



**BAJAJ STEEL INDUSTRIES LIMITED**  
**38th Annual Report 1998-1999**

Chairman	<b>Shri Hargovind Bajaj</b>
Managing Director	<b>Shri Rohit Bajaj</b>
Executive Director	<b>Shri Sunil Bajaj</b>
Whole-time Director	<b>Shri Ashish Bajaj</b>
Directors	<b>Shri Vinod Kumar Bajaj</b> <b>Shri Lalchand Mutha</b> <b>Smt. Ramadevi Ruia</b> <b>Shri Prakash Maheshwari</b> <b>Shri Kamal Kishore Kela</b> <b>Shri Mohan Agrawal</b>
Auditors	<b>Bajaj Rege Patel</b> <b>K. C. Agrawal &amp; Co.</b>
Bankers	<b>Bank of Maharashtra</b> <b>State Bank of India</b>
Registered Office	<b>Imambada Road,</b> <b>NAGPUR - 440 018 (INDIA)</b>



## NOTICE TO MEMBERS

NOTICE is hereby given that the Thirty-Eighth Annual General Meeting of the members of Bajaj Steel Industries Limited will be held on Saturday, the 25th September, 1999 at 4.00 P.M. at VIA Hall, Udyog Bhavan, Opp. Sales Tax Office, Civil Lines, Nagpur - 440 001 to transact the following business :

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 1999 and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon.
2. To declare dividend.
3. To appoint a Director in place of Smt. Ramadevi Ruia, who retires by rotation, and being eligible, offers herself for reappointment.
4. To appoint a Director in place of Shri Vinod Kumar Bajaj, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS :

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

6. "RESOLVED THAT Shri Ashish Bajaj, whose term of office as a Director of the Company expires at this meeting, be and is hereby appointed as a Director of the Company in terms of Section 257 of the Companies Act, 1956."
7. "RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 the consent of the Members of the Company be and is hereby accorded to the appointment of Shri Ashish Bajaj as the Whole-Time Director of the Company for a period of 5 (five) years with effect from 1st February, 1999 on the terms and conditions including remuneration as are set out in the agreement already entered into between the Company and Shri Ashish Bajaj, a copy whereof is placed before this meeting, which agreement is hereby specifically approved."
8. "RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 and subject to such permissions, consent and approvals as may be required, the consent of the Company be and is hereby accorded to the reappointment of Shri Rohit Bajaj as the Managing Director of the Company for a period of 5 (five) years with effect from 1st July, 1999 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Shri Rohit Bajaj, a draft whereof is placed before this meeting which agreement is hereby specifically approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement so as not to exceed the limits specified in the Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Shri Rohit Bajaj, Managing Director."
9. "RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 and subject to such permissions, consent and approvals as may be required, the consent of the Company be and is hereby accorded to the reappointment of Shri Sunil Bajaj as the Executive Director of the Company, for a period of 5 (five) years with effect from 1st July, 1999 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Shri Sunil Bajaj, a draft whereof is placed before this meeting which agreement is hereby specifically approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement so as not to exceed the limits specified in the Schedule XIII to the Companies Act 1956, including any statutory modification or re-enactment thereof, for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Shri Sunil Bajaj, Executive Director."

**Registered Office :**

Imambada Road,  
NAGPUR - 440 018  
Dated : 17th July, 1999

**By order of the Board**

Rohit Bajaj  
Managing Director

**BAJAJ STEEL INDUSTRIES LIMITED****NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Register of Members of the Company will remain closed from 14th September to 25th September, 1999 (both days inclusive).
3. Dividend, if declared at the Meeting, will be paid to the Members whose names appear in the Register of Members on 25th September, 1999.
4. Members are requested to :
  - a) Intimate to the Company the changes, if any, in their registered addresses alongwith **Pin Code Number**.
  - b) Quote their **Folio Number** in all their correspondence.
5. Members who have multiple folios with identical order of names are requested to intimate to the Company these folios to enable the Company to consolidate all shareholdings into one folio.
6. All unclaimed dividends upto the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from The Registrar of Companies, Hakoba Compound, 2nd floor, Dattaram Lad Marg, Chinchpokli (East), Kala Chowki, Mumbai - 400 033.

**EXPLANATORY STATEMENT****(Under Section 173(2) of the Companies Act, 1956)****ITEM NO. 6**

Shri Ashish Bajaj was appointed as an additional Director of the Company with effect from 29th January, 1999 and also appointed as the Whole-Time Director of the Company with effect from 1st February, 1999 by the Board of Directors of the Company at its meeting held on 29th January, 1999. He holds office upto the date of ensuing Annual General Meeting.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a shareholder signifying his intention to propose the appointment of Shri Ashish Bajaj as a Director of the Company. The Board commends the resolution.

**ITEM NO. 7**

The Board of Directors of the Company has appointed Shri Ashish Bajaj as the Whole-Time Director of the Company for a period of 5 (Five) years with effect from 1st February, 1999 at its meeting held on 29th January 1999, on the terms and conditions and remuneration in line with the guidelines specified in Schedule XIII to the Companies Act, 1956. An abstract of the terms of appointment and remuneration payable and perquisites to be provided to Shri Ashish Bajaj as the Whole-Time Director of the Company are set out below :

- |                |   |
|----------------|---|
| A) Salary      | : In the pay scale of Rs.45,000 - Rs. 3,000- Rs.60,000 per month  |
| B) Commission  | : 3% per annum of the Net Profits of "Superpack", Plastics Division of the Company, subject to a ceiling of an amount equal to annual salary.   |
| C) Perquisites | : Perquisites shall be allowed, in addition to salary and commission. Perquisites shall be restricted to an amount equal to the annual salary or Rs. 4,50,000/- per annum, whichever is less. Perquisites are classified as under : |

**Category - A**

- i) Housing : (a) The expenditure by the Company on hiring furnished accommodation will be subject to the following ceilings:  
60% of the salary, over and above 10% payable by the whole-time Director.  
(b) In case no accommodation is provided by the Company the Whole-time Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.  
(c) In case the accommodation provided is owned by the Company, 10% of the salary of the Whole-time Director shall be deducted by the Company.
- Explanation :** The expenditure incurred by the Company on gas, electricity, water and furnishings shall, however, be subject to a ceiling of 10% of the salary of the Whole-time Director.
- ii) Medical reimbursement : Reimbursement of expenses incurred for self and family subject to ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii) Leave Travel Concession : Leave Travel Concession for self and family once in a year.
- iv) Club Fees : : Fees of clubs subject to a maximum of two clubs. No admission and life membership fees will be paid.
- v) Personal Accident Insurance : Annual Premium of Personal Accident Insurance shall not exceed Rs. 4,000/-.

**Note :** For the purpose of perquisites stated above "family" means the spouse, the dependent children and dependent parents of the appointee.

**Category - B**

- vi) Contribution to Provident Fund and Superannuation Fund or Annuity Fund 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.
- vii) Gratuity payable shall not exceed half a month's salary for each completed year of service.

**Category - C**

- viii) Earned Leave : On full pay and allowance as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- ix) Provision of car for use on the 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.

**MINIMUM REMUNERATION**

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole-time Director, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under Section II of the Part - II of Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof as may be for the time being, in force.

Shri Ashish Bajaj, is interested in the passing of these resolutions in as much as it concerns payment of remuneration to him. Shri Hargovind Bajaj, Shri Vinod Kumar Bajaj, Shri Rohit Bajaj, Shri Sunil Bajaj, Smt. Ramadevi Ruia being relative of Shri Ashish Bajaj may therefore, be deemed to be interested in the passing of these resolutions to that extent. Save as aforesaid, none of the other Directors is in any way interested or concerned in the passing of these resolutions.

**BAJAJ STEEL INDUSTRIES LIMITED****ITEM NO. 8 & 9**

Shri Rohit Bajaj was reappointed as the Managing Director of the Company and Shri Sunil Bajaj as the Executive Director of the Company for a period of 5 (Five) Years with effect from 1st July, 1994. The period of office of Shri Rohit Bajaj as the Managing Director and Shri Sunil Bajaj as the Executive Director shall expire on 30th June, 1999. The Board of Directors have re-appointed Shri Rohit Bajaj as the Managing Director and Shri Sunil Bajaj as the Executive Director of the Company for a further period of 5 (five) years effective from 1st July, 1999. The remuneration to each of them, terms and conditions of their re-appointment have been fixed in line with Schedule XIII to the Companies Act, 1956.

- A) Salary : In the pay scale of Rs. 45,000 - Rs. 3,000 - Rs. 60,000 per month.
- B) Commission : 1% per annum of the net profits of the Company subject to a ceiling of an amount equal to Annual Salary.
- C) Perquisites : Perquisites shall be allowed, in addition to salary and commission. Perquisites shall be restricted to an amount equal to the annual salary or Rs. 4,50,000/- per annum, whichever is less. Perquisites are classified as under :

**Category - A**

- i) Housing : (a) The expenditure by the Company on hiring furnished accommodation will be subject to the following ceilings:  
60% of the salary, over and above 10% payable by the Managing Director / Executive Director.  
(b) In case no accommodation is provided by the Company the Managing Director / Executive Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.  
(c) In case the accommodation provided is owned by the Company, 10% of the salary of the Managing Director/ Executive Director shall be deducted by the Company.
- Explanation :** The expenditure incurred by the Company on gas, electricity, water and furnishings shall, however, be subject to a ceiling of 10% of the salary of the Managing Director / Executive Director.
- ii) Medical reimbursement : Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii) Leave Travel Concession : Leave Travel Concession for self and family once in a year.
- iv) Club Fees : Fees of clubs subject to a maximum of two clubs. No admission and life membership fees will be paid.
- v) Personal Accident Insurance : Annual Premium of Personal Accident Insurance shall not exceed Rs. 4,000/-.

**Note :** For the purpose of perquisites stated above "family" means the spouse, the dependent children and dependent parents of the appointee.

**Category - B**

- vi) Contribution to Provident Fund and Superannuation Fund or Annuity Fund 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.
- vii) Gratuity payable shall not exceed half a month's salary for each completed year of service.



**Category - C**

- viii) Earned Leave : On full pay and allowance as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- ix) Provision of car for use on the 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.

**MINIMUM REMUNERATION**

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director/ Executive Director, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under Section II of the Part - II of Schedule XIII to the Companies Act, 1956 including any statutory modifications or re-enactment thereof as may be for the time being, in force.

The draft agreement to be entered into between the Company and Shri Rohit Bajaj and Shri Sunil Bajaj is available for inspection at the Registered Office of the Company on any working day upto the date of the Annual General Meeting between 3.00 p.m. to 5.00 p.m.

Shri Rohit Bajaj and Shri Sunil Bajaj, are interested in the passing of these resolutions in as much as it concerns payment of remuneration to each of them as well as being relative of each other. Shri Hargovind Bajaj, Shri Vinod Kumar Bajaj, Shri Ashish Bajaj, Smt. Ramadevi Ruia being relative of Shri Rohit Bajaj and Shri Sunil Bajaj may therefore, be deemed to be interested in the passing of these resolutions to that extent. Save as aforesaid, none of the other Directors are in any way interested or concerned in the passing of these resolutions.

The notice of the meeting and explanatory statement thereof under Section 173(2) of the Companies Act, 1956 which contain the terms and conditions of the reappointment of Shri Rohit Bajaj as the Managing Director and Shri Sunil Bajaj as the Executive Director may be considered to be an abstract of the terms and conditions of their reappointment under Section 302 of the Companies Act, 1956.



**Registered Office :**

Imambada Road,  
NAGPUR - 440 018

Dated : 17th July, 1999

**By order of the Board**

Rohit Bajaj  
Managing Director