

THE ORG

BOARD OF DIRECTORS



S.S. Marathe



Dr. V. A. Pai Panandiker



Dr. R.J. Rathi



Dr. V. G. Bhide



S. N. Inamdar



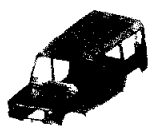
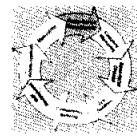
M. G. Chopda

BOARD OF MANAGEMENT

VALUE
CHAIN

STRATEGY

FINANCE / CORPORATE FUNCTIONS



Export & Business
Development

Finance

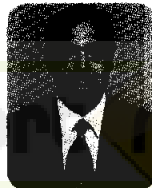
Corporate
Materials

Information
Systems

Business Process
Reengineering

Tempo
Technologies

MEMBERS



V. M. Mundada



S. A. Gundecha

DY.
MEMBERS



S. B. Chordia



S. S. Ghatpande



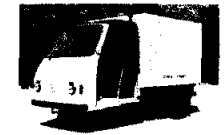
Abhijit Dani
Secretary - BOM



C. S. Maikhuri

BUSINESS MANAGEMENT COMMITTEES*

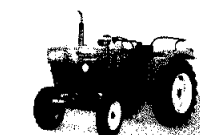
3-WHEELERS



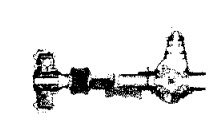
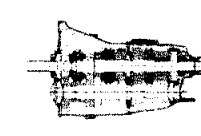
4-WHEELERS



TRACTORS



AGGREGATES



* Business Management Committees along the Value chain on Product Basis.



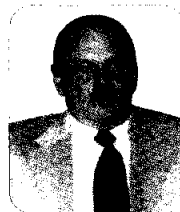
ANISATION



Abhay Firodia
Chairman



Sudhir Mehta



Dr. Rolf Bacher



Bharat V. Patel



Mrs. Anita Ramachandran



Vinay Kothari

TECHNOLOGY



Research &
Development



Vivek Adyanthaya



Production
Engineering



P. V. K. Rao

**

G. Venkataramanan
S. M. Paranjpe

**

V. D. Joshi

G. V. Subramaniam
R. M. Kaniitkar
V. V. Deshpande

B. J. M. Rao
J. G. Gandhe

G. Venkataramanan
A. A. Khinvasara

S. M. Bhat

G. A. Kulkarni
Dhannalal
M. C. Pujari

A. M. Kulkarni
M. P. Choudhary

MANUFACTURING

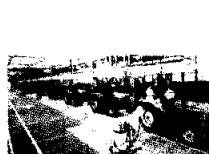
Materials / Production / Assembly / Quality



Aggregates
Manufacturing - Pune



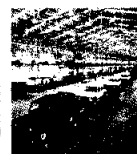
A. N. Joshi



HR & Vehicle
Manufacturing - Pune



P. V. Inamdar



Vehicle Manufacturing
- Pithampur



Arvind Goel

P. V. Inamdar - S. K. Agarwal
N. Balasubramanian, P. V. Watve

Arvind Goel - M. M. Gupta
S. C. Suneja, K. Mukati, P. S. Dhadiwal

P. V. Inamdar - N. K. Oberoi
B. K. Rajadhyaksha, S. Tandon

A. N. Joshi - N. S. Lapsia
S. S. Athavale, C. Srinivas

MARKETING / SALES SERVICE / SPARES

SALES TURNOVER IN Rs. LAKH
1991-1992 (20.00% INCREASE)



Mktg./ Sales/ Service -
Vehicles & Spares



Ravinder Singh

Mktg./ Sales/ Service -
Tractors



S. K. L. Das

**

Malind Kapoor, Manoj Kumar
B. Suresh, S. Vijayan

Malind Kapoor, Manoj Kumar
B. Suresh, S. Vijayan

J. S. Mohie, Sunil Dhadiwal
Milind Soman, N. B. Tungikar

A. Dasgupta

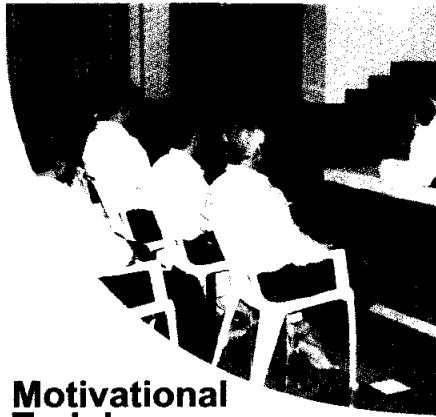
** Functions Divisionalised with Product Focus.



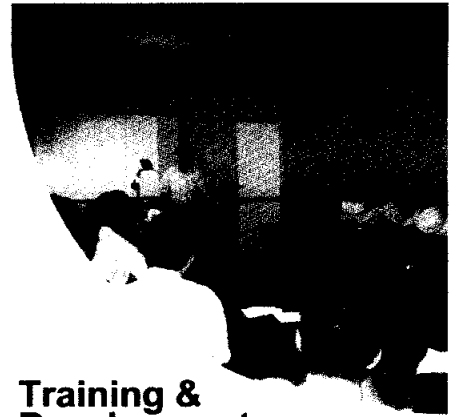
New Emphasis



Vision Sharing



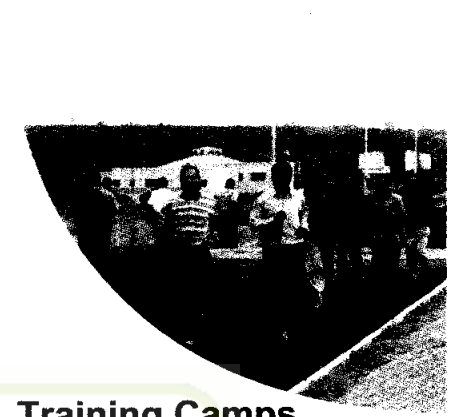
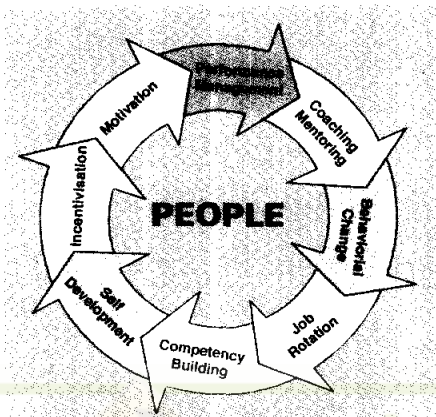
Motivational Training



Training & Development



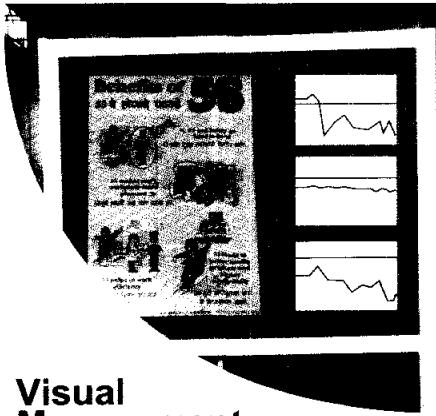
Training Camps



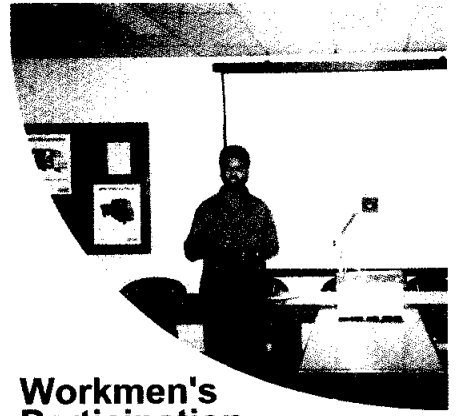
Training Camps



Cross Functional Team Building



Visual Management



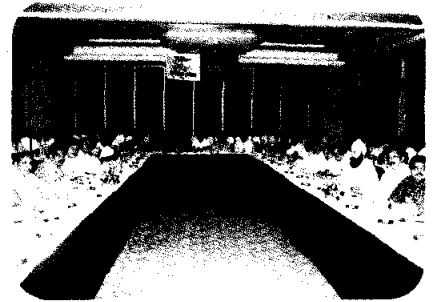
Workmen's Participation



emphasis



All India Key Dealers' Meet



Dealer Interaction



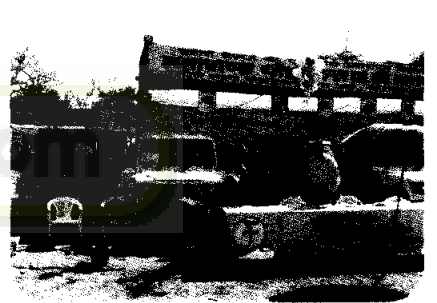
Training Freelance Mechanics



Motivating Dealer's Staff



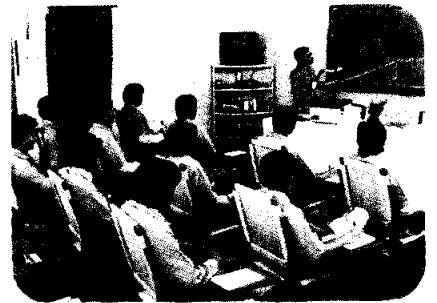
Demonstrating Product Excellence



Easy Finance



Service Training Van



Training - Service Engineers

BOARD OF DIRECTORS★

Mr. Abhay Firodia
Chairman & Managing Director

Mr. S. S. Marathe

Dr. V. A. Pai Panandiker

Dr. R. J. Rath

Mr. S. N. Inamdar

Mr. Bharat V. Patel

Mrs. Anita Ramachandran

Dr. Rolf Bacher

Dr. V. G. Bhide

Mr. Vinay Kothari

Mr. Sudhir Mehta

Mr. M. G. Chopda
Joint Managing Director

★ (w. e. f. 23rd February, 2002)

Auditors :

Messrs P. G. Bhagwat
Chartered Accountants,
Pune

Cost Auditors :

Messrs Dhananjay V. Joshi & Co.,
Cost Accountants,
Pune

Registered Office :

Bombay-Pune Road,
Akurdi, Pune - 411 035

Works :

Akurdi, Pune - 411 035

Pithampur,
District Dhar - 452 002

Secretary :

Mr. S. A. Gundecha

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NOTICE

Notice is hereby given that the 43rd Annual General Meeting of the Members of Bajaj Tempo Limited will be held on Monday, the 30th day of September, 2002 at 11.30 a.m. at the Registered Office of the Company at Bombay Pune Road, Akurdi, Pune - 35 to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Directors' Report, Audited Balance Sheet and Profit & Loss Account for the financial year ended on 31st March, 2002 together with Auditor's Report thereon.
2. To appoint a Director in place of Mr. S. N. Inamdar, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. S. S. Marathe, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Vinay Kothari, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To appoint Mr. Bharat V. Patel as a Director of the Company. Mr. Patel was appointed as an Additional Director of the Company w.e.f. 30th January, 2002. As per the provisions of Section 260 of the Companies Act, 1956 he holds office upto the date of ensuing Annual General Meeting and in respect of whom, the Company has received a notice, in writing, from a Member proposing his candidature for the Office of Director and signifying intention to move the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Bharat V. Patel be and is hereby appointed as Director of the Company."

7. To appoint Mrs. Anita Ramachandran as a Director of the Company. Mrs. Ramachandran was appointed as an Additional Director of the Company w.e.f. 30th January, 2002. As per the provisions of Section 260 of the Companies Act, 1956 she holds office upto the date of ensuing Annual General Meeting and in respect of whom, the Company has received a notice, in writing, from a Member proposing her candidature for the Office of Director and signifying intention to move the following resolution as an Ordinary Resolution :-

"RESOLVED that Mrs. Anita Ramachandran be and is hereby appointed as Director of the Company."

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

"RESOLVED that pursuant to the provisions of Section 293 and other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for contributing to charitable and other funds, not directly related to the business of the Company or welfare of its employees, a sum of Rs. 1,00,00,000/- (Rupees One Crore Only) during the Financial Year 2002-2003."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE SAID MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Explanatory Statement setting out the material facts concerning the Special Business mentioned at Item Nos. 6 to 8 of the Notice, as required by Section 173 of the Companies Act, 1956, is annexed hereto.
3. The requisite information about the Directors retiring by rotation and the Directors proposed to be appointed as regular Directors is included in the Report on Corporate Governance.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 27th day of September, 2002 to Monday, the 30th day of September, 2002 (both days inclusive).
5. **Members desirous of obtaining any information concerning the accounts or operations of the Company are requested to address their questions to the Secretary of the Company so as to reach at least 15 days before the date of the meeting so that the information required may be made available at the meeting.**
6. The unclaimed dividend up to the Company's financial year 1994-95 has been transferred to the General Revenue Account of the Central Government.
7. Equity shares of the Company are listed on Pune Stock Exchange Limited, Shivleela Chambers, 752, Sadashiv Peth, R. B. Kumbhkar Marg, Pune - 411 030 and The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Company has paid the annual listing fees to each of these Stock Exchanges.
8. The Members are requested to advise the Company immediately of any change in their addresses.

By Order of the Board of Directors
For BAJAJ TEMPO LIMITED

Pune 411 035

Date : 24th Aug., 2002

S. A. GUNDECHA

Co. Secretary & Vice President



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 6

As per the provisions of Section 260 of the Companies Act, 1956 and in exercise of the powers vested by Article 115 of the Articles of Association of the Company, the Board of Directors of your Company appointed Mr. Bharat V. Patel as an Additional Director w.e.f. 30th January, 2002.

As per the provisions of the said Section 260 of the Companies Act, 1956, Mr. Patel holds office till the date of ensuing Annual General Meeting. The Company has received a notice from a Member proposing the candidature of Mr. Patel for the office of Director.

Mr. Patel is M. A. from Notre Dame University and MBA from Michigan University. He is currently Chairman of Procter & Gamble Hygiene & Healthcare Limited. Mr. Patel is a renowned marketing and management expert with wide experience in Fast Moving Consumable Goods industry and is leading various Industrial Associations. The requisite information about Mr. Patel is included in the Report on Corporate Governance which may kindly be referred to. It is in the interest of the Company to avail of the services of Mr. Patel as a Director.

None of the Directors of the Company, except Mr. Bharat V. Patel, is interested in the resolution mentioned at Item No.6.

ITEM NO. 7

As per the provisions of Section 260 of the Companies Act, 1956 and in exercise of the powers vested by Article 115 of the Articles of Association of the Company, the Board of Directors of your Company appointed Mrs. Anita Ramachandran as an Additional Director w.e.f. 30th January, 2002.

As per the provisions of the said Section 260 of the Companies Act, 1956, Mrs. Ramachandran holds office till the date of ensuing Annual General Meeting. The Company has received a Notice from a Member proposing the candidature of Mrs. Ramachandran for the office of Director.

Mrs. Ramachandran is a Commerce Graduate with Post Graduation in Business Management. Mrs. Ramachandran is a renowned expert in Human Resource Management. She has a wide experience in corporate consultancy services. The requisite information about Mrs. Ramachandran is included in the Report on Corporate Governance which may kindly be referred to. It is in the interest of the Company to avail of the services of Mrs. Ramachandran as a Director.

None of the Directors of the Company, except Mrs. Anita Ramachandran, is interested in the resolution mentioned at Item No.7.

ITEM NO. 8

As per the provisions of Section 293(1) (e) of the Companies Act, 1956, the Board of Directors of a public company is authorised to contribute to charitable and other funds, not directly related to the business of the Company or welfare of its employees, amounts, the aggregate of which in any financial year shall not exceed Rs. 50,000/- or 5% of its average net profit as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956, made during the three financial years immediately preceding whichever is greater. Considering the Company's profitability position in recent years and the requirement of donating certain amounts to charitable institutions, the Board of Directors consider that the consent of the shareholders of the Company should be obtained to contribute the sum up to Rs.1,00,00,000/- to the charitable institutions and funds during the financial year 2002-2003.

None of the Directors of the Company is interested in the resolution mentioned at Item No. 8.

By Order of the Board of Directors
For BAJAJ TEMPO LIMITED

Pune 411 035
Date : 24th Aug., 2002

S. A. GUNDECHA
Co. Secretary & Vice President



DIRECTORS' REPORT

To :

The Members,

The Directors have pleasure in presenting the 43rd Annual Report of the Company together with the audited accounts for the financial year ended on 31st March, 2002.

1. Financial Results

	2001-2002 Rs.	2000-2001 Rs.
Gross Sales	630,33,61,221	614,84,18,679
Gross Profit	29,63,77,239	15,25,20,889
Depreciation	27,91,88,290	32,37,63,270
Provision for Taxes (net)	12,37,475	22,82,766
Profit/(Loss) for the year	1,59,51,474	(17,35,25,147)

The gross sales for the year under report increased to Rs. 630.33 crores from the previous year to Rs. 614.84 crores representing a growth of 2.51% on the backdrop of depressed market conditions and overall slow economic growth.

2. Dividend

As the Company has earned profit after recording book losses for three financial years, and considering the amount of profit earned for the year under report, the Board of Directors consider it proper not to recommend any payment of dividend for the Financial Year 2001-02.

3. In view of the new provisions of Listing Agreement the Market Situation, Status of Operations etc., are dealt with in the "Management Discussion & Analysis" attached hereto.

4. Exports

Export Turnover achieved for the year was Rs. 4.24 crores against previous year's turnover of Rs. 4.69 crores.

5. Research & Development

The expenditure on Research & Development for new products, including the expenditure on projects and Tool Engineering, was 2.19% of the turnover.

6. Foreign Collaborations

The Company had entered into a technology support agreement with Messers DaimlerChrysler AG to enable upgrade the Company's export activity. The progress of implementing the foreign technology agreement is satisfactory.

The Company also continues to obtain consultancy assistance from M/s. Ricardo, Dr. Bacher, Dr. Sesa and Mr. Feucht.

7. Industrial Relations

Industrial Relations at both plants were cordial during the year.

8. Foreign Exchange

Foreign exchange outgo arising out of import of raw materials, components and capital goods is as per the details mentioned in the Notes to Accounts.

9. Conservation of Energy

Constant efforts to improve energy conservation are on, both in terms of improving fuel economy of vehicles manufactured by the Company and in terms of consumption of energy for operational purposes.

10. Environment

The Company has continued to emphasize development of Emission Friendly Engines for all ranges of vehicles it produces.

11. Fixed Deposits

180 Fixed Deposits amounting to Rs. 18,09,000/- matured for repayment on or before 31st March, 2002, but remained unclaimed on that date, out of these 89 deposits amounting to Rs. 8,77,000/- have since been repaid/renewed.

12. Orders for Machinery

Since the close of the Accounting Year the Company has placed orders for new machinery, equipments and capital assets for Rs. 1.69 crores.

13. Demat

The Company has completed the process of dematerialization of its equity shares quoted on Stock Exchanges. The International Securities Identification Number code allotted to the shares of the Company is INE451A01017. As on 3rd August, 2002, 9,45,635 equity shares are held in dematerialized form.

14. Directors

Mr. C. S. Lodha resigned from the directorship of the Company w.e.f. 28th January, 2002. The Board expresses its sincere appreciation of the services rendered by Mr. C. S. Lodha during his association with the Company.

Mr. M. Gurudutt resigned from the directorship of the Company w.e.f. 22nd February, 2002. This long association with the Company in his capacity as Technical Advisor and Director on the Board has been most beneficial to the Company. He played a key role in mentoring and guiding the team of engineers in the



BAJAJ

Tempo

LTD.

Company and in enlargement and modernising of the Company's R&D activity. The Board places on record its high appreciation of the services rendered by him.

The Board of Directors in its meeting held on 30th January, 2002 appointed Mr. Bharat V. Patel and Mrs. Anita Ramachandran as Additional Directors of the Company.

As per the provisions of Section 260 of the Companies Act, Mr. Patel and Mrs. Ramachandran hold the office till the conclusion of ensuing Annual General Meeting. The Company has received notices proposing their candidature for the directorship of the Company.

Mr. S. N. Inamdar, Mr. S. S. Marathe and Mr. Vinay Kothari, Directors of your Company, retire by rotation and being eligible offer themselves for reappointment.

The Board of Directors in its meeting held on 15th April, 2002 re-appointed Mr. Abhay Firodia as Managing Director of the Company for a period of five years w.e.f. 1st July, 2002 and Mr. M. G. Chopda as Joint Managing Director of the Company for a period of two years w.e.f. 1st June, 2002. The Members of the Company in their Extraordinary General Meeting held on 31st May, 2002 approved these re-appointments and payment of remuneration to the Managing Director and the Joint Managing Director.

15. Committees

The Board of Directors of the Company appointed Audit Committee, Remuneration Committee and Shareholders' Grievance Committee.

16. Corporate Governance

The provisions of clause 49 of the Listing Agreement executed by the Company with Stock Exchanges was required to be implemented on or before 31st March, 2002. The Company has taken all necessary steps to implement the provisions of the said clause and a detailed report on the various issues, including the Auditor's Report on Corporate Governance are attached to this Report.

17. Directors' Responsibility Statement

As required by sub-section 2(AA) of Section 217 of the Companies Act, 1956, the Directors state that -

- (a) in the preparation of Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit/loss of the Company for that period.

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (d) the Annual Accounts are prepared on a going concern basis.

18. Other

The statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company and its Accounts are annexed hereto.

Under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are set out in the annexure to the Directors' Report. However, in terms of the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all shareholders of the Company excluding the aforesaid annexure. The Shareholders interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company. The Company had two employees who were in receipt of a remuneration exceeding Rs. 2,00,000/- per month and employed for part of the year.

19. You are requested to appoint Auditors for the current year and fix their remuneration. M/s. P. G. Bhagwat, Chartered Accountants, Pune, Auditors to the Company, who retire at the ensuing Annual General Meeting, are eligible for reappointment.

20. The Central Government has directed to conduct audit of the cost records and accordingly M/s. Dhananjay V. Joshi & Co., Cost Accountants, Pune, were appointed as the Cost Auditors for the year under report. The Cost Audit Report is under preparation.

21. As per the Accounting Standard No.21 (AS 21), the Company has included, as a part of this Annual Report, the Audited Consolidated Financial Statement for the Financial Year 2001-02.

22. The Directors express their grateful thanks to the banks, financial institutions, suppliers and dealers for their support and express their warm appreciation of sincere co-operation and dedicated work by the employees.

For and on behalf of the Board of Directors

ABHAY FIRODIA

Chairman & Managing Director

Pune 411 035

24th August, 2002