



Touching lives

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Research & Design by WYATT (info@wyatt.in) / Printed at Thomson Press

moserbaerTM

ANNUAL REPORT 2007

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"What we are today comes from our thoughts of yesterday, and our present thoughts build our life of tomorrow: Our life is the creation of our mind." - Gautam Buddha

At Moser Baer, we believe that technology best reflects the current state of humanity's knowledge - either in its ability to combine resources and produce desired products or in its infinite potential to resolve people's problems and fulfill their wants.

Throughout history, technology has been the core catalyst transforming societies.



Touching lives through innovative technology

Right from innovating the smallest microchip to building sophisticated space stations, technology has ubiquitously set a new benchmark for efficiencies, competitiveness and opportunities by seamlessly connecting different markets and economies.

At the next level, technology aims to help forward-thinking businesses to look beyond merely ushering "efficiency" to lend differentiation, enhance value and add dimensions to their product and service offerings, all of which will raise customer experiences beyond expectations.

Recognizing this potential of technology and innovation, Moser Baer has continuously harnessed the power of its knowledge capital. This together with its commitment to be at the cutting edge of technology has only strengthened its ability to set new technology benchmarks that have the power to impact and touch lives.



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- 1 Moser Baer ranks as one of the world's largest and lowest-cost optical media manufacturer helping consumers safely, securely and cost-efficiently store their digital data. The Company has leveraged its robust R&D strengths to develop a new generation of storage devices which can archive critical and sensitive data for years and has also emerged as the first to market the next generation of storage formats such as Blu-ray Discs (BD) and HD DVD.

2

Moser Baer has extended its core competencies in an endeavor to provide a clear roadmap to bring down solar electricity cost down to conventional energy price points. The photovoltaic initiatives have the potential to enable a faster and cost-effective transition to the renewable solar energy market and in turn directly or indirectly impact the lives of people across the globe.

3

Looking ahead, Moser Baer intends to add features to the existing data storage products, combine them with in-house technological capabilities and cater to the aspirations of billions of Indian movie fans. The Company has already launched licensed movies in the VCD/DVD formats at unbelievable price points and with unmatched quality, an unprecedented initiative in the country.



MISSION

- We will drive growth through our excellence in mass manufacturing.
- We will move up the value chain through rapid development of technology, products and services.
- We will leverage our relationships, distribution, cost leadership and "can do" attitude to become a global market leader in every business.

VISION

“Touching every life
across the globe
through high
technology products
and services”





“2006-07 was a very crucial year for Moser Baer which marked our journey from being a single business firm into a multi-technology business. Developments during the year vindicate our strategy to transform Moser Baer into a technology developer and innovator.”

Dear Shareholders,

This year has been one of the most exciting ones for Moser Baer as your company successfully transformed itself from a single business into a multi-technology business organization. It gives me great pride in stating that our newly articulated vision of touching lives through technology products and services encapsulates our commitment to embrace next generation technology to harness the immeasurable power of our knowledge capital to set new technology benchmarks.

It gives me great satisfaction to share with you that many of the events and milestones your company achieved during the year will take us closer to this vision.

In addition to the above, 2007 was also a year of tremendous financial accomplishments which we believe has set the stage for long-term sustainable growth. Our revenues rose 20% to INR 20,740 million and profit after tax increased by 23.5 times to INR 1,098 million when compared to the previous year. Along with our financial performance, 2006-07 was noteworthy as we achieved many distinctions and entered a number of new businesses.

BUSINESS OVERVIEW

OPTICAL STORAGE MEDIA

The year has been a landmark one for our optical business. While the business reverted to normal profitability after two long years, more importantly, your company has been able to transition itself into a technology leadership position. For instance, your company was the first company in the world to ship out the next generation HD DVD. Also with the acquisition of OM&T, B.V, an erstwhile subsidiary of Philips, your company is amongst the very few companies in the world to have Blu-ray disc manufacturing capabilities. We are confident that your Company is prepared to lead the next generation curve in the Blue laser based products.

The information explosion continues without any respite and so does the demand for cost efficient storage. On the back of the R&D efforts, Moser Baer's optical media products continue to be one of lowest cost per megabyte storage products, a milestone, which we believe, will drive robust demand for our products over the foreseeable future.

PV BUSINESS

As costs of conventional energy sources are rapidly rising, we are continually reminded of the need to find alternate sources of energy. Unlike fossil fuels, renewable energies are infinite in their supply and minus the impact of global warming and air pollution.

We are leveraging our core competencies in R&D and manufacturing to emerge as a significant player in the global photovoltaic industry. While shipments from the first phase of the crystalline silicon project have already begun, the second phase remains on fast track. With a strategy to straddle multiple technologies in this area, we are aggressively evaluating emerging alternative technologies and are confident that we bring down PV electricity costs to match conventional energy price points. In line with this strategy, we intend on setting up of the world's largest thin film solar fab in the country.

HOME ENTERTAINMENT

Our initiative in this business aims to bring about a paradigm change in the home video market – a market characterized by high fragmentation and rampant piracy. With superior quality, unbeatable price points and a rich library, we are confident of redefining the home video market in India. Additionally, this business will allow us to capture higher value addition in the chain and we are optimistic of emerging as a leader in this highly exciting segment.

So far we have launched less than 5% of our library and it gives me great pride to state that the response to this new business has been overwhelmingly positive. This is just the beginning...We are confident that this new business will create significant shareholder value.

OUR PEOPLE

Today Moser Baer is an organization of strong leaders and exceptionally talented and dedicated individuals. People have been central to our success and it is through their unyielding contribution that Moser Baer will continue to make a difference to the lives of more people than before. I take this opportunity to thank all our employees for their dedication and hard work.

Finally, I want to thank all our Shareholders, Bankers, Suppliers and Customers for their continued support as we enter into what we believe to be an even more exciting new era for Moser Baer.

I assure you we will all continue to work hard to achieve it.

Deepak Puri

(Chairman & Managing Director)





Touching lives