

bajaj **Corp Ltd.**

4th Annual Report 2009-10



Board of Directors:

Shri Kushagra N Bajaj
Shri R. F. Hinger
Shri Sumit Malhotra
Shri D. G. Samdani
Shri P. L. Dadheech
Shri Aditya Vikram Somani
Shri Dilip Cherian
Shri Gaurav Dalmia
Shri Haigreave Khaitan

Chairman, Non-Executive Director (Promoter)
Vice Chairman
Director
Non-Executive Director (Independent) (Upto 04.02.10)
Non-Executive Director (Independent) (Upto 04.02.10)
Non-Executive Director (Independent)(w.e.f 04.02.10)
Non-Executive Director (Independent)(w.e.f 04.02.10)
Non-Executive Director (Independent)(w.e.f 04.02.10)
Non-Executive Director (Independent)(w.e.f 04.02.10)

Auditors:

M/s R. S. Dani & Company
Chartered Accountants
Naya Bazar, Ajmer – 305 001

Bankers:

Corporation Bank
HDFC Bank

Registered Office:

2nd Floor, Building No. 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (East)
Mumbai - 400093



Head Office:

Old Station Road,
Udaipur – 313 001

bajaj corp limited

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DIRECTORS' REPORT

The Directors of the company present their Fourth Annual Report and the Audited Statement of Accounts for the financial year ended March 31, 2010.

1. FINANCIAL PERFORMANCE:

The audited financial results for the year ended March 31, 2010 are as follows:

(Rs. in Lacs)		
PARTICULARS	2009-10	2008-09
Sales & Other Income	33,513.11	24,618.73
Profit before Depreciation & Tax	10,240.00	5,332.72
Depreciation	84.42	42.42
Profit before Tax	10,155.58	5,290.30
Tax Provision - Income Tax	1,735.00	603.00
- Wealth Tax	2.02	2.04
- Deferred Tax	27.22	(23.04)
- Fringe Benefit Tax	-	9.12
Profit after Tax	8,391.34	4,699.18
Balance brought forward from previous year	4,663.41	(6.52)
Amount available for appropriation	13,054.75	4,692.66
APPROPRIATION		
- Bonus Shares Issued	750.00	-
- Interim Dividend	9,200.00	-
- Proposed Dividend	-	25.00
- Corporate Dividend Tax	1,563.54	4.25
- Transfer to General Reserve	1,325.00	-
- Balance carried to Balance Sheet	216.21	4,663.41

2. OPERATIONAL REVIEW:

During the year under review, the Company has posted an impressive performance. Company achieved a turnover of Rs. 33513.11 lacs as against Rs. 24,618.73 lacs in the previous year registering a growth of 36.13%. The net profit after tax stood at Rs. 8,391.34 lacs compared to Rs. 4699.18 lacs in the previous year thereby registering a growth of 78.57%

During the year, your Company has set up another plant for manufacturing of hair oils at Paonta Sahib (Himachal Pradesh).

3. DIVIDEND :

During the year under review, your directors had declared and paid two interim dividends as per details given hereunder:

- Rs. 7/- per equity share of the face value of Re. 1/-per share which was paid on December 24,2009
- Rs. 8.80/- per equity share of the face value of Rs. 5/-per share which was paid on March 23,2010

The total interim dividend for the year amounts to Rs. 10763.54 Lacs including the Corporate Tax on Dividend Distribution.

A proposal for confirmation of the abovementioned two interim dividends as final dividend is being placed before the Members at the forthcoming Annual General Meeting.

Transfer to reserves:

The Board of Directors proposes to transfer Rs 1325 lacs to the general reserves in accordance with the Companies (Transfer of Profit to Reserves) Rules, 1975.

4. SHARE CAPITAL

Initial Public Offering:

To further augment the capital base of the Company for future plans, your Company is proposing to make an initial public offering of its equity shares through the book building process, subject to receipt of requisite approvals and has filed a Draft Red Herring Prospectus with SEBI on February 26, 2010.

5. 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.

6. 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.



7. FOREIGN EXCHANGE EARNINGS:

During the period under review, exports were made amounting to Rs. 155.35 Lacs (previous year Rs. 43.84 Lacs).

8. PARTICULARS OF EMPLOYEES:

Particulars with regard to employees as required u/s 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 1 attached herewith

9. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a. the annual accounts have been prepared in accordance with applicable accounting standards and no material departures have been made from the same;
- b. the accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to provide a true and fair view of the state of affairs of the company as at March 31, 2010 and of the profit of the company for the financial year ended March 31, 2010.
- 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.

10. DIRECTORS:

Pursuant to Section 260 of the Companies Act, 1956 Mr. Haigreave Khaitan, Mr. Gaurav Dalmia, Mr. Dilip Cherian & Mr. Aditya Vikram Somani are appointed as Additional Director of

the Company with effect from February 04, 2010.

Mr. P.L. Dadheech, Mr. D.G. Samdani Independent Directors of the company have tendered their resignations on February 04, 2010 and the Board of Director has accepted their resignations. The Board place on record its appreciation for the services rendered by them.

Mr. Roshan F Hinger, Vice Chairman of the Company will retire by rotation and being eligible, offers himself for re-appointment.

11. AUDIT COMMITTEE:

The Audit Committee comprises of following members:

Mr. Gaurav Dalmia
Chairman, Independent & Non-Executive Director

Mr. Aditya Vikram Somani
Independent & Non-Executive Director

Mr. R. F. Hinger
Executive Director

On February 04, 2010, there was a reconstitution in Audit Committee as Mr. P. L. Dadheech & Mr. D. G. Samdani have tendered their resignations from the post of Independent Director.

12. AUDITORS:

M/s R.S. Dani & Company, Chartered Accountants, Ajmer, retire on the forthcoming Annual General Meeting and are eligible for re-appointment. The appointment if made would be according to Section 224 (1B) and any other applicable provisions, if any, of the Companies Act, 1956.

The Auditors' Report to the shareholders does not contain any qualification.

13. 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.



14. ACKNOWLEDGMENT:

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from the State & Central

Government Authorities, Bankers, Vendors, Business Associates, members and other associated with the activities of the Company during the year under review.

For and on behalf of the Board of Directors

Place : Delhi
Date : May 04, 2010

Roshan F Hinger
Chairman of the Meeting





Annexure -1

Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the year ended 31st March, 2010.

Name	Designation/ Nature of Duties	Qualification	Experience (Yrs.)	Remuneration (Rs. In Lacs)	Date of Appointment	Age (Yrs.)	Particulars of Last employment
Mr. Divyaroop Bhatnagar	Managing Director	B.Tech (IIT Kanpur), MBA (IIM Calcutta)	28	59.38	01.04.08	54	Hemas Group, Sri Lanka - Executive Director
Mr. K N Sharma	President	M.A. (Political Science)	47	75.00	01.04.08	74	Bajaj Hindusthan Ltd. - President (Corporate Affairs)
Mr. R. F. Hinger	Vice Chairman	BSc.	48	83.68	01.04.08	70	Bajaj Consumer Care Ltd. - Whole Time Director
Mr. Sumit Malhotra	Director	BPharma (Hons.), PGDBM (IIM, Ahmedabad)	24	72.66	01.04.08	49	Bajaj Consumer Care Ltd., - President (Sales & Mktg.)
Mr. Apoorv Bajaj	Executive President	B.Com., CA Inter, Certificate of e-business from LSS (UK).	-	9.74	05.11.09	29	-
Mr. V. C. Nagori	Vice President - Finance	Chartered Accountant	22	32.04	26.04.08	51	Bajaj Consumer Care Ltd., - V P (Finance)
Mr. D. K. Maloo	GM - Finance & Company Secretary	Chartered Accountant & Company Secretary	21	29.50	01.04.08	49	Bajaj Consumer Care Ltd., - G M (Finance)
Mr. Subhamay Chatterjee	DGM (Human Resource)	BSc. and MBA	14	5.03	22.01.10	40	Fresenius Kabi Oncology Ltd. - DGM (HR)

Notes:

- The nature of the employment is on contractual basis.
- Gross Remuneration shown above is subject to tax and comprises salary (including arrears, allowances, rent, medical reimbursement, leave travel benefits, contribution to provident fund, superannuation fund & gratuity under LIC scheme) in terms of actual expenditure incurred by the company.
- Except Mr Apoorv Bajaj (brother of Mr Kushagra Bajaj) none of the above employee is related to any of the Directors of the Company.
- The employee has the adequate experience to discharge the responsibilities assigned to him.
- Except Mr Divyaroop Bhatnagar, Mr K N Sharma, Mr Apoorv Bajaj and Mr Subhamay Chatterjee, all the above employees worked for the whole of the financial year.

bajaj corp limited