



ANNUAL REPORT & ACCOUNTS
2004-2005

THE BOMBAY DYEING
AND MANUFACTURING COMPANY LIMITED

ESTABLISHED 1879



ANNUAL REPORT 2004-2005

DIRECTORS

Nusli N. Wadia, *Chairman*
 Keshub Mahindra
 Shantanu N. Desai (Expired on 10.11.04)
 R. N. Tata
 R. A. Shah
 Dr. H. N. Sethna
 S. S. Kelkar
 S. Ragothaman
 A. K. Hirjee
 Ninu Khanna, *Managing Director*
 P. V. Kuppaswamy, *Jt. Managing Director*
 Ness N. Wadia, *Deputy Managing Director*
 M. K. Singh, *Executive Director*

CHIEF FINANCIAL OFFICER

Govinder Singh

SECRETARY

P. Govindan

VICE-PRESIDENTS/BUSINESS HEAD

Dr. S. C. Basu, *Business Head (PSF)*
 S. K. Gupta, *Vice-President (Manufacturing & Commercial)*
 P. K. Mukherjee, *Vice-President (Exports)*

GENERAL MANAGERS

H. S. Athavale, *General Manager (Commercial)*
 V. Dadlani, *General Manager - Internal Audit*
 R. K. Gupta, *General Manager (Marketing)*
 R. Kapur, *General Manager - Processing*
 K. V. Krishnamurthy, *General Manager (Operations)*
 Nimesh Mehta, *General Manager - Treasury*
 B. K. Pandya, *General Manager - Manufacturing*
 P. Phadnis, *General Manager - Corporate Affairs*
 A. V. Potdar, *General Manager (Personnel & Administration)*
 N. Rajadhyaksha, *General Manager - Materials*
 V. Shanbhag, *General Manager - Commercial*
 S. K. Tibrewal, *General Manager - (Industrial & Wholesale Marketing)*

BANKERS

State Bank of India
 UTI Bank Ltd.
 IDBI Bank Ltd.
 State Bank of Hyderabad
 State Bank of Patiala
 Citi Bank N. A.
 Standard Chartered Bank

ADVOCATES & SOLICITORS

Messrs. Crawford Bayley & Co.
 Messrs. Desai & Diwanji
 Messrs. Mulla & Mulla and Craigie Blunt & Caroe

AUDITORS

Messrs. A. F. Ferguson & Co.

REGISTERED OFFICE

Neville House, J. N. Heredia Marg,
 Ballard Estate, Mumbai-400 001.

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THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

NOTICE

The 125th Annual General Meeting of the Members of The Bombay Dyeing & Manufacturing Company Limited will be held at the Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020, on Friday, the 29th July, 2005, at 3.45 p.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in the place of Dr. H. N. Sethna, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Mr. A. K. Hirjee, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint a Director in the place of Mr. Ness N. Wadia, who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint Messrs. A. F. Ferguson & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Special Business :

To consider and, if thought fit, to pass with or without modification the following Resolutions :

7. As an Ordinary Resolution:

"RESOLVED THAT M. K. Singh be and is hereby appointed as a Director of the Company."

8. As an Ordinary Resolution:

- (A) "RESOLVED THAT pursuant to Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (hereinafter referred to as "the Act") [including any statutory modification(s) or re-enactment thereof for the time being in force], the Company hereby approves the appointment and the terms of remuneration of Mr. M. K. Singh as a Whole-time Director designated as Executive Director of the Company for a period of 5 years with effect from 24th July, 2004 upon the terms and conditions as set out in the Agreement to be entered into between the Company and Mr. Singh, a draft whereof duly initialled by the Chairman for purposes of identification is submitted to this Meeting, which Agreement is hereby specifically sanctioned with the liberty and power to the Board of Directors (hereinafter referred to as "the Board" which expression shall also include the Remuneration/Compensation Committee of the Board) to grant increments and to alter and vary from time to time the terms and conditions of the said appointment and remuneration and/or Agreement in such manner as may be agreed to between the Board and Mr. Singh.
- (B) Where in any financial year during the currency of the tenure of Mr. Singh as Executive Director, the Company has no profits or its profits are inadequate, the Company will pay Mr. Singh all the remuneration by way of salary (including incentive) and allowances, and perquisites not exceeding the limit stipulated in the aforesaid Agreement subject to compliance with the applicable provisions of Schedule XIII to the Act, if and to the extent necessary, with the approval of the Central Government.
- (C) The Board be and is hereby authorised at its discretion from time to time to fix the remuneration and/or perquisites of Mr. Singh and revise such remuneration and/or perquisites from time to time within the maximum limit specified in the aforesaid draft Agreement. The Board be and is hereby further authorised to vary/modify/amend any of the aforesaid terms and conditions provided such variation/modification/amendment is in conformity with the applicable provisions of the Act as amended from time to time.
- (D) The Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this Resolution or as may be deemed to be in the best interest of the Company."

Notes:

- (a) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, setting out material facts relating to the Special Business at Items 7 and 8 of the Notice as set out above, is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (c) The Register of Members and the Share Transfer Books of the Company will be closed from Friday, the 8th July, 2005 to Friday, the 29th July, 2005 both days inclusive.
- (d) Dividend, if any, that may be declared at the Meeting, will, subject to the provisions of Section 206A of the Companies Act, 1956, be paid on or after 12th August, 2005 to those Shareholders whose names stand on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrar & Share Transfer Agents of the Company on or before 7th July, 2005, in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2005 will be payable to the beneficial owners of shares as at the closing hours of 7th July, 2005 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.



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- (e) Members are requested to notify immediately any change of address:
- to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - to the Company's Registrar & Share Transfer Agents, M/s.Sharepro Services (India) Pvt. Ltd. (R & TA), at Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai 400 099, or at 912 Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai 400 021, in respect of their physical share folios, if any, quoting their folio numbers.
- (f) Members are advised to submit their Electronic Clearing Service (ECS) mandates to the Company's R & TA at either of the aforesaid addresses to facilitate remittance by means of ECS.
- (g) All unclaimed dividends up to the financial year 1994-95 were transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956 (the Act). Members who have not encashed their Dividend Warrants for the aforesaid years are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

Unclaimed dividends for the financial years 1995-96 & 1996-97 were transferred on 25th September, 2003 and 4th November, 2004 respectively to the Investor Education and Protection Fund (IEPF) as required in terms of Section 205C of the Act. No claim shall lie against IEPF or the Company in respect of the unpaid amount transferred to IEPF.

Pursuant to the provisions of Section 205A of the Act, dividends for the financial year ended 31st March, 1998 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to IEPF on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
1997-1998	3.8.1998	2.8.2005	21.10.2005
1998-1999	23.7.1999	22.7.2006	12.10.2006
1999-2000	27.4.2000	26.4.2007	13.7.2007
2000-2001	23.7.2001	22.7.2008	26.9.2008
2001-2002	13.8.2002	12.8.2009	19.10.2009
2002-2003	30.7.2003	29.7.2010	5.10.2010
2003-2004	23.7.2004	22.7.2011	26.9.2011

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's R & TA at either of the aforesaid addresses immediately quoting their folio number/DP ID & Client ID. It may be noted that once the unclaimed dividend is transferred to IEPF as aforesaid, no claim shall lie in respect of such amount by the members.

- (h) Members may avail themselves of the facility of nomination in terms of Section 109A of the Companies Act, 1956 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registered office or from its R & TA at either of the aforesaid addresses.
- (i) As required in terms of paragraph VI(A) of Clause 49 of the Listing Agreement, the details of the directors retiring by rotation and eligible for reappointment are furnished below:

Dr. H. N. Sethna

Dr. H. N. Sethna, 81, is B.Sc., B.Sc. (Tech.) from Bombay University and M.S.E. (Michigan); F.A. Sc., F.N.A., F.I.E., M.I.E. He has been conferred with Honorary Doctorates in Science by several Universities in the country and also I.I.T., Bombay and Delhi, apart from Honorary Doctorate in laws by Bombay University.

He was Director of the Bhabha Atomic Research Centre during the period 1966-72. He was appointed Secretary to the Government of India and Chairman Atomic Energy Commission during the period 1972-1981 and Principal Secretary to the Government of India and Chairman Atomic Energy Commission from 1981 to 1983. He was appointed a Member of the Research Advisory Committee of the Planning Commission, Government of India in 1998. He was appointed a Member of the Court of the Indian Institute of Science, Bangalore (1998-2001), the Court of University of Hyderabad (1998) and the Board of Trade, D.G.F.T., Government of India (1999).

He was awarded "Padma Shri" in 1959, followed by "Padma Bhushan" in 1966 and "Padma Vibhushan" in 1975.

Dr. Sethna is the recipient of several Awards including Pandit Jawaharlal Nehru Award for Engineering & Technological Sciences, "UDCT Diamond" Award from the University of Bombay, "Life time Contribution in Engineering Award" from the Indian National Academy of Engineering. He was on the Scientific Advisory Committee of the International Atomic Energy Agency from 1966 to 1981 and also on U.N.Scientific Advisory Committee in 1970. He was the Chairman of Tata Electric Companies from 1989 to 1999.

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

He has been a Member of several reputed Institutions and organisations. Dr. Sethna has been actively associated with leading Charitable Institutions.

He holds 5,152 equity shares of the Company.

Outside Directorship: Cabot India Limited (Chairman), WIMCO Limited (Chairman), B.R.T. Limited, Jost's Engineering Co.Ltd., Mahindra Ugine Steel Co. Ltd., The Mahindra United World College of India and 2 private limited companies.

Committee Membership : Audit Committee of the Board of Wimco Ltd. (Chairman), Cabot India Ltd. and The Bombay Dyeing & Mfg. Co. Ltd. and Share transfer and Shareholders/Investors Grievance Committee of the Board of The Bombay Dyeing & Mfg.Co.Ltd.

Mr. A. K. Hirjee:

Mr.Anil Hirjee, 66, is B.A.(Hons.), LL.B. (Hons), Barrister-at-Law, SLOAN Fellow of London Business School. He has 40 years of experience in different areas of Business Management and his expertise extends to finance, banking, legal, commercial, industrial and general administration. Mr. Hirjee has been actively associated with leading Charitable Institutions.

Mr. Hirjee holds 760 equity shares of the Company.

Outside Directorships: Atlas Copco (India) Ltd. (Chairman), HDFC Trustee Co. Ltd. (Chairman), The Bombay Burmah Trading Corporation Ltd. (Vice Chairman), The Bombay Dyeing & Manufacturing Co. Limited, Gherzi Eastern Ltd., Nowrosjee Wadia & Sons Ltd., Wadia BSN Ltd., Britannia Industries Ltd., Citurgia Biochemicals Ltd., National Peroxide Ltd. and 8 foreign companies and 1 private limited company.

Committee Membership: Audit Committee of the Boards of The Bombay Burmah Trading Corporation Limited, Atlas Copco (India) Ltd (Chairman) and HDFC Trustee Co. Ltd. (Chairman), Remuneration Committee of the Boards of The Bombay Burmah Trading Corporation Ltd, Atlas Copco (India) Ltd. (Chairman), and The Bombay Dyeing & Mfg. Co. Ltd. and also Shareholders/Investors Grievance Committee of the Boards of Atlas Copco (India) Ltd., Britannia Industries Ltd. and The Bombay Dyeing & Mfg. Co. Ltd.

Mr. Ness N. Wadia:

Mr. Ness N. Wadia, 34, M.Sc. in Engineering Business Management (Warwick University, UK), has been with the Company for over 12 years. Initially he was a Management Trainee and on completion of his training, appointed as Deputy Manager of the Company's largest textile mill. He took over in due course as Product Manager and thereafter as Marketing Manager. He was closely involved in Manufacturing, Marketing, HR, Projects and Retail Distribution of the Textile Division. He has been the Deputy Managing Director of the Company with effect from 1st August, 2001 heading the Real Estate Division of the Company.

Mr. Ness Wadia was awarded the Rotary Medal of Honour for Bravery in 1980-81.

Mr. Ness Wadia holds 13,500 equity shares of the Company.

Outside Directorship: National Peroxide Ltd., Nowrosjee Wadia & Sons Ltd., Gherzi Eastern Ltd., Botaniun Ltd., Wadia BSN India Ltd., Proline India Ltd., Go Airlines (India) Pvt. Ltd. and Virtual Education Network Pvt. Ltd.

Committee Membership: Finance Committee of The Bombay Dyeing & Mfg. Co. Ltd.

Details in respect of Mr. M. K. Singh have been furnished at the appropriate place in the Explanatory Statement annexed to the Notice. These details are not given here so as to avoid repetition.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

P. GOVINDAN
Secretary

Mumbai, 8th June, 2005.

Registered Office:
Neville House,
J.N. Heredia Marg,
Ballard Estate,
Mumbai 400 001.
Phone: 22618071

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ANNEXURE TO NOTICE

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned under Items 7 and 8 of the accompanying Notice dated 8th June, 2005.

Item 7

Mr. M. K. Singh was appointed by the Board of Directors (the Board) with effect from 24th July, 2004 as an Additional Director in terms of Section 260 of the Companies Act, 1956 and Article 117 of the Company's Articles of Association. He holds office as a Director only up to the date of this Annual General Meeting but is eligible for re-appointment. As required under Section 257 of the Companies Act, 1956, a notice in writing (along with a deposit of Rs. 500/-) has been received from a member signifying his intention to propose the aforesaid individual as Director of the Company at this Annual General Meeting.

Mr. M.K. Singh, 49, joined the Company as Chief Executive in its Real Estate Division on 1st July, 2004 to lead the initiative in the property development business. He was appointed as Executive Director with effect from 24th July, 2004.

Mr. Singh is a B.Tech from IIT, Delhi and an MBA from IIM, Ahmedabad. He has 26 years of experience in different areas of Business Management. His expertise extends to project management, industrial and general administration. Mr. Singh had earlier worked with Tata Administrative Services and Taj Group of Hotels as Vice President (Projects & Development). Prior to joining the Company, he was with Schindler India Ltd., for 5 years as Managing Director and set up the operations in India for the Swiss multinational. Mr. Singh does not hold any shares in the Company. He is not a Director in any other company nor is he a member of any Board Committee of any company.

Mr. M. K. Singh is concerned or interested in this Resolution as it relates to his re-appointment.

The Directors recommend the Resolution at Item 7 for your approval.

Item 8

Mr. M. K. Singh was appointed as Whole-time Director designated as Executive Director by the Board for a period of 5 years with effect from 24th July, 2004. His basic salary which was initially fixed at Rs.1,33,500/- per month was subsequently revised by the Board to Rs.1,55,000/- per month effective 1st April, 2005. The terms and conditions of the appointment of Mr. M. K. Singh as Executive Director (hereinafter referred to as "Mr. Singh") are embodied in the Agreement to be made between the Company and Mr. Singh. The aforesaid appointment and remuneration payable to him are subject to the approval of the members.

The material terms of his appointment contained in the draft Agreement proposed to be entered into by the Company with Mr. Singh are summarized below:

- [a] Mr. Singh will serve the Company as Executive Director for a term of 5 years with effect from 24th July, 2004.
- [b] Mr. Singh shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in their absolute discretion determine and entrust to him.
- [c] Mr. Singh shall devote his whole time and attention to the business of the Company, exert his best endeavours to promote its interests and welfare, and attend his place of employment at all proper times.
- [d] (i) Mr. Singh shall undertake such travelling in and outside India as may be necessary in the interest of the Company's business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Company.
(ii) Mr. Singh shall be entitled to reimbursement of all expenses including travelling, entertainment/business promotion and other out-of-pocket expenses incurred by him in connection with or in relation to the business of the Company.

- [e] In consideration of the performance of his duties, Mr. Singh shall be paid the following emoluments, benefits and perquisites subject to the limits laid down under Schedule XIII of the Companies Act, 1956 (hereinafter referred to as "the Act") from time to time:

Basic Salary : Rs. 1,33,500/- per month upto 31st March, 2005 and Rs. 1,55,000/- per month with effect from 1st April, 2005.

Incentive : Incentive Allowance up to 50% of his salary as may be determined by the Board from time to time at its sole discretion.

Special Allowance : Rs. 1,33,500/- per month.

Commission : Commission on profits at such percentage of salary as may be determined by the Board at its sole discretion.

Performance-linked Pay : Up to Rs. 14.50 lacs per annum as may be determined by the Board from time to time at its own discretion based on the actual results achieved during the year.

Perquisites and benefits : Mr. Singh shall also be entitled to perquisites such as partly furnished accommodation and/or House Rent Allowance (restricted to Rs. 7.20 lacs per annum), gas, electricity, water, furnishings, medical reimbursement, leave travel concession for self and family, club fees, medical insurance and other benefits and amenities as may be determined by the Board from time to time in accordance with the Rules of the Company.

PROVIDED HOWEVER that and subject always to the limits contained in Sections 198 and 309 of the Act, the Company may, at its sole discretion, pay by way of salary, allowances, commission on profits and/or bonus, as may be determined by the Board from time to time, and perquisites and other benefits and amenities as may be determined by the Board from time to time in accordance with the Rules of the Company, which shall not exceed a maximum limit of Rs. 80 lacs per annum.

For the purpose of computing the aforesaid ceiling, perquisites would be valued as per the Income Tax Rules, 1962, wherever applicable, and provision for use of Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in such computation.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund which shall not exceed 27% of the remuneration or such higher percentage as permissible under Rule 87 of the Income Tax Rules, 1962, and gratuity payable and encashment of leave at the end of the tenure as per Rules of the Company shall not be included in the computation of the ceilings on the remuneration payable as aforesaid.

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Where in any financial year during the currency of tenure of Mr. Singh, the Company has no profits or its profits are inadequate, Mr. Singh shall be entitled to all the remuneration by way of salary (including incentive) and allowances, and perquisites not exceeding the aforesaid limit subject to compliance with the applicable provisions of Schedule XIII to the Act, if and to the extent necessary, with the approval of the Central Government.

- [f] The Rules of the Company which are applicable to other Senior Executives of the Company, shall also apply to Mr. Singh.
- [g] Mr. Singh shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.
- [h] Mr. Singh shall not, as long as he functions as Executive Director of the Company, become interested or otherwise concerned directly or indirectly in any contract with the Company, as contemplated under sub-section (1) of Section 297 of the Act without the prior approval of the Central Government.
- [i] Mr. Singh shall not, except in the proper course of his duties during the continuance of his employment with the Company or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/or affairs of the Company and/or trade secrets or secret processes of the Company.
- [j] Mr. Singh shall not in the event of his ceasing to be an Executive Director of the Company before the expiry of the term of 5 years, for the remainder of such period:
 - (a) either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Company; and
 - (b) in connection with carrying on any business similar to or in competition with the business of the Company on his behalf or any person, firm or company, directly or indirectly:
 - (i) seek to procure orders or do business with any person, firm or company, who has at any time during the two years, immediately preceding such cessation of employment, done business with the Company; or
 - (ii) endeavour to entice away from the Company any person who has at any time during the two years immediately preceding such cessation of employment, done business with, or engaged by, the Company. Provided that nothing in this clause shall prohibit seeking or procuring of orders or doing of business not related or similar to the business/businesses of the Company.
- [k] The employment of Mr. Singh shall forthwith determine if he becomes insolvent or ceases to be a Director of the Company. He shall cease to be a Director if the Agreement is terminated and he ceases to be employed as Executive Director.
- [l] If Mr. Singh be guilty of any misconduct or any breach of the Agreement which in the opinion of the Board may render his retirement from the office of Executive Director desirable, the Company may by not less than 30 days notice in writing to him determine this Agreement and he shall cease to be an Executive Director, of the Company upon the expiration of such notice.
- [m] Either party shall be entitled to terminate the Agreement by giving not less than six calendar months prior notice in writing in that behalf to the other party, provided that the Company shall be entitled to terminate Mr. Singh's employment at any time by payment to him of six months basic salary in lieu of such notice.
- [n] If Mr. Singh ceases to be Executive Director of the Company, he shall be deemed to have resigned from the office of Director as from such date of cessation.

The Board will have the authority at its discretion from time to time to fix Mr. Singh's remuneration within the maximum remuneration specified and revise such remuneration from time to time within the maximum limit specified in the Agreement.

The Board will have further authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/ modification/ amendment is in conformity with the applicable provisions of the Act as amended from time to time.

Your Directors consider the aforesaid remuneration commensurate with the duties and responsibilities of Mr. Singh.

The draft Agreement to be entered into by the Company with Mr. Singh is available for inspection for the shareholders at the Registered Office of the Company during business hours on any working day (except Saturdays, Sundays and Public Holidays).

Mr. M. K. Singh is concerned or interested in the Resolution at Item 8 as it relates to his appointment.

This may also be treated as an abstract of the terms of Agreement between the Company and Mr. M. K. Singh, when executed, and memorandum of interest pursuant to Section 302 of the Companies Act, 1956.

The Directors recommend the Resolution at Item 8 for your approval.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

P. GOVINDAN
Secretary

Mumbai, 8th June, 2005.

Registered Office:
Neville House,
J.N. Heredia Marg,
Ballard Estate,
Mumbai 400 001.
Phone: 22618071



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10 YEARS' FINANCIAL REVIEW

(Rs. in Crores)

	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998	1996-1997	1995-1996
FINANCIAL POSITION										
Share capital	38.58	38.52	39.00	39.17	41.00	41.00	41.00	41.00	40.39	38.57
Reserves & Surplus	303.38	347.49	314.37	294.82	615.77	628.94	612.72	638.11	643.62	655.10
Net Worth :										
Total	341.96	386.01	353.37	333.99	656.77	669.94	653.72	679.11	684.01	693.67
Per Equity Share of Rs. 10	88.59	100.26	90.61	85.00	160.00	163.00	159.00	166.00	169.00	180.00
Borrowings	354.46	362.60	380.86	292.45	597.87	602.35	667.58	655.12	626.46	844.38
Deferred Tax Liability	10.64	35.90	21.77	23.03	-	-	-	-	-	-
Debt Equity Ratio	0.25 : 1	-	0.01:1	0.20:1	0.10:1	0.03:1	0.37:1	0.30:1	0.24:1	0.26:1
Fixed Assets :										
Gross Block	813.86	795.40	827.27	875.78	897.03	865.10	847.61	839.01	821.79	795.28
Depreciation	622.38	573.15	573.23	578.99	550.55	507.42	456.20	405.31	354.68	305.41
Net Block	191.48	222.25	254.04	296.79	346.48	357.68	391.41	433.70	467.11	489.87
Investments and Other Assets	515.58	562.26	501.96	352.68	908.16	914.61	929.89	900.53	843.36	1,048.39
OPERATING RESULTS										
Sales and other income	1,172.41	1,072.51	1,005.37	932.04	1,042.41	1,048.71	952.09	1,024.14	1,133.49	1,492.56
Manufacturing and other expenses	1,119.35	965.52	934.61	939.07	976.45	955.66	882.05	950.97	1,050.54	1,330.60
Depreciation	19.38	34.43	37.23	43.65	47.83	48.46	49.00	48.15	47.25	44.86
Profit before Tax	33.68	72.56	33.53	(50.68)	18.13	44.59	21.04	25.02	35.70	117.10
Current taxation	2.42	4.93	2.48	-	-	1.43	0.81	2.00	-	-
Deferred tax	4.70	14.13	(1.26)	21.62	-	-	-	-	-	-
Profit after Tax	26.56	53.50	32.31	(29.06)	18.13	43.16	20.23	23.02	35.70	117.10
Earnings per Equity Share of Rs. 10	7	14	8	(7)	4	11	5	6	9	31
Dividends :										
Amount	17.59	17.38	13.02	7.83	9.04	13.65	13.65	15.73	15.27	21.61
Percentage	40	40	30	20	20	30	30	35	35	55

Notes :

- Capital : Original Rs. 0.63 crore, Bonus Shares Rs. 21.02 crores, conversion of Debentures Rs. 0.83 crore, Global Depositary Receipts (GDRs) representing equity shares Rs. 5.51 crores, conversion of equity warrants relating to NCD/SPN Issue Rs. 9.81 crores and conversion of preferential warrants to promoters Rs. 3.20 crores, Equity shares bought back and extinguished upto 31st March, 2004 Rs. 2.55 crores, Equity shares issued under Employee Stock Option Scheme Rs. 0.13. Average Share Capital for 2004-2005 - Rs. 38.58 crores
- Debt Equity ratio is on Long Term Debt.
- Sales and other income include excise duty, sale of assets etc.
- Dividend amount includes Corporate Dividend Tax on the proposed/interim dividend, @ 10% for 1996-97 and 1997-98, @ 11% (inclusive of surcharge) for 1998-99 and 1999-2000, @ 10.20 % (inclusive of surcharge) for 2000-01, @ 12.81% (inclusive of surcharge) for 2002-2003 and 2003-2004, @ 14.03% (inclusive of surcharge and education cess) for 2004-2005
- Depreciation includes lease equalisation.

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

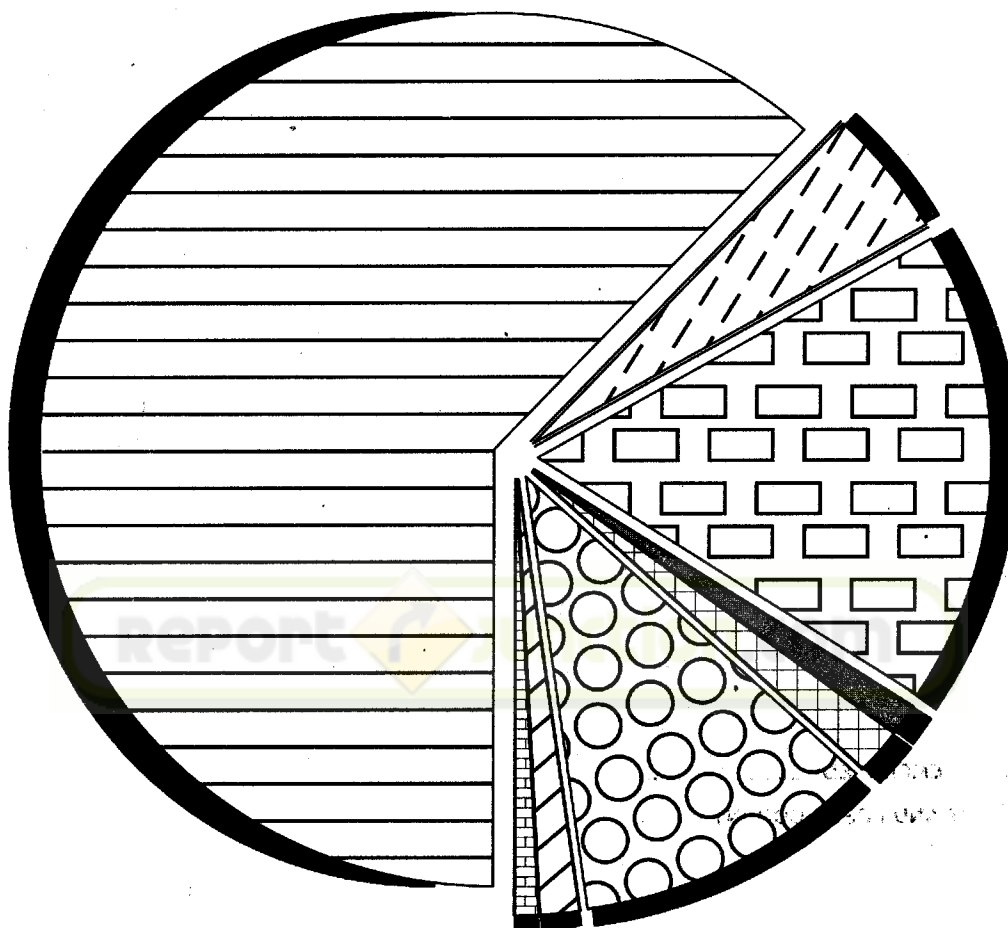
SUMMARISED BALANCE SHEET









	31-03-2005	(Rupees in crores) 31-03-2004
WHAT THE COMPANY OWNED		
FIXED ASSETS		
Gross block	813.86	795.40
Less : Depreciation	<u>622.38</u>	<u>573.15</u>
Net block	191.48	222.25
INVESTMENTS		
In shares and securities	241.19	360.25
OTHER ASSETS		
Excess of "current assets, loans and advances" over "current liabilities and provisions"	274.39	202.01
TOTAL ASSETS	<u>707.06</u>	<u>784.51</u>
WHAT THE COMPANY OWED		
Secured and unsecured loans	354.46	362.60
Deferred tax liability (Net)	10.64	35.90
SHAREHOLDERS' FUNDS		
Share capital - paid up	38.58	38.52
Reserves	<u>303.38</u>	<u>347.49</u>
	341.96	386.01
TOTAL (CAPITAL EMPLOYED)	<u>707.06</u>	<u>784.51</u>
SUMMARISED PROFIT AND LOSS ACCOUNT		
WE EARNED FROM		
Sales of our products	1,145.31	1,009.01
Interest, dividends & other income	<u>27.10</u>	<u>63.50</u>
	<u>1,172.41</u>	<u>1,072.51</u>
WE PAID OR PROVIDED FOR		
Raw materials etc.	737.21	546.30
Payments to employees	55.72	65.99
Operating expenses	194.05	241.02
Finance charges	14.44	10.39
Depreciation	19.38	34.43
Excise duty and taxation	125.05	120.88
Dividend & corporate dividend tax	17.59	17.38
Retained earnings/ (excess of expenditure over income)	8.97	36.12
	<u>1,172.41</u>	<u>1,072.51</u>

Note: Previous year's figures have been regrouped where necessary.

ANNUAL REPORT 2004-2005

DISTRIBUTION OF INCOME



	2004-2005 Amount (Rs. in crores)	%	2003-2004 Amount (Rs. in crores)	%
 Raw materials etc.	737.21	62.88	546.30	50.94
 Payments to employees	55.72	4.75	65.99	6.15
 Operating expenses	194.05	16.55	241.02	22.47
 Finance charges	14.44	1.23	10.39	0.97
 Depreciation	19.38	1.65	34.43	3.21
 Excise duty and taxation	125.05	10.67	120.88	11.27
 Dividend & corporate dividend tax	17.59	1.50	17.38	1.62
 Retained earnings	8.97	0.77	36.12	3.37
	<u>1,172.41</u>	<u>100.00</u>	<u>1,072.51</u>	<u>100.00</u>