



**BAJAJ STEEL
INDUSTRIES LTD.**

51st ANNUAL REPORT 2011-12



ANNUAL
REPORT





Serving Cotton Sector Since 1961

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Shri Hargovind Bajaj	-	Chairman
2. Shri Rohit Bajaj	-	Managing Director
3. Shri Sunil Bajaj	-	Executive Director
4. Shri Vinod Kumar Bajaj	-	Promoter Non Executive Director
5. Shri Lalchand Mutha	-	Non Executive Director
6. Shri Kamal Kishore Kela	-	Independent Director
7. Shri Mohan Agrawal	-	Independent Director
8. Shri Alok Goenka	-	Independent Director
9. Shri Rajkumar Lohia	-	Independent Director
10. Shri Rajiv Ranka	-	Independent Director
11. Shri Deepak Batra	-	Independent Director

BOARD COMMITTEES

Audit Committee

- Shri Deepak Batra, Chairman
- Shri Rajiv Ranka, Member
- Shri Alok Goenka, Member

Remuneration Committee

- Shri Deepak Batra, Chairman
- Shri Rajiv Ranka, Member
- Shri Alok Goenka, Member

Shareholders' Grievance Committee

- Shri Deepak Batra, Chairman
- Shri Rajiv Ranka, Member
- Shri Alok Goenka, Member
- Shri Rohit Bajaj, Member
- Shri Sunil Bajaj, Member

COMPANY SECRETARY

- Shri Jagdish Shirke

STATUTORY AUDITORS

M/s B. Chhawcharia & Co.
602, Govind Estates
Plot No. 172, Shivaji Nagar, Nagpur(M.S)

BANKERS & FINANCIAL INSTITUTIONS

- Axis Bank Limited, Nagpur
- SICOM Limited, Mumbai
- State Bank of India, Nagpur

SHARE TRANSFER AGENT

Adroit Corporate Services (P) Ltd

1st Floor, 19/20 Jaferbhoy Industrial Estate
Makwana Road, Marol Naka,
Mumbai – 400 059

Tel : (022) 2859 0942/4442/4428/4060

E.mail : adroits@vsnl.net

REGISTERED OFFICE

Imambada Road,
Nagpur – 440018 (Maharashtra)

CHIEF FINANCIAL OFFICER

- Shri Manish Sharma

MANUFACTURING FACILITIES

- Imambada Road, Nagpur – 440018
- Plot No. C-108, MIDC Hingna
Nagpur (Maharashtra)

NOTICE TO MEMBERS

NOTICE is hereby given that the Fifty First Annual General Meeting of the Members of Bajaj Steel Industries Limited will be held on Wednesday the 26th Day of September, 2012 at 4.00 P.M. at VIA Hall, Udyog Bhavan, Civil Lines, Nagpur – 440 001 (Maharashtra) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date and Reports of the Auditors and Directors thereon.
2. To Declare dividend on Equity Shares of the Company for the year ended as on 31st March, 2012 .
3. To consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act 1956; M/s B. Chhawchharia & Co, Chartered Accountants, Nagpur the retiring statutory Auditors, be and hereby re-appointed as the Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting at a remuneration as decided by the Board of Directors of the Company.”

4. To appoint a Director in place of Shri Deepak Batra who retires by rotation, and being eligible, offers himself for re-appointment
5. To appoint a Director in place of Shri Kamal Kishore Kela who who retires by rotation, and being eligible, offers himself for re-appointment

SPECIAL BUSINESS :

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as **SPECIAL RESOLUTION** :

6. **RE-APPOINTMENT OF SHRI ASHISH BAJAJ AS CHIEF EXECUTIVE OFFICER (CEO) OF SUPERPACK DIVISION OF THE COMPANY UNDER SECTION 314 OF THE COMPANIES ACT, 1956 :**

“RESOLVED THAT pursuant to Section 314 (1B) read with Director's Relative (Office or Place of Profit), Rules, 2011 and other applicable provisions of the Companies Act, 1956 and such other approval as may be required, Shri Ashish Bajaj son of Shri Vinod Kumar Bajaj, be and is hereby re-appointed as Chief Executive Officer (CEO) of Superpack Division, A Division of Bajaj Steel Industries Limited, for the period of One (1) year w.e.f. 20.03.2012 on Monthly Remuneration as appended to the notice.

RESOLVED FURTHER THAT Shri Ashish Bajaj as a Chief Executive Officer of Superpack Division of the Company shall be solely responsible for operations (including Day to Day operations), activities and all the compliance's including statutory compliance's of Superpack Division of the Company for its activities from time to time

FURTHER RESOLVED THAT any one of the Following Directors/Officials of the Company be and are hereby authorised to submit all necessary papers documents, application, etc and comply with the formalities in respect of appointment of Shri Ashish Bajaj.

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|----|---------------------|---|--------------------|
| 1. | Shri Rohit Bajaj | - | Managing Director |
| 2. | Shri Sunil Bajaj | - | Executive Director |
| 3. | Shri Jagdish Shirke | - | Company Secretary" |

7. **REVISION IN REMUNERATION PAYABLE TO SHRI LAV BAJAJ, BUSINESS DEVELOPMENT EXECUTIVE OF THE COMPANY UNDER SECTION 314 (1B) OF THE COMPANIES ACT, 1956**

"RESOLVED THAT pursuant to Section 314 read with Director's Relative (Office or Place of Profit) Rules, 2011 and other applicable provisions of the Companies Act, 1956, the Monthly Remuneration of Shri Lav Bajaj S/o Shri Sunil Bajaj, Business Development Executive of the Company be and is hereby increased / enhanced / revised from Rs 38,398/- to Rs 90,000/- w.e.f. 1st April, 2012 .

RESOLVED FURTHER THAT the aforesaid remuneration will have all annual Increments / Enhancements / Revisions as per policy of the Company from time to time and all such increments / enhancements / Revisions shall be with time scale of pay for Basic pay of Rs. 53000-10000-150000/- but not exceeding the limits prescribed under Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011. The yearly increment / enhancement for time scale of pay shall be at the discretion of the Board of Directors of the Company and according to the policy of the Company.

RESOLVED FURTHER THAT the time scale of pay for basic pay of Rs 53000-10000-150000 be and is hereby approved and the basic pay shall be subject to annual increments as per Policy of the Company.

RESOVLED FURTHER THAT the time scale of pay for the basic pay shall not be binding on the Company and shall be payable to the extent of Rs.10000/- as approved but may be varied for lesser or higher amount than Rs. 10000/- & shall be applicable according to the increments approved by the Board of Directors of the Company during the year which may be lesser or higher than the said amount.

RESOLVED FURTHER THAT the Monthly Remuneration, at any time hereinafter, shall not exceed the Limit as prescribed in Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011 including any revision / alteration of the remuneration as the case may be and in case the same is exceed the limit prescribed in Rule 3, the necessary compliance shall be done.

RESOLVED FURTHER THAT any one of the Following Directors/ Officials of the Company be and are hereby authorised to submit all necessary papers documents, application, forms, etc and file necessary e-forms respect of increased in remuneration of Shri Lav Bajaj :

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| 1. | Shri Rohit Bajaj | - | Managing Director |
| 2. | Shri Sunil Bajaj | - | Executive Director |
| 3. | Shri Jagdish Shirke | - | Company Secretary" |

8. REVISION IN REMUNERATION PAYABLE TO SHRI VEDANT BAJAJ, BUSINESS EXECUTIVE OF THE COMPANY UNDER SECTION 314 OF THE COMPANIES ACT, 1956

"RESOLVED THAT pursuant to Section 314 read with Director's Relative (Office or Place of Profit) Rules, 2011 and other applicable provisions of the Companies Act, 1956 the Monthly Remuneration of Shri Vedant Bajaj S/o Shri Sunil Bajaj, Business Executive of the Company be and is hereby increased / enhanced / revised from Rs.19,210/- to Rs 90,000/- w.e.f. 1st April, 2012 .

RESOLVED FURTHER THAT the aforesaid remuneration will have all annual Increments / Enhancements / Revisions as per policy of the Company from time to time and all such increments / enhancements / Revisions shall be with time scale of pay for Basic pay of Rs. 53000-10000-150000/- but not exceeding the limits prescribed under Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011. The yearly increment / enhancement for time scale of pay shall be at the discretion of the Board of Directors of the Company and according to the policy of the Company.

RESOLVED FURTHER THAT the time scale of pay for basic pay of Rs 53000-10000-150000 be and is hereby approved and the basic pay shall be subject to annual increments as per Policy of the Company.

RESOVLED FURTHER THAT the time scale of pay for the basic pay shall not be binding on the Company and shall be payable to the extent of Rs.10000/- as approved but may be varied for lesser or higher amount than Rs. 10000/- & shall be applicable according to the increments approved by the Board of Directors of the Company during the year which may be lesser or higher than the said amount.

RESOLVED FURTHER THAT the Monthly Remuneration, at any time hereinafter, shall not exceed the Limit as prescribed in Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011 including any revision / alteration of the remuneration as the case may be and in case the same is exceed the limit prescribed in Rule 3, the necessary compliance shall be done.

RESOLVED FURTHER THAT any one of the Following Directors/ Officials of the Company be and are hereby authorised to submit all necessary paper documents, application, forms, etc and file necessary e-forms respect of increased in remuneration of Shri Vedant Bajaj :

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| 1. | Shri Rohit Bajaj | - | Managing Director |
| 2. | Shri Sunil Bajaj | - | Executive Director |
| 3. | Shri Jagdish Shirke | - | Company Secretary" |

9. APPOINTMENT OF MRS DEVIKA BAJAJ AS BUSINESS EXECUTIVE OF THE COMPANY UNDER SECTION 314(1B) OF THE COMPANIES ACT, 1956

"RESOLVED THAT pursuant to Section 314 read with Director's Relative (Office or Place of Profit) Rules, 2011 and other applicable provisions of the Companies Act, 1956 , Mrs Devika Bajaj W/o Shri Lav Bajaj be and is hereby appointed as a Business Executive of the Company at a monthly remuneration of Rs 90,000/- w.e.f. 1st April, 2012 .

RESOLVED FURTHER THAT the aforesaid remuneration will have all annual Increments / Enhancements / Revisions as per policy of the Company from time to time and all such increments / enhancements / Revisions shall be with time scale of pay for Basic pay of Rs. 53000-10000-150000/- but not exceeding the limits prescribed under Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011. The yearly increment / enhancement for time scale of pay shall be at the discretion of the Board of Directors of the Company and according to the policy of the Company.

RESOLVED FURTHER THAT the time scale of pay for basic pay of Rs 53000-10000-150000 be and is hereby approved and the basic pay shall be subject to annual increments as per Policy of the Company.

RESOVLED FURTHER THAT the time scale of pay for the basic pay shall not be binding on the Company and shall be payable to the extent of Rs.10000/- as approved but may be varied for lesser or higher amount than Rs. 10000/- & shall be applicable according to the increments approved by the Board of Directors of the Company during the year which may be lesser or higher than the said amount.

RESOLVED FURTHER THAT the Monthly Remuneration, at any time hereinafter, shall not exceed the Limit as prescribed in Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2011 including any revision / alteration of the remuneration as the case may be and in case the same is exceed the limit prescribed in Rule 3, the necessary compliance shall be done.

RESOLVED FURTHER THAT any one of the Following Directors/ Officials of the Company be and are hereby authorised to submit all necessary papers documents, application, forms, etc and file necessary e-forms respect of appointment of Mrs Devika Bajaj :

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|----|---------------------|---|--------------------|
| 1. | Shri Rohit Bajaj | - | Managing Director |
| 2. | Shri Sunil Bajaj | - | Executive Director |
| 3. | Shri Jagdish Shirke | - | Company Secretary" |

10. REVISION IN REMUNERATION OF SHRI ROHIT BAJAJ, MANAGING DIRECTOR & SHRI SUNIL BAJAJ, EXECUTIVE DIRECTOR BY WAY OF INCREASE IN SALARY:

“RESOLVED THAT pursuant to authority of the Board vide its Meeting held on 30th July, 2009 & subsequent approval/consent/authority given by the Members at Annual General Meeting held on 29th October, 2009, Section 198, 269, 309, 310 & 311 read with Schedule XIII of the Companies Act, 1956 & other applicable provisions of the Companies Act, 1956, if any including any Statutory modification or re-enactment thereof for the time being in force, Articles of Association of the Company, recommendation of Remuneration Committee and subject to other authorities as may be required, the remuneration of Shri Rohit Bajaj, Managing Director & Shri Sunil Bajaj, Executive Director of the Company be and are hereby increase with effect from 1st April, 2012 as under :

Revised Pay Scale : Rs.200000 - 15000 - 250000 (Per Month)

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to revise/alter the pay scale from time to time.

All other terms and conditions as to remuneration shall remain unchanged and applicable as per Member / Shareholder Resolution passed on 29th October, 2009. The Perquisites and all other Benefits shall be suitably paid in accordance with revised pay scale.

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 modifications or re-enactment thereof as may for the time being, be in force. However, the Remuneration shall be paid in accordance with slab prescribed by the Schedule XIII.

RESOLVED FURTHER THAT Shri Rohit Bajaj, Managing Director or Shri Sunil Bajaj, Executive Director or Shri Jagdish Shirke, Company Secretary of the Company be and is hereby authorised for the purpose of giving effect to the above resolution, to take all such actions and give all such directions, or do all such acts, deeds, matters and things as may be necessary in this regard and further to execute all such deeds, documents and writings as may be necessary in this regard.”

Registered office:

**Imambada Road,
Nagpur - 440 018**

Dated : 13.08.2012

By order of the Board

**Jagdish Shirke
Company Secretary**

NOTES

- (a) Relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolutions set under Item No.6 to 10 is appended below.
- (b) 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.
- (c) The Register of Members of the Company will remain closed from 04th September, 2012 to 26th September, 2012 (both days inclusive).

Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year ended 31st March, 2012, when declared at Annual General Meeting, will be paid to the members whose names appear :

i.as Beneficial Owners as per List to be furnished by the Depositories in respect of the Shares held in Demat Form as of the Book Closure Date.

ii.as Members on the Register of Members of the Company as on 26th September, 2012 after giving effect to all valid Share Transfer in physical form which could be received by the Company / Transfer Agent upto end of the Business hours on the 03rd September, 2012

- (d) Members are requested to :
 - (i) Intimate to the R&T Agent about the changes, if any, in their registered addresses, Dividend Mandates etc.,
 - (ii) Quote their Folio Number in all their correspondence.
- (e) Members who have multiple folios with identical order of name are requested to intimate to the R & T Agent these folios to enable the R & T Agent to consolidate all share holdings into one folio.
- (f) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s Adroit Corporate Services Private Limited, Mumbai for share transfer process.

(g) Dematerialisation of Shares :

This is to inform that 72.23% of the total equity shares have already been dematerialized as of 31st March, 2012. Shareholders who have not dematerialized their shares are requested to get the same dematted.

(h) Registrar and Share Transfer Agent :

M/s Adroit Corporate Services Private Limited, 1st Floor, 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Mumbai - 400 059 is Registrar and Share Transfer Agents. Therefore Shareholders of the Company are advised to send all future documents/correspondence such as request for Dematerialisation of Shares, Transfers of Shares, Change of Address, Change of Bank Mandate / ECS and other Share related matters to M/s Adroit Corporate Services Private Limited at above mentioned address only

(i) Change of Information/ Bank Mandate :

The members/ shareholders holding shares in physical form are requested to notify/ update any change in their address, Bank Mandate e.g. Name of bank, account number, branch address and ECS number to Registrar and Share Transfer Agent and/ or the Company or to their respective Depository Participants (DP), if the shares are held in electronic form.

IMPORTANT COMMUNICATION TO MEMBER

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance's by the Companies and had issued circulars stating that service of notice/ documents including Annual Report can be sent by e.mail to its members. To support this green initiative of the Government in full measure , members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participants. Members who hold shares in physical form are requested to register there e-mail address to the Company's Registrar and Share Transfer Agent- Adroit Corporate Services Private Limited, 19/20 Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Mumbai - 400059.