



Bata

Annual Report 2004



BATA INDIA LIMITED

Board of Directors

P M Sinha	Chairman w.e.f. April 16, 2004.
C Salameh	Chairman up to April 16, 2004.
S J Davies	Managing Director (Resigned w.e.f. February 11, 2005)
P K Nag	Dy. Managing Director w.e.f. April 16, 2004.
J Singh	Director – Marketing & Commercial
V Narayanan	
A K Thakur	Nominee of U.T.I. w.e.f. December 11, 1996.
N Kumar	Resigned w.e.f. February 2, 2005.
P K Khaitan	Resigned w.e.f. February 10, 2004.
A L Mudaliar	Resigned w.e.f. March 10, 2004.
C Morzaria	Resigned w.e.f. March 10, 2004.
Dr. Amit Mitra	Appointed w.e.f. February 2, 2005.
N Sankar	Appointed w.e.f. February 2, 2005.
Shaibal Sinha	Appointed as Finance Director w.e.f. February 2, 2005.
Marcelo Villagran	Appointed as Managing Director designate w.e.f. February 11, 2005.

Audit Committee

V Narayanan	Chairman
P M Sinha	Member
A K Thakur	Member
C Salameh	Member

Remuneration Committee

P M Sinha	Chairman
A K Thakur	Member
C Salameh	Member
N Sankar	Member

Shareholders' Grievance Committee

A K Thakur	Chairman
P K Nag	Member

Vice-President & Company Secretary

A B Anand

Executive Committee

M Villagran
P K Nag
S Sinha
J Singh
E Tonolli
AHM Ehsanuzzaman
P Dasgupta

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Auditors

S R Batliboi & Co.
Chartered Accountants
22, Camac Street, Block 'C'
3rd Floor, Kolkata - 700 016

Cost Auditors

Mani & Co.
Cost Accountants
"Ashoka", 111, Southern Avenue
Kolkata 700 029.

Bankers

State Bank of India
ICICI Bank Ltd.
HDFC Bank Ltd.

Solicitors

Khaitan & Co.

Registrar

A Banerjee
Telephone : (033) 2227-8716
E-mail : sharedept@bataindia.com

Share Transfer Agents

AMI Computers India Ltd.
60A & B, Chowringhee Road
Kolkata 700 020.

Telephone : (033) 2280-0900/0812 & 5550-1576

Fax : (033) 2280-0900

E-mail : amicomputer@vsnl.net

Registered Office

6A, S.N. Banerjee Road
Kolkata 700 013.
Telephone : (033) 2244-3416-18/0456
Fax : (033) 2227-7418
E-mail : batacal@bataindia.com
Website : www.bataindia.com



BATA INDIA LIMITED

Registered Office : 6A, S.N. Banerjee Road, Kolkata-700 013.

NOTICE FOR CONVENING THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventy-second Annual General Meeting of the Members of Bata India Limited will be held on Monday, June 27, 2005 at 10.30 a.m. at KALAMANDIR, 48, Shakespeare Sarani, Kolkata 700 017, to transact the following business :

1. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended December 31, 2004, the Balance Sheet as on that date and Directors' and Auditors' Report thereon.
2. To elect Directors in place of those who retire by rotation. Mr. C Salameh and Mr J Singh retire by rotation and being eligible, offer themselves for re-election.
3. To appoint Auditors and to fix their remuneration and to pass, with or without modification, the following resolution, which will be proposed as an Ordinary Resolution.

"RESOLVED that Messrs. S.R. Batliboi & Co., Chartered Accountants, be and are hereby re-appointed as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Audit Committee of the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditors."

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions :

4. **(As Ordinary Resolution)**
"RESOLVED that **Dr. Amit Mitra** be and is hereby appointed a Director of the Company pursuant to Section 257(1) of the Companies Act, 1956."
5. **(As Ordinary Resolution)**
"RESOLVED that **Mr N Sankar** be and is hereby appointed a Director of the Company pursuant to Section 257(1) of the Companies Act, 1956."
6. **(As Ordinary Resolution)**
"RESOLVED that **Mr Shaibal Sinha** be and is hereby appointed a Director of the Company pursuant to Section 257(1) of the Companies Act, 1956."
7. **(As Ordinary Resolution)**
"RESOLVED that **Mr Marcelo Villagran** be and is hereby appointed a Director of the Company pursuant to Section 257(1) of the Companies Act, 1956."
8. **(As Special Resolution)**
"RESOLVED THAT subject to the approval of the Central Government and such other permissions and approvals as may be required, and pursuant to the provisions of Section 198, 269, 309, 310 & 311 and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as 'the Act'), read with Schedule XIII of the Act, the Board hereby accords its approval for the appointment and entering into an Agreement with **Mr Shaibal Sinha** as **Finance Director** of the Company or with such other designation or designations as the Board may determine and deem fit to give Mr Sinha from time to time for a period of five years **with effect from February 2, 2005** or such other date as may be mutually agreed upon on such terms and conditions as to remuneration, by way of salary, commission and perquisites provided that the total remuneration (including all perquisites) fall



within the overall ceiling of 5% or 10% of the net profits of the Company calculated in the manner specified in the Act, provided further that in the event where in any financial year during the currency of tenure of Mr Sinha the Company has no profits or its profits are inadequate, it may pay a remuneration to Mr Sinha the total of which shall not exceed the ceiling limit as provided in Part II of Section II of Schedule XIII of the Act or such other amounts as may be specified by the Government from time to time by any amendment to the Act."

"FURTHER RESOLVED that in the event of any relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors on the recommendation of the Remuneration Committee be and is hereby authorised to increase the remuneration and/or perquisites of Mr. Sinha, if they in their absolute discretion think fit, within such guidelines or ceilings subject to such approvals of the Central Government or any other authority wherever applicable."

9. **(As Special Resolution)**

"RESOLVED THAT subject to the approval of the Central Government and such other permissions and approvals as may be required, and pursuant to the provisions of Section 198, 269, 309, 310 & 311 and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as 'the Act'), read with Schedule XIII of the Act, the Board hereby accords its approval for the appointment and entering into an Agreement with **Mr Marcelo Villagran as Managing Director** of the Company or with such other designation or designations as the Board may determine and deem fit to give Mr Villagran from time to time for a period of five years **with effect from February 11, 2005** or such other date as may be mutually agreed upon on such terms and conditions as to remuneration, by way of salary, commission and perquisites provided that the total remuneration (including all perquisites) fall within the overall ceiling of 5% or 10% of the net profits of the Company calculated in the manner specified in the Act, provided further that in the event where in any financial year during the currency of tenure of Mr Villagran the Company has no profits or its profits are inadequate, it may pay a remuneration to Mr Villagran the total of which shall not exceed the ceiling limit as provided in Part II of Section II of Schedule XIII of the Act or such other amounts as may be specified by the Government from time to time by any amendment to the Act."

"FURTHER RESOLVED that in the event of any relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Board of Directors on the recommendation of the Remuneration Committee be and is hereby authorised to increase the remuneration and/or perquisites of Mr Villagran, if they in their absolute discretion think fit, within such guidelines or ceilings subject to such approvals of the Central Government or any other authority wherever applicable."

10. **(As Special Resolution)**

"RESOLVED that subject to such consents, permissions and approvals as may be required, and pursuant to the provisions of Sections 198, 269, 309, 310 & 311 and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as 'the Act'), read with Schedule XIII of the Act, the Company hereby accords its approval for the payment of remuneration to **Mr Jaswant Singh** as Director – Marketing & Commercial or with such other designation or designations as the Board may determine and deem fit for Mr Singh from time to time for a further period of three years with effect from August 1, 2005 or such other date(s) as may be mutually agreed upon on such terms and conditions as to remuneration by way of salary, commission and perquisites, as set out in the Explanatory Statement annexed hereto provided that the total remuneration (including all perquisites) shall fall within the overall ceiling of the net profits of the Company calculated in the manner specified in the Act, provided further that in the event where in any financial year during the currency of tenure of Mr Singh, the Company has no profits or its profits are inadequate, it may pay a remuneration to Mr Singh, the total of which shall not exceed the ceiling limit as provided in Section II of Part II of Schedule XIII of the Act or such other amounts as may be specified by the Government from time to time by any amendment to the Act provided further that Mr Singh's office as Wholtime Director – Marketing & Commercial of the Company may be, if so required, be considered as an office which is liable to determination by retirement of Directors by rotation irrespective of the provisions of Article 96 of the Articles of Association of the Company."



"FURTHER RESOLVED that in the event of any relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Remuneration Committee, be and is hereby authorised to recommend to the Board of Directors to increase the remuneration and/or perquisites of Mr Singh, if they in their absolute discretion think fit, within such guidelines or ceilings subject to such approvals of the Central Government or any other authority wherever applicable and for which consent of the Company as required under various provisions of the Companies Act, 1956, be and is hereby granted."

11. (As Special Resolution)

"RESOLVED that subject to such consents, permissions and approvals as may be required, and pursuant to the provisions of Section 198, 269, 309, 310 & 311 and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as 'the Act'), read with Schedule XIII of the Act, the Company hereby accords its approval for the payment of remuneration to **Mr P K Nag** as Deputy Managing Director or with such other designation or designations as the Board may determine and deem fit for Mr Nag from time to time for a period of three years with effect from July 1, 2005 or such other date as may be mutually agreed upon on such terms and conditions as to remuneration by way of salary, commission and perquisites, as set out in the Explanatory Statement annexed hereto provided that the total remuneration (including all perquisites) shall fall within the overall ceiling of the net profits of the Company calculated in the manner specified in the Act, provided further that in the event where in any financial year during the currency of tenure of Mr Nag, the Company has no profits or its profits are inadequate, it may pay a remuneration to Mr Nag, the total of which shall not exceed the ceiling limit as provided in Section II of Part II of Schedule XIII of the Act or such other amounts as may be specified by the Government from time to time by any amendment to the Act."

"FURTHER RESOLVED that in the event of any relaxation by the Central Government in the guidelines or ceilings on managerial remuneration, the Remuneration Committee, be and is hereby authorised to recommend to the Board of Directors to increase the remuneration and/or perquisites of Mr Nag, if they in their absolute discretion think fit, within such guidelines or ceilings subject to such approvals of the Central Government or any other authority wherever applicable and for which consent of the Company as required under various provisions of the Companies Act, 1956, be and is hereby granted."

12. (As Special Resolution)

"RESOLVED that pursuant to Clause 49 of the Listing Agreement, Article 75 of the Articles of Association of the Company, Section 309, 310 and all other applicable provisions of the Companies Act, 1956, the Company hereby accords its approval to the payment of sitting fees and commission to its non executive directors within the limits as may be notified by the Central Government from time to time."

13. (As Special Resolution)

"RESOLVED that pursuant to the provisions of Section 391 and 394 of the Companies Act 1956, and any other applicable provisions, if any, and point no. 6 of Part III of the Schemes of Arrangement between the Company and BDCL Enterprises Private Limited and Fashion Shoe Private Limited both dated 24th May 2002, consent of the Company be and is hereby given to the Board of Directors to withdraw from the said Schemes of Arrangement as approved by the shareholders at the Extra Ordinary General Meeting held on 8th July 2002."

"FURTHER RESOLVED that the consent of the Company be and is hereby given to the Board of Directors to adopt any other measure or recourse for restructuring the Faridabad and Mokamehghat units so as to make them viable."

By Order of the Board

Gurgaon,
March 30, 2005.

A B ANAND
Vice-President & Company Secretary



NOTES

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in relation to the Special Business of the Meeting is annexed hereto and forms part of this Notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
3. The Share Transfer Books and Register of Members of the Company will remain closed from June 7, 2005 to June 27, 2005 (both days inclusive).
4. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall.
5. Members, who hold shares in de-materialised form are requested to bring their client I.D and DP ID Nos. for easier identification of attendance at the meeting.
6. A member desirous of getting any information on the accounts or operations of the Company, is requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
7. Members holding shares in physical form are requested to notify immediately any change in their address and Bank particulars to the Company or its Share Transfer Agents and in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company /STA, without any delay.
8. In all correspondence with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialised form, they must quote their DP I.D and Client I.D. Number.
9. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. The prescribed Form (Form 2B) can be obtained from the Share Department of the Company. Members desiring to avail this facility, may send their Nomination Form duly filled in, to the Company or its Share Transfer Agents by quoting their respective Folio Numbers.
10. Investors/Shareholders are requested to kindly note that if physical documents viz Demat Request Forms (DRF) and Share Certificates etc. are not received from their DP's by the Registrar within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected/cancelled. This step is being taken on the advice of National Securities Depository Limited (NSDL) so that no demat request remains pending beyond a period of 21 days. Upon rejection/cancellation of the DRN, a fresh DRF has to be forwarded along with the Share Certificates by the DP's to the Registrar. This note is only to caution investors/shareholders that they should ensure that their DP's do not delay in sending the DRF and share certificates to the Registrar after generating the DRN.
11. Information u/s. 205A read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 as amended is given below :
 - i) Pursuant to Section 205 of the Companies Act, 1956, all unclaimed/unpaid dividends up to the financial year ended 31.12.1993 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal, 234/4, A.J.C Bose Road, Kolkata 700 020, by submitting an application in the prescribed Form.
 - ii) Consequent upon amendment of Section 205A, of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining un-paid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

Members who have not yet encashed their dividend warrant(s) for the financial year ended 31.12.1998 and onwards, are requested to claim the amount forthwith from the Company.



ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956.

ITEM NO. 2

(A) Re-election of Mr C Salameh (48) (Resume)

Mr Salameh has worked for 19 years with Hewlett Packard, which he joined in 1984. He has worked in a number of senior management positions in this Company in sales, marketing and financial services in Europe and Asia Pacific. The last two positions held in Hewlett Packard were Vice-President and Managing Director of Financial Services in Asia Pacific (1996-1999) and in Europe, Middle East and Africa (2000-2003) with full P & L responsibilities for a US\$ 2.5 billion financing business.

Mr Salameh completed his University degrees from King's College, England (B.Sc Engg. with 1st class honours in 1979), M. Sc. Engg. from M.I.T. in 1980 and his MBA from Stanford University (USA) in 1984. His board affiliations are with Pharmalat International, the American University of Beirut and the University of Geneva. Mr Salameh frequently addresses external audiences – including the Management Centre Europe, Euromoney, International Technology Management, Asia International and World Bank Conferences on operational aspects of captive finance entities, business planning and financial management practices from a global perspective.

The Board recommends the re-election of Mr C Salameh as a Director of the Company.

None of the Directors are concerned or interested in the re-election of Mr Salameh.

Mr Salameh may, however, be deemed to be concerned or interested in this resolution to the extent of his re-election to the office of a Director on the Board of this Company.

(B) Re-election of Mr Jaswant Singh (54) (Resume)

Mr Singh joined the Company in 1971 as a Management Trainee – Marketing and had also undertaken training for 18 months in the Retail and Wholesale Departments. In the year 2000, he was made Managing Director, Bata Shoe Co. Uganda Limited, which position he held till his transfer to Bata India Limited in the year 2002. Mr. Singh has wide experience in Retail, Wholesale, Brand Management, Production, Merchandising and General Management. During his career he has attended various courses being MARKETCO, Moussey, France, 1983, ADVANCO, Chicago, Toronto, 1990, EMP (Executive Management Prog.) NYC, Toronto, 1998, Company Managers Prog. Toronto, 2000 and has represented the Company at several Shoecons, namely Milan, Padova, Prague and Chicago. Mr Singh was awarded an Achievement Award by Mr Thomas G Bata at Milan in 1990 for North Star.

The Board recommends the re-election of Mr Jaswant Singh as a Director of the Company.

None of the Directors are concerned or interested in the re-election of Mr Jaswant Singh.

Mr Singh may, however, be deemed to be concerned or interested in this resolution, to the extent of his re-election to the office of a Director on the Board of this Company.

ITEM NO. 4

At a meeting of the Board of Directors of the Company held on February 2, 2005, Dr Amit Mitra (57) was appointed as an Additional Director in terms of the provisions of the Companies Act and Article 79 of the Articles of Association of the Company.

Dr Amit Mitra did his Masters in Economics from Delhi School of Economics in 1970 and further attained the Doctorate Degree in Economics from Duke University, USA in 1978. Later he taught in major Universities in the United States for over a decade and received the prestigious Sears-Roebuck Foundation Award for Distinguished Teaching, 1990. Furthermore, he has wide Post Doctoral Research experience as senior consultant and has undertaken many commissioned research projects of importance from various national and international organizations.



He is on the Board of Directors of Steel Authority of India Limited (SAIL) - the largest steel manufacturer of India, on the Board of GAIL (India) Limited - the largest Gas infrastructure company of India, on the Board of Principal Pnb Asset Management. He is also a Member on the Advisory Board of The India Fund of The Unit Trust of India (UTI), Member, Central Advisory Committee, Central Electricity Regulatory Commission, Member, Central Listing Authority, established by the Securities and Exchange Board of India (SEBI), Member, Life Insurance Council, Member of the "India-China Eminent Persons Group" from the Indian side, and Member, Advisory Committee to Union Commerce Minister of India on International Trade (WTO), and Member of the "Indo - EU Roundtable" from the Indian side (initiated by Government of India and the EU). He was appointed in the two-member Committee by the Department of Revenue, Ministry of Finance, Govt. of India for suggesting Alternative Scheme of Collecting Excise Duties. He is a member of the Group/Committee to examine and recommend modalities for the integration of User, Defence Ministry and the Indian Industry in the acquisition of specific product needed by the Armed Forces, constituted by the Defence Ministry. He is also represented on various Sectoral Committees/Sub-Groups constituted by the National Manufacturing Competitive Council and the Planning Commission. He was also the Chairman of the Radio Broadcast Policy Committee, set up in the recent past, by the Ministry of Information & Broadcasting, Government of India.

Dr Mitra's candidature for Directorship of the Company has been proposed by a shareholder pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs 500/-. The Board considers that the Company will benefit from the association of Dr Mitra, and recommends the resolution for your approval.

The notice of the shareholder received by the Company, pursuant to Section 257 of the Companies Act, 1956 referred to above is available for inspection during office hours.

None of the Directors are concerned or interested in the resolution.

Dr Mitra may, however, be deemed to be concerned or interested in this resolution and his appointment.

ITEM NO. 5

At a meeting of the Board of Directors of the Company held on February 2, 2005, Mr N Sankar (59) was appointed as an Additional Director in terms of the provisions of the Companies Act and Article 79 of the Articles of Association of the Company.

Mr N Sankar holds a Masters Degree in Chemical Engineering from the Illinois Institute of Technology, Chicago, USA. He is the Chairman of The Sanmar Group and its associates, operating in diverse areas such as Chlorochemicals, Speciality Chemicals, Shipping, Engineering, Insurance, and Cement. Along with its associates, the group's turnover is close to Rs.3000 crores.

The Sanmar Group has long-standing and well-established joint ventures with leading international corporations like Emerson Electric, Tyco, Flowserve and Cabot of the USA, and AMP of Australia. Over the years the group has had over thirty joint ventures, and while many of them are no longer in force, the separations have always been cordial. The number of joint ventures currently is nine, including one of thirty years standing, all of which bear testimony to the group's uniquely successful joint venture management style.

Mr Sankar serves on the Board of a few institutions outside the group, such as F.L. Smidth Limited.

Over the years, Mr Sankar has held office in several public bodies representing trade and industry : President – Assocham; Chairman – Indo-US Joint Business Council; etc.

He has also received awards recognizing his services to business and industry, including the 'Lala Shriram National Award for Leadership in Chemical Industry' from the Indian Institute of Chemical Engineers.

Mr Sankar is involved with the management of many educational and charitable organizations. A keen sportsman, he has been the Vice President of the All India Tennis Association and President of the Tamil Nadu Cricket and Tennis Associations.

Mr Sankar has been the Honorary Consul General for Denmark in South India since 1989 and was awarded the 'Knight of the Order of the Dannebrog' by the Danish Government in recognition of his services.



Mr Sankar's candidature for Directorship of the Company has been proposed by a shareholder pursuant to Section 257 of the Companies Act, 1956 along with deposit of Rs 500/-. The Board considers that the Company will benefit from the association of Mr Sankar and recommends the resolution for your approval.

The notice of the shareholder received by the Company, pursuant to Section 257 of the Companies Act, 1956 referred to above is available for inspection during office hours.

None of the Directors are concerned or interested in the resolution.

Mr Sankar may, however, be deemed to be concerned or interested in this resolution and his appointment.

ITEM NO. 6

At a meeting of the Board of Directors of the Company held on February 2, 2005, Mr Shaibal Sinha (42) was appointed as an Additional Director in terms of the provisions of the Companies Act, 1956 and Article 79 of the Articles of Association of the Company.

Mr Shaibal Sinha completed his CA in 1986 and has been with Eicher Ltd, Toyota in Muscat, Shaw Wallace and Company Ltd, his last assignment being with Reckitt Benckiser in UK and India, where he has worked for the last eight years.

Mr Sinha's candidature for Directorship of the Company has been proposed by a shareholder pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/-. The Board considers that the Company will benefit from the association of Mr Sinha and recommends the resolution for your approval.

The notice of the shareholder received by the Company pursuant to Section 257 of the Companies Act, 1956 referred to above, is available for inspection during office hours.

None of the Directors are concerned or interested in the resolution. Mr Sinha may, however, be deemed to be concerned or interested in this resolution and his appointment.

ITEM NO. 7

At a meeting of the Board of Directors of the Company held on February 11, 2005, Mr Marcelo Villagran (61) was appointed as an Additional Director in terms of the provisions of the Companies Act, 1956 and Article 79 of the Articles of Association of the Company.

Mr Marcelo Villagran is a Bata veteran with more than 34 years with Bata and was running one of the most successful companies Bata – Chile before he joined the Company. He has enormous operating and sales experience. He is a commercial engineer and a Bachelor of Business Administration.

Mr Marcelo Villagran's candidature for Directorship of the Company has been proposed by a shareholder pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/-. The Board considers that the Company will benefit from the association of Mr Villagran and recommends the resolution for your approval.

The notice of the shareholder received by the Company pursuant to Section 257 of the Companies Act, 1956 referred to above, is available for inspection during office hours.

None of the Directors are concerned or interested in the resolution. Mr Villagran may, however, be deemed to be concerned or interested in this resolution and his appointment.

ITEM NO. 8

At a meeting of the Board of Directors of the Company held on February 2, 2005, Mr Shaibal Sinha was appointed as the Finance Director of the Company with effect from the same date. At the Remuneration Committee Meeting held earlier during the day the following recommendation was made to the Board on the remuneration package of Mr Sinha as Finance Director which the Board accepted unanimously.

While considering the appointment of Mr Sinha, the Board took into consideration that Mr Sinha is a Chartered Accountant (1986) and has been with Eicher Ltd, Toyota in Muscat, Shaw Wallace and Company Ltd, his last assignment being with Reckitt Benckiser in UK and India, where he has worked for the last eight years.