

# **BAJAJ CONSUMER CARE LTD.**



**63<sup>rd</sup> Annual Report  
2003-04**

# bajaj consumer care ltd.

## DIRECTORS' REPORT

The Directors of the company present their Sixty Third Annual Report and the Audited Statement of Accounts for the year ended 31st March 2004.

### 1. FINANCIAL RESULTS :

	(Rs. in Lacs)	
	2003-2004	Previous Year
Sales & Other Income	9519.63	10042.12
Profit before Dep. & Tax	270.86	167.15
Depreciation	164.71	49.74
Profit before Tax	106.15	117.41
Tax Provision	8.10	56.85
Profit after Tax	98.04	60.56
Prior year Adjustments	10.83	1.29
Balance brought from Previous year	153.32	94.06
Amount Available for Appropriation	240.53	153.33
<u>Appropriation :</u>		
Proposed Dividend	0.01	0.01
Balance Carried to Balance Sheet	240.52	153.32

### 2. DIVIDEND :

The Directors recommend the payment of Dividend @ 5 % on Cumulative Preference Share for the year ended 31st March 2004.

### 3. CONSERVATION OF ENERGY :

We are replacing the outdated machinery from time to time with the modern machineries resulting in increased production

with reduced power consumption.

### 4. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION :

The Research & Development Department of the Company continued to support the Company's business by developing innovative products to cater to consumer needs and preference.

### 5. FOREIGN EXCHANGE EARNINGS :

During the period under review Exports were made amounting to Rs. 41.37 Lacs (previous year Rs. 63.81 lacs) .

### 6. PARTICULARS OF EMPLOYEES :

There were no employees in respect of whom information as per Section 217(2A) of the Companies Act, 1956 read with Rule framed thereunder is required to be given in the Directors' Report.

### 7. DIRECTORS :

Shri Kushagra Bajaj, Director of the company retire by rotation and being eligible, offer himself for reappointment.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of Companies Act, 1956 your Directors confirm that:-

- the Annual Accounts have been prepared in accordance with applicable Accounting Standards and no material departures have been made from the same.
- the accounting policies have been selected and applied consistently and judgments and estimates have been made that are

**CERTIFIED TO BE TRUE COPY**

For Bajaj Savashram Pvt. Ltd.

D.K. MALOO  
Company Secretary

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reasonable and prudent so as to provide a true and fair view of the state of affairs of the company as at 31st March 2004 and of the profit for the year ended 31st March 2004.

- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- d. the Annual Accounts are prepared on a going concern basis.

### 9. SECRETARIAL COMPLIANCE CERTIFICATE

Copy of Certificate of Compliance dated 7th July 2004 from Lalit Mohan Chandna, Secunderabad, Whole Time Practicing

Company Secretary is attached herewith in pursuant with the provisions of Section 383A (1) of Companies Act, 1956

### 10. AUDITORS :

M/S R. S. Dani & Company, Chartered Accountants, Ajmer, retire on the forthcoming Annual General Meeting and are eligible for re-appointment.

### 11. INDUSTRIAL RELATIONS :

During the period under review the relation between the employees and management continued to remain cordial and the Directors express their warm appreciation of the sincere co-operation received from all the executives, staff and workers of the company.

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On behalf of the Board of Directors

Place : Mumbai

Date : 06-12-2004

**SHISHIR BAJAJ**

CHAIRMAN

# **bajaj consumer care ltd.**

## **REPORT OF THE AUDITORS**

To the Members,

- (1) We have audited the attached Balance Sheet of Bajaj Consumer Care Ltd. as at 31st March 2004 and also the annexed Profit & Loss Account 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.
- (2) We conducted our audit in accordance with auditing standards generally accepted in India. These 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 examination on a test basis, evidence supporting the amounts and disclosures in the 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.
- (3) As required by Companies (Auditor's Report) Order, 2003 (CARO, 2003), issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 of the said order.
- (4) Further to our comments in the annexure referred to in Para 3 above, we report that :

- i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) 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 those books;
- iii) the Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the Books of Account of the Company;
- iv) in our opinion, the Balance Sheet and the Profit and Loss Account 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;
- v) on the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2004 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
- vi) in our opinion and to the best of our information and according to the explanations given to us, the said Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2004; and
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

For **R. S. Dani & Co.**  
Chartered Accountants

Place : Ajmer  
Date : 06.12.2004

**C.P. Kothari**  
Partner

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### ANNEXURE TO THE AUDITORS' REPORT :

Referred to in Paragraph 3 of our Report of even date.

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, all the fixed assets have been physically verified by the management at reasonable intervals during the year. 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, in our opinion, material and the same have been properly dealt with in the Books of Account ;
- (c) As per the information and explanation given to us on our enquires the disposal of assets during the year were not substantial and would not have an impact on the operations of the Company.
- (ii) (a) The inventories have been physically verified by the management at reasonable intervals during the year and partially at the close of the year;
- (b) The procedures of the 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, 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) The Company has not granted any loans, secured or unsecured, to Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loans, secured or unsecured, from Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (c) There is no overdue amount of loans taken from or granted to Companies, Firms or other parties listed in the register maintained under Sec 301 of the Companies Act, 1956, during the year.
- (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 purchase of inventory and fixed assets and also for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control systems of the company.
- (v) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956.
- (vi) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, where applicable, with regard to the deposits accepted from public. However, the company has not accepted any deposit from the public during the year.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) During the year 2003-04 the company has not undertaken any production of Cosmetic or Toiletries item for which Cost Audit has been prescribed by the Central

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Government. However proper records have prima facie been maintained by the company for production of Pure Coconut Oil, which does not fall under Cosmetic and Toiletries category.

- (ix) According to the records of the Company, the company has been regular in depositing undisputed statutory dues including Provident Fund, the Employee's State Insurance, Income Tax, Sales Tax, Custom Duty, Excise Duty Cess and other Statutory dues with the appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March, 2004 outstanding for a period of more than six months from the date they become payable.
- (x) The company does not have any accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.
- (xi) The company has not defaulted in repayment of dues to banks. The company has not borrowed any sums from Financial Institutions or through Debentures.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- (xiv) Based on our examination of the Balance Sheet of the Company as at 31st March, 2004, and information and explanations given to us, we report that funds raised on a short term basis have not been used for long term investment and vice versa.

- (xv) The company is not a chit fund/nidhi/mutual fund/society to which the provisions of special statute relating to chit fund are applicable. Accordingly, paragraph 4 (xiii) of the Order is not applicable.
- (xvi) According to the information and explanations given by management, the company is not dealing or trading in shares, securities, debentures and other instruments. Accordingly, paragraph 4(xiv) of the order is not applicable
- (xvii) No fresh term loan has been obtained during the financial year 2003-04.
- (xviii) During the year, the company has not made Preferential Allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(xvii) of the Order is not applicable.
- (xix) The company has not issued any debentures during the year ended 31st March, 2004. Accordingly, paragraph 4 (xix) of the Order is not applicable.
- (xx) During the year ended 31st March 2004, the company has not raised money by way of public issue. Accordingly, paragraph 4(xx) of the Order is not applicable.
- (xxi) As per the information and explanation 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;

For R. S. Dani & Co.  
Chartered Accountants

C.P. Kothari  
Partner

Place : Ajmer  
Date : 06-12-2004



**hajaj consumer care ltd.****COMPLIANCE CERTIFICATE**

Registration No. of the Company : 01-599  
 Nominal Capital Rs. : 1,00,00,000/-  
 Paid up Capital Rs. : 99,32,600/-

To,  
**The Members**  
**Bajaj Consumer Care Limited,**  
**17-1-204-8, Saidabad,**  
**Hyderabad-500059**  
**Andhra Pradesh.**

I have examined the registers, records, books and papers of **Bajaj Consumer Care Limited**, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of the Association of the Company for the year ended on **31<sup>st</sup> March 2004** (Financial Year). In my opinion and to the best of information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company being a Public company, comments not required.
4. The Board of Directors duly met Four times respectively on 13.06.2003, 05.09.2003, 12.12.2003 and 17.03.2004 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2003 was held on 30.09.2003 after giving due notice to the members of the Company and resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company was not required to make any entries in the register maintained under section 301 of the Act.