auto pop, Toastmaster (Metalic), Majesty 2 Grill, Snackmaster

OTGs

- 600 QT, 1602T, 1600 EC3, 1602T SS, 1600 T3, 2200 T, 2200T SS, 2200 TM, 3400 TM, 3400 TMC

Electric Kettles

- 1 Ltr, 1.7 Ltrs.

Cooler

- PC 2000, PC2000 DLX, TC2003, DC2000, DC2000 DLX, MD2000, DB2000, SB2003, DC2004, RC2004T

Room Heaters

- Minor, Flashy, Deluxe, Blow Hot, RX8, RX10, RX11, Majesty Fan Heater, Majesty Heat Convector, OFR 7, OFR 9, OFR 9F, OFR 11, OFR 11F, RPX 7, RPX 9, RPX 10RT

Storage Water Heaters

- Energy Smart Range (Metal Body): 6, 10, 15, 25, 35, 50 Ltrs.-Vertical / Horizontal.
Majesty Range (Plastic Body): 6, 10, 15 and 25 Ltrs. Vertical
Majesty IQ Range (Plastic Body): 15, 25, 35 Ltrs.- Vertical / Horizontal
Shakti (Metal body): 10, 15, 25 Ltrs.-Vertical/Horizontal

Instant Water Heaters

- Metal Body: Mark I & Mark II in 1 Ltr, Mark-VII in 3 Ltrs,
Plastic Body: Majesty in 1 Ltr and 3 Ltrs,
Plastic Body: Majesty IQ (Dual Heating) in 1 Ltr, Aquatherm Instant Gas Water Heater

Immersion Heaters

- 1, 1.5 & 2KW Fixed Type

Microwave Oven

- 2001 ETB, 2301 ETB, 2502 ETC, 2801 ETB

Mixers

- GX-07, GX-08, GX-10, GX-15, GX-21 and Winner Mixer Grinders
JX-03, JX-05, JX-10 JMG
Majesty Juice Extractor
Citrus Juicer
Hard Blenders – HB01, HB02 and HB03

Range of Products

Gas Stoves

- Popular, AX1, AX2, AX3, AX4 in 2, 3 & 4 Burner Models,
iX2, iX3 Models in 2 & 3 Burners with Auto Ignition

Rice Cookers

- RCX 7, RCX 10, RCX15

Water Filters

- Aqualife Stainless Steel Stationary Water Filter Models in 18, 20 & 26 Ltrs. Regular, Lo-hite & Silver Supreme Water Filter Candles. Aquanaturale Stationary Water Purifier

■ MORPHY RICHARDS

Irons

- Dry and Steam Irons – Glide, Swift, Super Glide, Voyager, Turbo Anti Scale, Turbo Blue, Mirage and Comfigrip Professional Plus, Comfigrip Pro & Comfigrip Digital.

Toasters

- Sandwich Toasters – Toast and Grill, Triangular, Grill Plate, Essentials,
Toasters – Essentials Pop-up Toasters – 2 Slice/4 Slice.

Coffee-Tea Makers

- Coffee Makers – Europa Espresso, Cappuccino with frother, Cafe Rico Filter, Cafe Rico Espresso
- Tea Maker

Hand Blenders

- Double Speed – 200W
300W SS Stick
300W Chopper
300W SS Stick with Chopper
300W with Chopper & Whisker

Food Processor

- Select 600

Mixer Grinders

- Icon Deluxe, Classique & Essentials

Juicer Mixer Grinders

- Maestro & Essentials

Juicer

- Citrus Juicer

Oven Toaster Grillers

- OTG 09, OTG 09 SS, OTG 14, OTG 14 SS, OTG 28, OTG 28 SS, OTG 28R, OTG 28R SS, OTG 28 C, OTG 28C SS and OTG 28 RC

Hair Dryers

- Basic, Travel and Advance models, with attractive colour combinations (8 models)

Range of Products

■ LAMPS

General Lighting Service Lamps

- 25W to 200W Standard Clear Lamps
- 40/60/100W Softlite & Frosted Lamps

Special Incandescent Lamps

- 15W Clear, Night, Decoration Lamps, Pigmy and Candle Lamps
- 40W Coloured Spot Lux Lamps
- 40W, 60W, 75W, 100W, 150W Spot Lux Lamps

H.W. Lamps

- 300W & 500W GES Lamps

Fluorescent Lamps

- 18W, 20W, 36W & 40W Trulux

Miniature Lamps

- Flashlight – Focus & Prefocus (Vacuum & Krypton)

Compact Fluorescent Lamps

(Cool White/Warm White)

- Non-retrofit Range – 9W & 11W (S Type)
10W, 13W & 18W (D Type)
36W BLL
- Retrofit Range – 5W, 8W, 9W, 11W, 15W & 20W
(EL Type – Tubular)
11W, 15W, 23W & 26W
(EL Type – Spiral)

Consumer Luminaires

- Range of luminaires suitable for compact fluorescent lamps and fluorescent lamps.

■ HID LAMPS

High Pressure Mercury Vapour Lamps

- 50W, 125W, 250W & 400W

Blended Light Lamps

- 60W & 250W

Low Pressure Sodium Vapour Lamp

- 35W

High Pressure Sodium Vapour Lamps

- 70W, 150W, 250W, & 400W

Metal Halide Lamps

- Single Ended: 50W, 70W, 100W, 150W, 175W, 250W & 400W
- Double Ended: 70W & 150W

■ LUMINAIRES

Commercial Decorative Lighting

- CFL / FTL / T5 / MH lamp decorative luminaires in various sizes and designed with different types of louvers, diffusers, Mirror optic reflectors suitable for Surface, Recess and Suspension mounting.

Range of Products

Legend

- New range of Clean room luminaires for Healthcare sector application.
- New range of CFL / FTL / T5 luminaires with 3D Lamellae Technology is introduced for IT Park, Offices, Banks and Shopping Mall applications, suitable for Surface, Semi-recess, Recess and Suspension mounting.
- New range of CFL/FTL/T5 luminaires with Dimmable Electronic ballast for Auditorium, Conference room and Art Gallery lighting.

Ambience

- New range of PAR/QAR/QT/LED/CFL/luminaires introduced for retail lighting application.

Industrial Lighting

- FTL / T5 Industrial luminaires in various sizes and designed with different reflectors and cover glass to meet all industrial applications.
- HID lamp Industrial Highbay luminaires with stepped, faceted and reeded reflectors having unique GLASKOTE finish available for HPMV / HPSV / MH lamps.

Hazardous Area Lighting

- GLS / FTL / HID lamp Flameproof / Increased safety luminaires in various sizes, designed for Indoor / Outdoor applications used in Chemical, Petrochemical, Fertilizer plants etc.

Roadway Lighting

- CFL / FTL / HID lamp Street light / Post Top Lantern / Indirect lighting / Semi highmast luminaires in various sizes, with aluminium anodised reflector / GLASKOTE reflector to illuminate all types of Roads, Junctions, Parks and Gardens.

Renaissance

- New range of CFL / HID lamp walkover luminaires introduced for Gardens, Landscapes, Resorts and Parks etc.

Le Magique

- New range of PAR/DH/LED/CFL/luminaires introduced for landscape lighting application.

Range of Products

Area Lighting	<ul style="list-style-type: none">– Halogen / HID lamp Non-Integral / Integral Flood Light luminaires in various sizes and configurations, with aluminium anodised reflector, GLASKOTE reflector for all types of outdoor applications like Sports arenas, Apron lighting and Railway marshalling yard etc.
Accessories	<ul style="list-style-type: none">– Accessories for complete range of luminaires i.e. CFL / FTL / HPMV / LPSV / HPSV / MH Ballasts, Starters, Ignitors, Lamp Holders, Starter holders, Capacitors, Nature Switch and Trend Setter etc.
Energy Conservation Concepts	<ul style="list-style-type: none">– T5 Attache for FTL lamps and Energy Pack for Outdoor luminaires and Magic Box for HPSV Lamp luminaires to save energy.
■ ENGINEERING & PROJECTS SERVICES	<ul style="list-style-type: none">– Design, Engineering and Turnkey Execution of Illumination and Power Projects, including Fibre Optic Lighting, Energy Management Systems, Highmast Systems, Signages, Telecommunication Towers, Transmission Line Towers, Wind Energy Towers, Sub-station Structures, Galvanised Polygonal / Tubular Street Lighting Poles, Cast Iron Poles, Mobile Lighting Masts, Hot-Dip Galvanising and Construction of Transmission Lines.
■ FANS	
Ceiling Fans	<ul style="list-style-type: none">– Euro, Crown, Regal, Regal Gold, Grace HS / Grace DHS, Grace Gold DHS, Grace Gold DLX, Ultima, Maxima, Bahar, Crown Dx, Utima D'ziner, Marvel, Elegance, Kalash, Crystal, Victor, Bahar Deco, Boxer Magnifique Range (5 models)
Table Fans	<ul style="list-style-type: none">– Ultima 400mm, Grace 400mm Bahar Dx 400mm
Freshair Fans	<ul style="list-style-type: none">– Bahar (Size 225 mm 305 mm)
Pedestal Fans	<ul style="list-style-type: none">– Grace 400mm, 450mm Faratta 500mm
Wall Fans	<ul style="list-style-type: none">– Grace 400mm

Range of Products

Bajaj Midea Fans:

- | | | |
|----------------------------|---|---------------|
| Table Fans | – BT-01, BT-02, BT-04, BT-05 | (Size 400 mm) |
| Wall Fans | – BW-04, BW-01-12 | (Size 400 mm) |
| Pedestal Fans | – BP-04, BP-05 | (Size 400 mm) |
| Maxima Exhaust Fans | – Maxima DX (Size 150 mm, 200 mm,
250 mm, 300 mm)
Maxima DX-R (Size 150 mm, 200 mm) | |