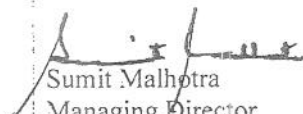
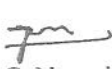



FORM A

Format of covering letter of the annual audit report to be filed with the
Stock Exchanges


1.	Name of the Company:	Bajaj Corp Limited
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable


Sumit Malhotra
Managing Director



V. C. Nagori
Chief Financial Officer


Gaurav Dalmia
Audit Committee Chairman

For R.S. Dani & Company
Chartered Accountants
Firm registration number: 000243C



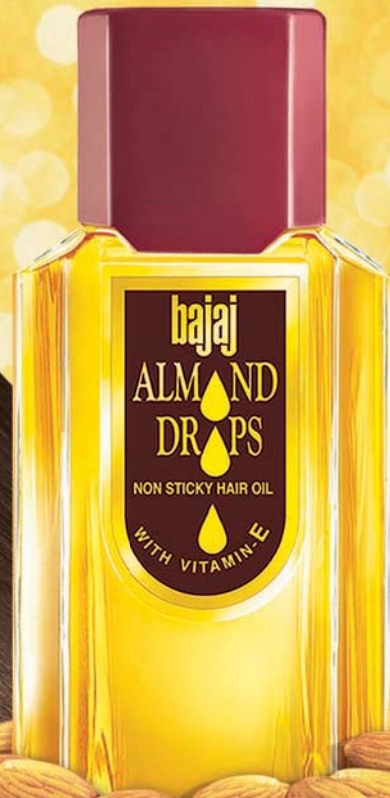
C.P. Kothari
Partner
Membership No.: 072229



EIGHTH ANNUAL
REPORT 2013 - 14

bajaj
ALMOND
DROPS
HAIR OIL

300% Extra Vitamin-E.
Nourished hair.
Beautiful you.



Kangana Ranaut - Film Actress

*300% Extra Vitamin-E than ordinary coconut oil.

Contents

Board of Directors	2
Notice to Shareholders	3
Directors' Report	19
Corporate Governance Report	31
Shareholder Information	41
Auditors' Certificate on Corporate Governance	46
Management Discussion and Analysis Report	47
CEO/CFO Certification	54
Auditors' Report	55
Balance Sheet and Statement of Profit and Loss	58
Cash Flow Statement	60
Statement on Significant Accounting Policies & Notes Forming Part of Accounts	61
Auditors' Report on Consolidated Financial Statements	75
Consolidated Financial Statements	76
Statement relating to Subsidiary Company	94

Board of Directors

Kushagra Nayan Bajaj

Promoter, Non-Executive Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Whole-time Director

Gaurav Dalmia

Independent, Non-Executive Director

Dilip Cherian

Independent, Non-Executive Director

Aditya Vikram Ramesh Somani

Independent, Non-Executive Director

Haigreve Khaitan

Independent, Non-Executive Director

Sujoy Sircar

Company Secretary

Statutory Auditors**R. S. Dani & Co.**

Chartered Accountants

Bankers

Corporation Bank

HDFC Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

Registered Office

221, 2nd Floor, Bldg.No.2,

Solitaire Corporate Park,

167, Guru Hargovind Marg,

Chakala, Andheri (East),

Mumbai - 400 093.

Registrar & Transfer Agent

Karvy Computershare Private Limited

17-24, Vittal Rao Nagar,

Madhapur,

Hyderabad -500 081.



CIN: L0110MH2006PLC161345

Registered Office: 2nd Floor, Building No.2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai 400093

Tel.: +91 22 66919477/78, **Fax :** +91 22 66919476, **Website:** www.bajajcorp.com

Notice to Shareholders

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of Bajaj Corp Limited will be held on Friday, August 1, 2014 at 4.00 pm at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss for the year ended on that date and Reports of Directors and Auditors thereon for the said year.
2. To confirm the Interim Dividend of ₹ 6.50 per equity share declared on 14,75,00,000 equity shares of face value ₹ 1/- each already paid for the financial year ended March 31, 2014.
3. To appoint a Director in place of Mr. Jimmy Anklesaria (DIN 03464365), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. R. S. Dani & Company (Firm Registration Number 000243C), Chartered Accountants, pursuant to the provisions of Section 139 of the Companies Act, 2013, as Auditors of the Company, to hold office from conclusion of this Eighth Annual General Meeting until the conclusion of the 9th Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)

read with Schedule IV to the Companies Act, 2013, Mr. Gaurav Dalmia (DIN 00009639), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing candidature of Mr. Gaurav Dalmia for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office up to March 31, 2019, not liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dilip Cherian (DIN 00322763), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Dilip Cherian for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the

Companies Act, 2013, Mr. Haigreve Khaitan (DIN 00005290), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Haigreve Khaitan for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019 not liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Aditya Vikram Ramesh Somani (DIN 00046286), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Aditya Vikram Ramesh Somani for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office up to March 31, 2019, not liable to retire by rotation."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (corresponding to Section 314 of the Companies Act, 1956 and rules made thereunder), consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Apoorv Bajaj as Executive President of the Company, for a period of 5 years commencing November 5, 2014 on the terms and conditions of appointment and remuneration as contained in the Explanatory Statement of material facts annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 and the Board of Directors be and is hereby authorised to alter, vary or revise such terms of appointment and remuneration within the overall limits as may be agreed to by the Board of Directors and Mr Apoorv Bajaj."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 62(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, Regulations for Qualified Institutions Placement contained in Chapter VIII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, the notifications issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association and subject to all other statutory and regulatory approval(s), consent(s), permission(s) and/ or sanction(s) of the Government of India, RBI, Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the Board be and is hereby authorised to create, issue, offer and allot equity shares and/or securities in one or more tranches, whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign market(s), for a value of up to ₹ 1,000 crore (Rupees One thousand crore only) including Equity Shares and/or Other Financial Instruments ("OFIs") through Qualified Institutions Placement ("QIP") basis to Qualified Institutional Buyers ("QIB"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), any other Depository Receipt Mechanism and/or convertible into Equity Shares (either at the option of the Company or the

holders thereof) at a later date, any such instrument or security [including Debentures or Bonds or Foreign Currency Convertible Bonds ("FCCBs")] being either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments or securities including Global Depository Receipts and American Depository Receipts representing Equity Shares (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/Foreign Institutional Investors ("FIIs")/Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through prospectus, offer document and/or other letter or circular ("Offer Document") and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other Advisors, with authority to retain over subscription up to such percentage as may be permitted by the Appropriate Authorities, at such price or prices, at such interest or additional interest, at a discount or at a premium on the market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/prepayment, number of further equity shares, to be allotted on conversion/ redemption/ extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with the Appropriate Authority(ies), the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval

or consent from the shareholders and also subject to the applicable regulations for the time being in force."

"RESOLVED FURTHER THAT a minimum of 10% of the Securities issued pursuant to said regulations shall be allotted to mutual funds and if no mutual fund is agreeable to take up the minimum portion or any part thereof, then such minimum portion or part thereof may be allotted to other QIB(s) or otherwise."

"RESOLVED FURTHER THAT the Relevant Date for determining the pricing of the securities [whether on Qualified Institutional Placement to QIBs as per the provisions of Chapter VIII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009] or issue of equity shares underlying the Global Depository Receipts or securities issued on conversion of FCCBs is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI or the RBI or any Appropriate Authority from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to allot further shares up to 15 (fifteen) percent of its issue size to the Stabilisation Agent by availing the Green Shoe Option subject to the provisions of relevant SEBI Regulations and enter into and execute all such agreements and arrangements with any Merchant Banker or Book Runner, as the case may be, involved or concerned in such offerings of Securities and to pay all such fee/ expenses as may be mutually agreed between the Company and the said Stabilisation Agent."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilisation Agent, Banker/ Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/International Stock Exchanges."

"RESOLVED FURTHER THAT the Board and/or an agency or body authorised by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or

International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/ International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of further equity shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such further equity shares ranking pari-passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document."

"RESOLVED FURTHER THAT subject to the existing law and regulations, such Securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/ foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors ("FIIs")/ Qualified Institutional Buyers ("QIBs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/ offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper

without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT to the extent permissible under Law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 148 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) payment of remuneration of ₹ 80,000/- (Rupees Eighty thousand only) plus applicable levies and reimbursement of out-of-pocket and traveling expenses to M/s Hitesh Jain & Associates, Cost Accountants, Rajasthan, who were appointed as Cost Auditors of the Company by the Board of Directors to conduct the Cost audit of the manufacturing facilities of the Company located at Dehradun, Uttarakhand, Paonta Sahib and Parwanoo, Himachal Pradesh for the financial year ended March 31, 2015, be and is hereby ratified and confirmed."

By Order of the Board of Directors

Sujoy Sircar
Company Secretary

Place: Mumbai
Dated: April 28, 2014

Registered Office:
2nd Floor, Building No. 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri(E),
Mumbai – 400093

NOTES:

1. **A member entitled to attend and vote at the annual general meeting ("meeting") is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. A person can act**

as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument appointing the proxy, in order to be effective, shall be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is annexed to this Notice.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Jimmy Anklesaria (DIN 03464365) Director, retires by rotation and being eligible, offer himself for re-appointment. The Board of Directors commends the aforesaid re-appointment. Mr. Gaurav Dalmia (DIN 00009639), Mr. Dilip Cherian (DIN 00322763), Mr. Haigreave Khaitan (DIN 00005290) and Mr. Aditya Vikram Ramesh Somani (DIN 00046286), Non Executive Directors of the Company were Independent Directors as per Clause 49 of the listing agreement with the stock exchanges. As per explanation to Section 152(6)(e) of the Companies Act, 2013, total number of Directors for the purpose of determining Directors liable to retire by rotation shall not include Independent Directors, whether appointed under the Companies Act, 2013 or any other law for the time being in force.
5. Brief resume of all Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships/ chairmanships for Board/Committees, shareholding and relationship between directors inter-se as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges in India, are provided in the annexure.
6. Pursuant to Section 102 of the Companies Act, 2013, the statement setting out the material facts concerning each item of special business to be conducted at the Eighth Annual General Meeting is annexed hereto.
7. Relevant documents referred in accompanying Notice are open for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 3.00 p.m. on all working days, except Saturdays, Sundays and Public holidays up to the date of the Eighth Annual General Meeting.
8. The Register of Members and Share Transfer Register Books of the Company shall remain closed from Saturday, July 26, 2014 to Friday, August 1, 2014 (both days inclusive) for the purpose of Eighth Annual General Meeting of the Company
9. An Interim Dividend of 650% (₹ 6.50 per share on equity shares of face value ₹ 1/- each) declared by the Board of Directors on February 6, 2014, was paid to the shareholders of the Company.
10. Members are requested to furnish their Bank Account details, change of address and all other required details to the Registrar & Share Transfer Agents, M/s. Karvy Computershare Private Limited in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
11. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their copies of PAN card 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/Registrar & Share Transfer Agent.
12. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue.
13. Members are requested to send all communications relating to shares to the Registrar & Share Transfer Agents of the Company at the following address:

By Post/ Courier/ Hand Delivery	M/s Karvy Computershare Private Limited Unit : Bajaj Corp Limited Plot Nos. 17-24, Vittal Rao Nagar Madhapur, Hyderabad - 500 081 Tel. No.: 040 4465 5000/ 2342 0815 - 28 Fax No.: 040 2342 0814 Email: einward.ris@karvy.com
--	--

14. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to sections 205A to 205C of the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer, has to be transferred by the Company to "The Investor Education and Protection Fund" ("IEPF").

The details of Dividends paid by the Company and the corresponding due dates for transfer of such unclaimed/unencashed dividend to the aforementioned Fund constituted by the Central Government are furnished hereunder:

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010-2011	Monday, August 8, 2011	Thursday, September 13, 2018
2011-2012	Tuesday, February 7, 2012	Sunday, April 14, 2019
2012-2013	Friday, January 11, 2013	Wednesday, March 18, 2020
2013-2014	Thursday February 6, 2014	Tuesday, April 13, 2021

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the above financial years, are therefore, requested to make their claims to Karvy Computershare Private Limited well in advance of the above due dates. It may be noted that once the amounts in the unpaid dividend accounts are transferred to the IEPF no claim shall lie against the IEPF or the Company in respect thereof and the Members would lose their right to claim such dividend.

15. Pursuant to the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in physical form and who have not registered their e-mail address with the Company can now

register the same by submitting a written request to M/s. Karvy Computershare Private Limited / Company. Members holding shares in dematerialized form are requested to register their e-mail address with their respective Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request. The Company will send the electronic copies of the Annual Report 2013-2014 to all those shareholders at their registered email ids provided to us by the respective Depositories. The physical copies of the Annual Report will also be available at our Registered Office in Mumbai for inspection during business hours on all working days upto the date of the Eighth Annual General Meeting. In case any Member(s) insist for physical copy of the aforementioned documents, the same shall be sent to the respective Member(s) by post, free of cost. For Members who have not registered their e-mail address, physical copies of the Annual Report for 2014 are being sent by the modes permitted under Companies Act, 2013. The Annual Report is also available for download at HYPERLINK "<http://www.bajajcorp.com>" www.bajajcorp.com.

16. Electronic copy of the Notice convening the Eighth Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting with Attendance Slip and Proxy Form is being sent to all Members whose email addresses are registered with the Company/Depository Participants for communication purposes unless any Member has requested for a physical copy of the same. For Members, who have not registered their email addresses, physical copies of the Notice convening the Eighth AGM of the Company inter-alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form are being sent by the modes permitted under the Companies Act, 2013. Notice convening Eighth Annual General Meeting is also available for download at www.bajajcorp.com.
17. To support the "Green Initiative", the Members who have not registered their e-mail addresses are requested to register the same with Registrars and Share Transfer Agent/Depositories.
18. Details under revised Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

19. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the notice) and Clause 35B of the Listing Agreement, the Company is providing facility to exercise votes on the items of business given in the notice through electronic system, to members holding share as on June 30, 2014 (end of the day) being the cut of date (Record Date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by M/s. Karvy Computershare Private Limited (Karvy).

The instructions for e-voting are as under :

A. For Members who receive Notice of annual general meeting through email:

- i. Use the following URL for e-voting 'https://evoting.karvy.com'
- ii. Enter the login credentials i.e., user id and password mentioned in your email. Your Folio No./DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing USER ID and password for casting your votes.
- iii. After entering the details appropriately, click on "LOGIN".
- iv. You will reach the 'password change' menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with the new credentials/ password.
- vi. On successful login, the system will prompt you to select the EVENT i.e., Bajaj Corp Limited.
- vii. On the voting page, the number of shares (which represents the number of votes) as held by the member on the cut-off date/record date will appear. If you desire to cast all votes assenting/dissenting to the resolutions, then

enter all shares and click "FOR"/"AGAINST" as the case may be or partly in "FOR" and partly in "AGAINST", but the total number in "FOR"/"AGAINST" taken together should not exceed your total shareholding as on the cut-off / record date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through email complianceofficer@bajajcorp.com
- xi. The Portal will remain open for voting from: July 26, 2014 (9.00 a.m. I.S.T) till July 28, 2014 (6.00 p.m. I.S.T)
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "download" section of <https://evoting.karvy.com> or contact Karvy Computershare Private Limited on Toll Free No. 1-800-34-54-001 for any further clarifications.
- xiii. Members may alternatively cast their votes using the ballot form which is sent along with this notice and also available on the website of the Company. Please refer instructions under heading C below for more details.

B. For Members who receive the physical copy of the Notice of annual general meeting::

- i. Members holding shares either in demat or physical mode who are in receipt of Notice in physical form, may cast their votes using ballot form enclosed to this Notice. Please refer instructions under heading C below for more details.

- ii. Members may alternatively opt for e-voting, for which the USER ID and initial password are provided at the bottom of the ballot form. Please follow steps from SL No. (i) to (xii) under heading A above to vote through e-voting platform.

C. For members who wish to vote using ballot form:

Pursuant to Clause 35B of the listing agreement, Members may fill in the ballot form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutiniser, Mr. R. Ramachandran C/o. Karvy Computershare Private Limited, Unit: Bajaj Corp Limited, Plot No.17-24, Near Image Hospital, Vittal Rao Nagar, Madhapur, Hyderabad – 500081, so as to reach by 6.00 p.m. on July 28, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. e-voting and ballot form, the votes in the electronic system would be considered and the ballot form would be ignored.

D. GENERAL INSTRUCTIONS :

- i. The e-voting period commences from 9.00 a.m. I.S.T on July 26, 2014 and ends on 6.00 p.m. I.S.T on July 28, 2014. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the aforesaid cut-off date/record date i.e. June 30, 2014 may cast their vote during the above voting period electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii. The Company has appointed Mr. R. Ramachandran as the Scrutinizer to scrutinise the e-voting process (including the ballot form received from the Members who do not have access to the e-voting process), in a fair and transparent manner.
- iii. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast

in favour or against, if any, forthwith to the Chairman of the Company.

- iv. In the event of a Poll, please note that the Members who have exercised their right to vote by electronic means/through ballot form as above shall not be eligible to vote by way of Poll at the meeting. The Poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting and using Ballot form shall be counted for the purpose of passing of resolution(s).
- v. Subject to the receipt of sufficient votes, the resolutions shall be deemed to be passed at the Eighth Annual General Meeting of the Company scheduled to be held on Friday, August 1, 2014. At the said Annual General Meeting, the Chairman shall declare the results of voting on the resolutions set out in the Notice. The results declared alongwith the Scrutinisers' report shall be placed on the Company's website www.bajajcorp.com and on the website of Karvy www.evoting.karvy.com within two days of the passing of the resolutions at the Eighth Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges

STATEMENT ANNEXED TO THE NOTICE AND SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

In respect of Item No 5

Mr. Gaurav Dalmia (DIN 00009639) is a Non-Executive & Independent Director of the Company. He joined the Board in 2010. Mr. Dalmia retires by rotation at the ensuing Eighth Annual General Meeting pursuant to the provisions of the erstwhile Companies Act, 1956. Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Gaurav Dalmia as an Independent Director up-to March 31, 2019 not liable to retire by rotation.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000 proposing the candidature of Mr. Gaurav Dalmia for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Gaurav Dalmia (i) consent in writing to act as Director in Form DIR-2

pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Gaurav Dalmia, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and Rules made thereunder and he is independent of the Management. A copy of the draft letter for appointment in respect of Mr. Gaurav Dalmia as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during business hours on any working day, excluding Saturdays, Sundays and Public Holidays.

The Board considers that Mr. Gaurav Dalmia's continued association with the Company would immensely benefit the Company and it is desirable to continue to avail the services of Mr. Dalmia as an Independent Director.

No Director or Key Managerial Personnel of the Company and their relatives except Mr. Gaurav Dalmia is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

The Board recommends the resolution set out in Item No 5 as aforesaid for the approval of the members.

In respect of Item No 6

Mr. Dilip Cherian (DIN 00322763) is a Non-Executive & Independent Director of the Company. He joined the Board in 2010. Mr. Cherian retires by rotation at the ensuing Eighth Annual General Meeting pursuant to the provisions of the erstwhile Companies Act, 1956. Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Dilip Cherian as an Independent Director up-to March 31, 2019 not liable to retire by rotation.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000 proposing the candidature of Mr. Dilip Cherian for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Dilip Cherian (i) consent in writing to act as Director in Form DIR-2 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the

criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Dilip Cherian, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and Rules made thereunder and he is independent of the Management. A copy of the draft letter for appointment in respect of Mr. Dilip Cherian as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during business hours on any working day, excluding Saturdays, Sundays and Public Holidays.

The Board considers that Mr. Dilip Cherian's continued association with the Company would immensely benefit the Company and it is desirable to continue to avail the services of Mr. Cherian as an Independent Director.

No Director or Key Managerial Personnel of the Company and their relatives except Mr. Dilip Cherian is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

The Board recommends the resolution set out in Item No. 6 as aforesaid for the approval of the members.

In respect of Item No 7

Mr. Haigreve Khaitan (DIN 00005290) is a Non-Executive & Independent Director of the Company. He joined the Board in 2010. Mr. Khaitan retires by rotation at the ensuing Eighth Annual General Meeting pursuant to the provisions of the erstwhile Companies Act, 1956. Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Haigreve Khaitan as an Independent Director up-to March 31, 2019 not liable to retire by rotation.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000 proposing the candidature of Mr. Haigreve Khaitan for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Haigreve Khaitan (i) consent in writing to act as Director in Form DIR-2 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Haigreve Khaitan, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and Rules made thereunder and he is independent of the

Management. A copy of the draft letter for appointment in respect of Mr. Haigreave Khaitan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during business hours on any working day, excluding Saturdays, Sundays and Public Holidays.

The Board considers that Mr. Haigreave Khaitan's continued association with the Company would immensely benefit the Company and it is desirable to continue to avail the services of Mr. Khaitan as an Independent Director.

No Director or Key Managerial Personnel of the Company and their relatives except Mr. Haigreave Khaitan is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

The Board recommends the resolution set out in Item No. 7 as aforesaid for the approval of the members.

In respect of Item No 8

Mr. Aditya Vikram Somani (DIN 00046286) is a Non-Executive & Independent Director of the Company. He joined the Board in 2010. Mr. Somani retires by rotation at the ensuing Eighth Annual General Meeting pursuant to the provisions of the Companies Act, 1956. Pursuant to the provisions of Section 149 and other applicable provisions of the erstwhile Companies Act, 2013, it is proposed to appoint Mr. Aditya Vikram Somani as an Independent Director up-to March 31, 2019 not liable to retire by rotation.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000 proposing the candidature of Mr. Aditya Vikram Somani for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Aditya Vikram Somani (i) consent in writing to act as Director in Form DIR-2 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Aditya Vikram Somani, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and Rules made thereunder and he is independent of the Management. A copy of the draft letter for appointment in respect of Mr. Aditya Vikram Somani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members

at the Registered Office of the Company during business hours on any working day, excluding Saturdays, Sundays and Public Holidays.

The Board considers that Mr. Aditya Vikram Somani's continued association with the Company would immensely benefit the Company and it is desirable to continue to avail the services of Mr. Somani as an Independent Director.

No Director or Key Managerial Personnel of the Company and their relatives except Mr. Aditya Vikram Somani is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

The Board recommends the resolution set out in Item No. 8 as aforesaid for the approval of the members.

In respect of Item No 9

Pursuant to the provisions of Section 314 of the erstwhile Companies Act, 1956 and approval of remuneration and terms of office accorded by the Ministry of Corporate Affairs, Government of India, Mr. Apoorv Bajaj, was appointed as Executive President in the Company for a period of 5 years with effect from November 4, 2009.

In compliance with the provisions of Section 188 of the Companies Act, 2013 and The Companies (Meetings of Board and its Powers) Rules, 2014, the following statutory information as required under the aforementioned provisions is as follows:

- a. Name of related party
Mr. Apoorv Bajaj
- b. Name of the Director or Key Managerial Personnel who is related, if any
Mr. Kushagra Bajaj, Non Executive Chairman.
- c. Nature of relationship
Mr. Apoorv Bajaj is the brother of Mr. Kushagra Bajaj, Non Executive Chairman.
- d. Nature, material terms, monetary value and particulars of the contract or arrangement

The Board of Directors of the Company at their meeting held on April 28, 2014 approved the re-appointment and remuneration and terms of office of Mr. Apoorv Bajaj as Executive President subject to approval by shareholders at the ensuing Eighth Annual General Meeting as hereunder:

- I. Present Remuneration
 - a) Basic Salary: ₹ 3,02,400 per month
 - b) Allowances and Perquisites:
 - i) House Rent Allowance: 50% of basic salary
 - ii) Other allowances:
The Executive President shall be paid other allowances as per the rules of the Company

including but not limited to Medical and Leave Travel provided however that the aggregate value of all such allowances paid shall not exceed 100% of the Basic Salary.

- iii) Contribution to Provident Fund: Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.
- iv) Gratuity payable at the time of retirement/cessation shall be as per the scheme of the Company.
- v) Leave: Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave is allowed at the end of the tenure.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

II. Proposed Remuneration:

- a) Basic Salary: ₹ 3,02,400 per month in the range of ₹ 3,02,400 to ₹ 7,00,400 per month.
- b) Allowances and Perquisites:
 - vi) House Rent Allowance: 50 % of Basic Salary.
 - vii) Other allowances:

The Executive President shall be paid other allowances as per the rules of the Company including but not limited to Medical and Leave Travel provided however that the aggregate value of all such allowances paid shall not exceed 100% of the Basic Salary.
 - viii) Contribution to Provident Fund: Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.
 - ix) Gratuity payable at the time of retirement/cessation shall be as per the scheme of the Company.
 - x) Leave: Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave is allowed at the end of the tenure.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

Mr. Apoorv Bajaj holds a certificate of E-Business in the Digital Age from London School of Economics and Political Science (London Summer School), Intermediate qualification from the Institute of Chartered Accountants of India and a Bachelors Degree in Commerce from the University of Mumbai.

- e. Any other information relevant or important for the members to take a decision on the proposed resolution

Mr. Apoorv Bajaj is associated with the Company since 2006, is instrumental in introducing several new initiatives. He is actively engaged with the Company both at the strategic and operational levels and has contributed as follows:

- a. Development of new vendors
- b. Reduction in cost of corrugated boxes through value engineering without compromising on quality
- c. Revamped the logistics and transportation matrix of the Company through regular visits to sales centres/stock depots that resulted in increase in number of transporters and faster movement goods to and from Depots.
- d. He is actively engaged in the finance, marketing, commercial and human resource functions of the Company and regularly facilitates coordination between the Corporate Office and the Company's various manufacturing facilities.

The Board considers that Mr. Apoorv Bajaj continued association with the Company would immensely benefit the Company and it is desirable to continue to avail the services of Mr. Apoorv Bajaj as Executive President.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 9 of the Notice.

Mr. Kushagra Bajaj may be deemed to be interested and/or concerned in the Resolution at Item No. 9 Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

In respect of Item No 10

Section 62 of the Companies Act, 2013 regulates any increase in subscribed capital by issue of further shares by any company. For issuance of further shares that may be offered to any person otherwise than as stated in Section 62(1) (a) of the Act, prior permission of shareholders is required to be obtained by way of passing of a special resolution pursuant to Section 62(1)(c) of the Act.

Furthermore, as per the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [SEBI (ICDR), Regulations, 2009], and various regulations under Foreign Exchange Management Act, 1999 (FEMA), approval

of shareholders by way of special resolution is required to be obtained for issuance of further shares by way of Qualified Institutional Placement (QIP), Global Depository Receipts (GDR), American Depository Receipts (ADR), Foreign Currency Convertible Bonds (FCCB), Debentures or any other securities convertible into equity shares by any listed company.

As per Regulation 88 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, allotment pursuant to the special resolution approving the QIP issue passed by the shareholders shall be completed within a period of twelve months from the date of passing of the resolution. The Company has been seeking such enabling approval from shareholders for issuance of further shares from time to time. The last resolution in this regard was passed by the Company under the erstwhile Section 81(1A) of the Companies Act, 1956 at the 7th Annual General Meeting held on August 2, 2013 for an amount up to ₹ 1,000 crore, which for the purpose of raising funds through QIP issue is valid for a period of 12 months from date of passing of special resolution i.e. up to August 1, 2014. Since the validity of the special resolution is up-to the date of the Eighth Annual General Meeting and to enable the Company to raise equity funds depending upon its business needs and as may be advised, approval of shareholders is being sought for issue of equity shares and/or any other financial instruments convertible into equity shares through Qualified Institutional Placement (QIP) under SEBI (ICDR) Regulations, 2009 and/or through issuance of securities in the international markets by way of GDRs/ADRs/FCCBs etc. in one or more tranches, up to an amount not exceeding ₹ 1,000 crore (Rupees One Thousand crore).

As per the provisions of regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, issue of specified securities shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date. The relevant date for the purpose of regulation 85 means the date of meeting in which the Board or any Committee of Directors duly authorised by the Board of the Company decides to open the proposed issue.

Further, pursuant to the provisions of Chapter VIII of the SEBI (ICDR) Regulations, 2009, the aggregate of the proposed Qualified Institutional Placements and all previous Qualified Institutional Placements made by the Company in the same financial year shall not exceed 5 (five) times the net worth of the Company as per the audited Balance Sheet of the previous financial year.

Therefore, the Board of your Company has recommended the Resolution contained in Item No. 10 to be passed by the shareholders, so as to enable it to issue further equity shares and/or other securities which will include issue on QIP basis.

The said Special Resolution is only an enabling one seeking authority to the Board to raise funds from time to time as may be required.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 10 of the Notice.

All the Directors may be deemed to be interested in the Resolution at Item No. 10 to the extent of shares and/or securities that may be offered to them and/or entities in which any of respective Director is deemed to be interested. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution.

In respect of Item No. 11

The Board of Directors of the Company, based on the recommendations of Audit Committee of the Board of Directors, considered and approved the appointment of M/s Hitesh Jain & Associates, Cost Accountants, Rajasthan, to conduct the cost audit for the year ended March 31, 2015 of the Company's manufacturing facilities located at Dehradun, Uttarakhand, Paonta Sahib and Parwanoo, Himachal Pradesh at an remuneration of ₹ 80,000 (Rupees Eighty thousand only) plus applicable levies and reimbursement of traveling and out of pocket expenses.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing the Ordinary Resolution as set out in item No. 12 of the notice for ratification of the remuneration payable to Hitesh Jain & Associates, Cost Auditors for conducting Cost Audit for the financial year/period ending March 31, 2015.

The Board of Directors recommend passing of the Ordinary Resolution set out in Item No. 11 of the Notice.

None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in any way, in the aforesaid resolution set out in Item No. 11 of the Notice.

By Order of the Board of Directors

Sujoy Sircar
Company Secretary

Place: Mumbai

Dated: April 28, 2014

Registered Office:

2nd Floor, Building No. 2,
Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (E),
Mumbai – 400093

ANNEXURE TO ITEMS 3, 5, 6, 7 & 8 OF THE NOTICE

Details of Directors seeking appointment/re-appointment at the forthcoming Eighth Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Jimmy Anklesaria	Mr. Gaurav Dalmia
Director Identification Number	03464365	00009639
Date of Birth	28.09.1961	26.09.1965
Nationality	Indian	Indian
Date of appointment on the Board	08.08.2011	04.02.2010
Qualifications	Bachelors degree in Commerce and Masters in Business Administration.	Bachelors Degree in Computer Science from Salford University, UK and Masters in Business Administration from Colombia University, USA.
Expertise in functional area	23 years of experience in the Fast Moving Consumer Goods (FMCG) sector	Industrialist.
Number of equity shares held in the Company	1000	Nil
List of Directorships held in other companies	<ol style="list-style-type: none"> 1. Bajaj Corp Limited 2. Bagalkot Cement & Industries Limited 3. Blue Oceanic Vasuan Private Limited 	First Capital India Limited Infinity Technology Investments Pvt. Ltd. Infinity Technology Trustee Pvt. Ltd. Landmark Land Holdings Pvt. Ltd. Skylark Consultants (India) Pvt. Ltd. India Value Fund Advisors Pvt. Ltd. Astir Properties Pvt. Ltd. Ansal Landmark Townships Pvt. Ltd. Landmark Hi Tech Development Pvt. Ltd. New Line Buildtech Pvt. Ltd. Plus One Realtors Pvt. Ltd. IVF Advisors Pvt. Ltd. Landmark Realtech Pvt. Ltd. Landmark Property Development Co. Ltd. Kumar Builders Township Ventures Pvt. Ltd. Bajaj Corp Limited Safari Retreats Pvt. Ltd. Hari Machines Ltd. OCL India Limited Nobel Consultancy Pvt. Ltd. Aayush Manufacturers & Financiers Pvt. Ltd. Khaitan Udyog Pvt. Ltd. T R Investments Pvt. Ltd. Samhi Hotels Pvt. Ltd. Raymond Apparel Limited Genuine Dealcomm Pvt. Ltd. Jagannath Abasan Pvt. Ltd. Ansal Landmark (Kamal) Township Pvt. Ltd. Sandhar Technologies Ltd. National Synthetics Ltd. Riteshwari Trading & Investments Pvt. Ltd. Pinakini Mercantile Pvt. Ltd. Achintya Trading Pvt. Ltd. Confirm Developers Consultants Pvt. Ltd. Shivshakti Communication & Investment Pvt. Ltd. Steel Plantech Engineering India Pvt. Ltd. Pro Minerals Pvt. Ltd.

Name of the Director	Mr. Jimmy Anklesaria	Mr. Gaurav Dalmia
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.2014	<ol style="list-style-type: none"> Shareholders'/Investors Grievance Committee Management Committee 	<ol style="list-style-type: none"> Bajaj Corp Limited-Audit Committee (Chairman) & Remuneration Committee (Chairman) Landmark Property Development Limited - Shareholders'/Investors Grievance Committee & Committee of Directors Hari Machines Limited - Shareholders'/Investors Grievance Committee & Remuneration Committee Sandhar Technologies Limited- Audit Committee & Corporate Social Responsibility Committee

Name of the Director	Mr. Haigreave Khaitan	Mr. Aditya Vikram Somani
Director Identification Number	00005290	00046286
Date of Birth	13.07.1970	04.11.1973
Nationality	Indian	Indian
Date of appointment on the Board	04.02.2010	04.02.2010
Qualifications	Bachelors degree in Law from the Calcutta University	Masters Degree in Commerce, Mumbai University and Masters in Business Administration from University of Pittsburgh, USA.
Expertise in functional area	Partner at Khaitan & Co. and is a Member of the Bar Council of West Bengal, Incorporated Law Society, International Bar Association, London, the Indian Council of Arbitration, the Indian Law Institute, the Bar Association of India and the Entrepreneurs Organization	Industrialist – He has experience in the business of real estate, construction, textile manufacturing and information management.
Number of equity shares held in the Company	Nil	Nil
List of Directorships held in other companies	<ol style="list-style-type: none"> Ambuja Cements Limited Bajaj Corp Limited CEAT Limited Firstsource Solutions Limited Harrisons Malayalam Limited Inox Leisure Limited Jindal Steel & Power Limited Karam Chand Thapar & Bros (Coal Sales) Ltd National Engineering Industries Limited Sterlite Technologies Limited Torrent Pharmaceuticals Limited Xpro India Limited AVTEC Limited Great Eastern Energy Corporation Limited Vinar Systems Private Limited Bharat Fritz Wnrer Limited 	<ol style="list-style-type: none"> Bajaj Corp Limited Everest Industries Limited Falak Investments Private Limited Salaam Bombay Foundation White Knight Constructions (I) Private Limited

Name of the Director	Mr. Haigreve Khaitan	Mr. Aditya Vikram Somani
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.2014	<ol style="list-style-type: none"> Bajaj Corp Limited <ul style="list-style-type: none"> Remuneration Committee Harrisons Malayalam Ltd. <ul style="list-style-type: none"> Audit Committee Remuneration Committee Inox Leisure Ltd. <ul style="list-style-type: none"> Audit Committee Compensation & Remuneration Committee Jindal Steel & Power Ltd. <ul style="list-style-type: none"> Audit Committee National Engineering Industries Ltd. <ul style="list-style-type: none"> Audit Committee Remuneration Committee Shareholders Grievance Committee Sterlite Technologies Limited <ul style="list-style-type: none"> Audit Committee Remuneration Committee Torrent Pharmaceuticals Limited <ul style="list-style-type: none"> Audit Committee Xpro India Limited <ul style="list-style-type: none"> Remuneration and Nomination Committee AVTEC Limited <ul style="list-style-type: none"> Audit Committee Great Eastern Energy Corporation Ltd. <ul style="list-style-type: none"> Remuneration / Compensation Committee Share Transfer Committee 	<ol style="list-style-type: none"> Everest Industries Limited <ul style="list-style-type: none"> Investor Grievance/Share Transfer Committee Banking Facility Committee – Chairman Bajaj Corp Limited <ul style="list-style-type: none"> Audit Committee Remuneration Committee Management Committee

Name of the Director	Mr. Dilip Cherian
Director Identification Number	00322763
Date of Birth	10.04.1956
Nationality	Indian
Date of appointment on the Board	04.02.2010
Qualifications	Bachelors Degree in Economics, Calcutta University and Masters Degree in Economics, Delhi School of Economics.
Expertise in functional area	<p>Management consultant, entrepreneur and Member, Board of Governors, Advertising Standards Council of India. He has pioneered the concept of Image Management in India and is the founder of Perfect Relations, South Asia's top public relations and public affairs consultancy group. He is regarded as the 'Image Guru of India'. He is a political & policy expert par excellence on bureaucracy, economy and media. His career graph ranges from being the:</p> <ul style="list-style-type: none"> Economic Consultant to the Ministry of Industry, (B.I.C.P.) Editor of 'Business India', India's leading business magazine Co-founder & business editor of 'The Observer of Business & Politics' Brand consultant at 'WolffOlins', London
Number of equity shares held in the Company	Nil

Name of the Director	Mr. Dilip Cherian
List of Directorships held in other companies	<ol style="list-style-type: none"> 1. Perfect Relations Private Limited 2. Image Public Relations Private Limited 3. Imprimis Life PR Private Limited 4. Accord Public Relations Private Limited 5. Perfect PR Communication Services Private Limited 6. The Advertising Standard Council of India 7. Next Radio Limited 8. Next Mediaworks Limited 9. Bajaj Corp Limited 10. Bizsol Advisors Private Limited 11. Cell Centre for Ethical Life & Leadership 12. Hoipolloi Jobs Solutions Private Limited 13. My Dream Product Com Private Limited 14. Jagran Prakashan Limited
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.2014	Bajaj Corp Limited - Shareholders'/Investor Grievance Committee – Chairman - Audit Committee

Directors' Report

Your Directors have pleasure in presenting their Eighth Annual Report and the audited statement of accounts for the financial year ended March 31, 2014.

Financial Results

The summarised financial results of the Company for the financial year ended March 31, 2014 are presented below:

(₹ in Lacs)

	Financial Year ended March 31, 2014	Financial Year ended March 31, 2013
Sales and other income	71,185.16	64,676.98
Profit before interest, depreciation and taxation	22,678.01	21,286.92
Finance cost	588.44	8.20
Depreciation	367.47	328.39
Profit before exceptional items & tax	21,722.10	20,950.33
Exceptional items (Brand Amortisation)	2,859.65	0.00
Profit before tax	18,862.45	20,950.33
Provision for taxation – Income Tax	3,943.74	4,182.54
– Deferred Tax	(125.65)	29.51
Profit after tax	15,044.36	16,738.28
Balance brought forward from previous year	12,373.62	8,458.18
Disposable surplus after adjustments	27,417.98	25,196.46
Appropriations-		
- Interim dividend	9,587.50	9,587.50
- Corporate dividend tax	1,629.40	1,555.34
- Transfer to General Reserve	1,504.44	1,680.00
- Balance carried to balance sheet	14,696.64	12,373.62

The Company achieved a turnover of ₹ 71,185.16 lacs as compared to ₹ 64,676.98 lacs in the previous year thereby registering a growth of approximately 10% over previous year. Profit before tax and exceptional items were ₹ 21,722.10 lacs as against ₹ 20,950.33 lacs of the previous year. The Profit after tax stood at ₹ 15,044.36 lacs as compared to the profit of ₹ 16,738.28 lacs in the previous year. The operations and financial results of the Company are elaborated in annexed Management Discussion and Analysis Report.

Dividend

The Board of Directors of the Company had declared an Interim Dividend of 650% (i.e. ₹ 6.50 per share on equity shares of the face value of ₹ 1/- each) for the financial year ended March 31, 2014. Total outgo on the Interim Dividend was ₹ 11,216.90 lacs (including Dividend Tax of ₹ 1,629.40 lacs as against ₹ 11,142.80 lacs (including Dividend Tax of ₹ 1,555.30 lacs) in the previous year. The above outgo constitutes a payout ratio of 74.6% of annual profits as against 66.6% in the previous year. The Board therefore has not proposed any final dividend and accordingly, the Interim Dividend paid during the year

shall be treated as final dividend for the financial year ended March 31, 2014.

Operations

EBITDA as a percentage to sales is marginally lower at 27.83% in the current year as against 28.53% in the previous year. The reduction in EBITDA is mainly on account of increase in advertisement & selling promotion expenses. During the year prices of key raw and packaging materials like light liquid paraffin, vegetable oil and menthol, glass bottles and other packaging materials were slightly lower than the previous year and remained under control.

Compliance with minimum public shareholding norms

In compliance with the Securities and Exchange Board of India ("SEBI") circulars mandating listed entities to maintain public shareholding at a minimum of 25%, SKB Roop Commercial LLP, a constituent of the promoter group of the Company on July 19, 2013, made an Offer for Sale of 1,43,75,000 equity shares representing 9.75% of the equity share capital through the Stock

Exchange Mechanism. Consequently, the Company now stands complied with the minimum public shareholding requirements under Clause 40A of the listing agreement. The following is the break-up of public and promoter shareholding of the Company.

Sl. No.	Category	No. of shares	% of shareholding
1.	Public	3,68,75,000	25
2.	Promoter and Promoter group	11,06,25,000	75
	Total	14,75,00,000	100

Acquisition of NOMARKS

The Company acquired the NOMARKS brand from Ozone Ayurvedics in August 2013. By virtue of this acquisition, the Company now has a presence in the personal care market in the skin care category. It widens the Company's position in the personal care market as Bajaj Almond Drop Hair Oil is already the third largest brand in the overall hair oil category.

ISO certification of manufacturing facilities

The following manufacturing facilities of the Company have been awarded the prestigious ISO certification in respect of quality management systems, environment management systems and occupational health and safety:-

1. PARWANOO PLANT, HIMACHAL PRADESH
 - a. ISO: 9001: 2008 - Quality Management System
 - b. ISO: 14001: 2004 - Environment Management System
2. POANTA SAHIB PLANT, HIMACHAL PRADESH
 - a. ISO: 9001: 2008 - Quality Management System
 - b. ISO: 14001: 2004 - Environment Management System
 - c. OHSAS 18001: 2007 – Occupational Health and Safety.
3. DEHRADUN PLANT, UTTARAKHAND
 - a. ISO: 9001: 2008 - Quality Management System
 - b. ISO: 14001: 2004 - Environment Management System
 - c. OHSAS 18001: 2007 – Occupational Health and Safety.

Listing of Securities

The Company's equity shares are listed on BSE and NSE. The Annual Listing fees to each of these Stock Exchanges have been paid by the Company.

Corporate Governance

Your Company continues to imbibe and emulate the best corporate governance practices aimed at building trust among all stakeholders - shareholders, employees,

customers, suppliers and others. Your Company believes that fairness, transparency, responsibility and accountability are the four key elements of corporate governance. The corporate governance report presented in a separate section forms part of this Annual Report.

Management Discussion and Analysis

The Management Discussion and Analysis Report presented in a separate section forms part of this Annual Report.

Subsidiary Companies

As on March 31, 2014, the Company had the following wholly owned subsidiaries, which are presently unlisted, namely:

- Bajaj Bangladesh Limited
- Uptown Properties and Leasing Private Limited
- Bajaj Corp International (FZE) with effect from December 23, 2013

In terms of General Circular No: 2/2011 dated February 8, 2011 issued by the Government of India, Ministry of Corporate Affairs granting general exemption under Section 212 of the Companies Act, 1956, and consent of the Board of Directors vide their resolution passed at the Board Meeting held on April 28, 2014 for not attaching the Balance Sheet of subsidiaries, the Company has not attached with its Balance Sheet as at March 31, 2014, copies of the balance sheet, statement of profit and loss and reports of the Board of directors and auditors of the Company's subsidiaries and has disclosed the requisite information in the Consolidated Balance Sheet as at March 31, 2014.

Pursuant to the General Circular No: 2/2011 dated February 8, 2011 the Company hereby undertakes that:

1. Annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the Company and subsidiary companies seeking such information at any point of time.
2. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the registered office of the Company and of the subsidiary companies concerned.
3. The Company shall furnish a physical copy of details of accounts of subsidiaries to any shareholder on demand.

Subsidiaries' Operations

Bajaj Bangladesh Limited

Bajaj Bangladesh Limited (BBL) has appointed M/s Ethical Toiletries Limited (ETL) as their third party manufacturer in Bangladesh. M/s ETL has already established the

facilities to manufacture Bajaj Almond Drops Hair Oil in Bangladesh. The commercial production has also started in March 2014. Now and onwards BBL will source its total requirement from M/s ETL. BBL expects to get good growth in volume from Bangladesh market in FY 2014-15.

Uptown Properties and Leasing Private Limited

During the financial year ended March 31, 2014, the net losses of Uptown were ₹ 106.74 lacs as against net losses of ₹ 122.43 lacs. There was no business activities during the financial year ended March 31, 2014.

Incorporation of Free Zone Establishment in Sharjah

With effect from December 23, 2013, the Company incorporated Bajaj Corp International (FZE), a limited liability Free Zone Establishment in Sharjah Airport International Free Zone Authority (SAIFZ), to expand and carry on the business of trading in skin and hair care products. The Free Zone Establishment has been granted the License Certificate. The Company has invested AED 1,50,000 in the Free Zone Establishment during the Financial Year 2014-2015.

Consolidated Financial Statements

In compliance with Accounting Standards 21, 23 and 27 of Companies (Accounting Standards) Rules, 2006 and pursuant to the Listing Agreement with the Stock Exchanges, the Consolidated Financial Statements form part of this Annual Report.

As directed by the Central Government and pursuant to the Accounting Standard 21 (AS-21) prescribed under the Companies (Accounting Standards) Rules, 2006, Consolidated Financial Statements presented by your Company include financial information about its aforesaid subsidiaries. The financial statements of BCL as well as its aforesaid subsidiaries will be available on the website of the Company (www.bajajcorp.com).

Fixed Deposits

The Company has not accepted any fixed deposits and as such, no amount on account of principal or interest on fixed deposits was outstanding as on the date of the balance sheet.

Directors

Pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company had appointed Mr. Gaurav Dalmia (DIN 00009639), Mr. Dilip Cherian (DIN 00322763), Mr. Haigreva Khaitan (DIN 00005290) and Mr. Aditya Vikram Ramesh Somani (DIN 00046286) as Independent Directors of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which was notified with effect from April 1, 2014, every listed public company is required to have at least 1/3rd of the total number of Directors as Independent Directors. In accordance with the provisions

of Section 149, the aforementioned Directors are being appointed as Independent Directors, to hold office as per their tenure of appointment mentioned in the Notice convening the Eighth Annual General Meeting of the Company.

Mr. Jimmy Rustom Anklesaria (DIN 03464365), Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

All the appointments of the Directors of the Company are in compliance with the provisions of Section 164 of the Companies Act, 2013 (corresponding to Section 274(1)(g) of the Companies Act, 1956).

Pursuant to the provisions of Section 188 of the Companies Act, 2013, Mr. Apoorv Bajaj, relative of Mr. Kushagra Nayan Bajaj, who was appointed as Executive President (pursuant to the provisions of Section 314 of the Companies Act, 1956) and whose term of office expire on November 4, 2014, was re-appointed as Executive President by the Board of Directors for a further period of 5 years with effect from November 5, 2014 subject to approval by shareholders at the ensuing Eighth Annual General Meeting.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, as amended, with respect to the directors' responsibility statement, it is hereby confirmed:

- (i) that in preparation of accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to the material departures;
- (ii) that the directors of the Company 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 as at March 31, 2014 and of the profit of the Company for the year ended March 31, 2014;
- (iii) that the directors of the Company 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; and
- (iv) that the directors of the Company have prepared the accounts of the Company for the financial year ended March 31, 2014 on a going concern basis.

Auditors and Auditors' Report

M/s. R. S. Dani & Company, Chartered Accountants, existing Auditors will retire at the conclusion of the ensuing Eighth Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014,

M/s. R. S. Dani & Company are proposed to be re-appointed as Auditors, to hold office up to the conclusion of the Ninth Annual General Meeting.

Pursuant to the provisions of Companies (Audit and Auditors) Rules, 2014, M/s. R. S. Dani & Company has certified that the following:

- They are eligible for appointment and are not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949 and rules/regulations made thereunder;
- The proposed appointment is as per the term provided under the Companies Act, 2013;
- The proposed appointment is within the limits laid down by or under the authority of the Companies Act, 2013;
- There are no proceedings against the audit firm or any partner of the audit firm pending with respect to professional matters of conduct

The Board of Directors recommends to the shareholders the appointment of M/s. R. S. Dani & Company, as Auditors of the Company.

The observations and comments given in the report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under Section 217(3) of the Companies Act, 1956.

Cost Auditors

Pursuant to the directives of the Central Government issued under sub-section (1) of Section 233B of the Companies Act, 1956, M/s. Hitesh Jain & Associates, Cost Accountants (Membership No M/30632) were appointed as Cost Auditors of the Company. The Cost Auditors have submitted the Cost Compliance Reports to the Central Government within the prescribed time period of 180 days from end of the financial year to which the reports relate as per the following details:

Sl. No.	Product	Report submitted with Central Government	Financial year ended	Date of filing
1	Personal care	Cost Compliance Report	March 31, 2013	September 4, 2013

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors have appointed M/s. Hitesh Jain & Associates, Cost Accountants as Cost Auditors for the financial year ending March 31, 2015 at a remuneration of ₹ 80,000/- plus applicable levies and reimbursement of out-of-pocket and travelling expenses. Necessary resolution seeking the ratification by shareholders of the Company has been proposed in the notice convening Eighth Annual General Meeting.

Particulars of employees

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies

(Particulars of Employees) Rules, 1975 as amended, particulars of employees are set out in the Annexure - II and forms part of this annual report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The relevant data regarding the above is given in the Annexure-I hereto and forms part of this Annual Report.

Corporate Responsibility towards Society

The Bajaj group has been at the forefront of various social and welfare activities aimed at the socio-economic development of society. The Kamalnayan Jamnalal Bajaj Foundation ("KJBF") and Jamnalal Kaniram Bajaj Trust ("JKBT") have spearheaded the various welfare schemes in Wardha, Maharashtra and Sikar, Rajasthan respectively.

Wardha

Kamalnayan Jamnalal Bajaj Foundation (KJBF) has identified problems faced by the rural community of Wardha district and adopted participatory bottom-up approach with an active involvement of community in planning, implementation and management of all need based development interventions. KJBF organizes village meetings, participatory rural appraisals measures to understand issues and address them. It also makes an effective use of street plays, video shows, regular training programs, awareness camps, exposures visits and demonstrations that has strengthened the outreach of KJBF in 501 villages of Wardha district.

KJBF has been implementing various projects either independently or in collaboration with the partners. A brief summary of the projects are:

- Self-Help Group- Self-Help Groups have emerged as crucial instruments for women empowerment and in development of their leadership abilities. This has also led to improvement in their quality of life. KJBF has promoted Self Help Groups with the sole objective of strengthening the livelihood of the family focusing on women development.
- Village Development Committees- These are voluntary associations of village people for local administration. The role of VDCs in the program is to select the site for the construction of infrastructure, selection of beneficiaries, and collection of beneficiaries' contribution monitoring and managing the entire project activities and resolve the local issues related to the project.

- iii. **Producer Groups-** Generally consisting of 15 to 20 producers, engaged in producing similar products (Agriculture based) that are organized to reduce cost of production by applying Integrated Nutrient Management and Integrated Pest Management, achieve economies of scale by purchasing all the required agriculture inputs collectively, improving marketing efficiencies and improve their profits by managing their crop from production through processing.
- iv. **Learning Groups-** These are the informal group consisting 25 to 40 farmers in a group. They are responsible to learn through meetings and trainings, implement the learnt agriculture practices in their own field and share their experience with the other farmers under Better Cotton Initiative Program.
- v. **Wadi Mitras'-** These are selected from the each village act as resource person. They are trained by KJBF staff on various agriculture practices like preparation and application of natural manure, natural pesticide and insecticide from the locally available natural resources like plants, cow dung, cow urine and water.
- vi. **Water User Groups** are a group of 5-10 farmers who have come together for the equitable sharing and efficient management of the aquifer.
- vii. **Income Generating Activities-** KJBF promotes income generating activities in the rural area for poverty alleviation and development through assisting in starting up of small business activities like beauty parlor, tailoring, hair salon, catering, garden nursery, carpentry etc. A total 117 small business activities have been initiated by the beneficiaries through rural enterprise. These activities are helpful in developing the entrepreneurship skills in the rural people and make them economically self-sustainable.
- viii. **Design for Change Program-** It is one of the largest global movements designed to give children an opportunity to express their own ideas for a better world and put those ideas into action. The challenge is to ask the students to do four very simple things: Feel, Imagine, Do and Share. As a result of this, young school children are coming forth with brilliant ideas that are challenging the age-old superstitions of the rural communities. Through such ideas they are able to raise money to finance photo copy machine, design and constructed culvert and leveled 1 KM long road on their own. Children are proving that they have what it takes to be the change that they wish to see in the world.
- ix. **Water Resource Development-** Wardha receives 1057 mm of average rainfall annually but is erratic. Water table of ground water is not upto the mark so that most of the wells dry up just after the monsoon. Farmers find it difficult to irrigate their crop even in rabi season due to negligible water harvesting structures in the rural area. In order to address these issues, in consultation with local community, KJBF has identified various water harvesting measures like rejuvenation of rivers/streams, construction of check dams, percolation tanks, farm ponds, recharging of existing wells, promotion of lift irrigation, group wells etc. along with soil & water conservation measures such as farm bunding and Nala plugging. Every drop of water in every field and village needs to be conserved for water harvesting structures and utilize it to fulfill the daily needs of farmers. KJBF has been putting continuous efforts through capacity building activities, women empowerment, crops planning and focusing on biodiversity and ecosystem conservation to make the water resource development program successful.
- x. **Promoting Sustainable Agriculture Practices-** Most of the farmers in Wardha district depend solely on one crop (as in one crop season and no winter crop) due to shortage of irrigation and lack of awareness in other agriculture practices and no allied agriculture income to add to the family finances. It was against this backdrop of a raging crisis, drop in incomes, increase in the production costs and generally a bad agriculture scenario that the KJBF intervened and has put all its efforts in making the farming more economical. It has also been able to address other issues related to agriculture by implementing various agriculture based projects in rural Wardha.
 - a. The Better Cotton Initiative (BCI) intends to make global cotton production better for the people who produce cotton in suitable environment, and for the sector's future. BCI works with a diverse range of stakeholders to promote measurable and continuing improvements for the environment, farming communities and the economies of cotton producing areas. KJBF has been implementing the project in 27 villages of Wardha district. The project has reduced the cost of cultivation and increase the production of cotton crop in the year 2013-14.
 - b. The Convergence of Agricultural Interventions in Maharashtra's- This program was designed for the six distressed districts of Western Vidarbha i.e. Akola, Amravati, Buldhana, Wardha, Washim and Yavatmal in collaboration with Maharashtra Govt., Sir Ratan Tata Trust, International Fund for Agriculture Development and local community. The overall goal of the project is 'to contribute to the development of resilient production, sustainable and diversified households, on-farm and off-farm livelihoods, allowing households to face production and market risks without falling back into poverty and distress'. The projects' target groups are the rural households belonging to the Schedule Castes, the Schedule Tribes, landless laborers, the rural women, the

small & marginal farmers and the farmers under agrarian distress. To achieve these objectives KJBF has been working in the two clusters (Seloo and Samudrapur) of the Wardha district and covered 51 villages under the program.

- c. Biogas- referred to as 'gobar' gas, consists of methane and carbon dioxide, and perhaps some traces of other gases, notably hydrogen sulphide (H₂S). Biogas provides clean and particulate-free source of energy also reduces the likelihood of chronic diseases that are associated with the indoor combustion of biomass-based fuels, such as respiratory infections, eye cataract, ailments of the lungs; bronchitis and asthma. The use of biogas slurry as manure also increases agricultural productivity. Economically, Biogas systems have been shown to be cost-effective in the rural area.
- xi. Promoting Agro.-based Livelihood (Indigenous Cow Program)- The sole focus of the KJBF's indigenous cow program is to provide the farmers in the region with an alternative source of livelihood along with agriculture. Such kind of focus entails a definitive strategy and approaches. KJBF's focus on intense capacity building program for entire team and support for the farmers in all aspects.
- xii. WADI project- This practice helps in minimizing biological and market risks and restoration of denuded land through soil and water conservation measures. This program aims at reducing the migration of the tribal/rural peoples to urban areas by providing them a livelihood in the form of income and basic necessities like fuel-wood, timber and cattle fodder. The Wadi model promoted by KJBF consists of a horticulture plantation of 25 Mango, 20 Indian Gooseberry (Amla), 20 Guava plants and 8 Lemon trees with 260 forestry plants for live fencing on one acre of land. This combination of three fruit plants has been selected so as to get the farmers income throughout the year.

Sikar

Over past few years, JKBT has evolved its agriculture program in a holistic way to effectively address the current needs of farmers and explore the available opportunities thereby strengthening their agro based livelihoods. JKBT strives to motivate the farmers to adopt diversified cropping pattern. Natural farming practices which have been forgotten are being revived and as a result cost of production is reduced, agriculture yield is increased and soil health is improved.

Strengthening Agriculture-Based Livelihoods

- i. **Making Farmers Progressive through Farmers' Clubs-** Farmers' Clubs promoted by JKBT along with NABARD's support are farmers' institutions at village

levels. The forum helps the member farmers to get associated with the government schemes related to agriculture development like micro-irrigation systems, low cost storage systems for agriculture produces, solar system and horticulture plantation. 51 Farmers Club have been formed covering 684 members in current year. Exposure visits to agricultural institutes and training programs were organized for the members of Farmers' Clubs to strengthen farmers on different aspects of agriculture. These visits helped farmers in learning new technologies in agriculture and adopting the same for their benefits on their farm lands.

- ii. **Promoting Diversified Cropping Pattern through Crop Demonstrations-** JKBT has constantly focused on facilitating farmers to adopt new varieties of crops. The intervention was geared up to help farmers take up high yielding crop varieties and gain high yield. JKBT made contributions towards 20% of the cost of seed and supported farmers up to Rs. 4,000 towards the cost of seeds. The remaining cost was contributed by the beneficiary farmers. This year, eight different crops such as groundnut, wheat, millet, cluster bean, gram, green gram cow pea and lucerne were introduced among the farmers. A total number of 1600 farmers were supported for growing these high yielding crop varieties in about 2819 acres of land in 78 different villages.
- iii. **Promotion of Natural farming-** JKBT has promoted Indigenous Cow based Natural Farming amongst the thousand farmers in Sikar district. There is a significant reduction in cost of cultivation upto 25%, yield has increased 15% and ecosystem of farm is strengthened due to minimized use of chemical fertilizers and pesticides. 1684 farmers, including 723 women farmers from 33 different villages were trained on various natural farming techniques. A total number of 273 farmers, including 111 women farmers from 11 different villages made exposure visits to gain more information. Among the trained thousand farmers, 14 trained /experienced resource farmers are emerged who are playing active role in farmer to farmer extension work. Under Natural farming, JKBT introduces two indigenous varieties of wheat to conserve and multiply indigenous variety has reduced the cost of cultivation and the dependency on the market. As a result of regular efforts, over 1000 farmers from 75 different villages learnt to adopt these beneficial practices in around 544 acres of land in 2013-14.
- iv. **Horticulture Development-** This year, JKBT's interventions in horticulture continued on two major themes: (1) promoting fruit orchards, and (2) promoting vegetables. Farmers are supported to grow vegetables in their areas by adopting various new technologies. JKBT introduced different varieties

- of fruits species like mango, orange, etc. JKBT contributed 50% of the cost and the remaining contributed by the beneficiaries. Some farmers cultivated vegetables in the old orchards as an inter crop. Farmers were supported to set up Drip and Mulching method/practices for the promotion of intercropping. For this, governmental support was also accessed from the Horticulture Department. 2208 School children were also involved in plantation of 11044 saplings in their schools and courtyards.
- v. **Vegetable Cultivation-** Vegetable cultivation was taken up on a larger scale, for this four different models were developed:
 - Kitchen garden of 100 sq. m. for vegetables
 - Drip irrigation with vegetable cultivation in farms
 - Drip plus mulching in the vegetable fields along with protection from extreme cold and hot weather; and
 - Trellis Vegetable farming.
 - vi. **Efficient use of available water through Micro Irrigation systems-** Drip irrigation, mulching and sprinklers ensured an increased production and also the quality produces. The mulching system was especially used for vegetable farming, to retain moisture in the soil and reduce the cost of pesticide and weedicide. It was used for growing cucumber, lady finger, round melon, water melon, chilli, tomato and ridge gourd, etc. Farmers were supported in having access to this technology and facilitated them in availing government schemes benefits.
 - vii. **Grameen Fridge-** Appropriate Environmental Friendly Rural Technology- This is a low cost storage system for preserving farm and dairy produce. This is more beneficial during summer season to store perishable agriculture produce and maintain shelf life up-to 7 days. This Grameen Fridge does not need electricity to function but keeps the maximum temperature up-to 10-11 degree Celsius even during hot summer. NABARD also made collaboration with JKBT for promotion of Grameen fridge.
 - viii. **Onion Storage-** Farmers do not have preservation facilities for agriculture produce and therefore they are forced to immediately sell their produce after harvesting. Due to fluctuating prices in the market and unavailability of storage system, the onion farmers are exploited with lesser market price. To help onion growers, JKBT came forward to assist them in constructing onion storage units as demonstration. The Trust also sought support from the Department of Horticulture in establishing these units.
 - ix. **Converting undulating fallow land into productive land-** Undulating land causes less productivity, increasing cost of cultivation which causes reduction in net income. The land was uneven due to wind erosion and sandy soil; sand dunes are formed in the agricultural lands resulted in uncultivable. In consultation with the farmers JKBT has been resolving the problem of undulating land, shifting of sands, and soil erosion by leveling of agricultural land. The Farmers' Clubs and village volunteers played a major role in planning and execution of land leveling program.
 - x. **Drinking Water at the door step-** Roof Rain Water Harvesting Structure-Roof Rain Water Harvesting Structures (RRWHS) is a onetime investment and a permanent solution to have pure, fresh and safe drinking water at door step. RRWHS continues to be in demand in this area due to scarcity of drinking water. Both SHGs and Farmers' Clubs played an important role in addressing this demand, collecting contribution and monitoring the quality of work.
 - xi. **Promotion of Indigenous Mother Cow-** Indigenous cow is the backbone of Indian culture, agriculture as well as to provide nutritive milk to the families. Women play an important role in animal husbandry. Promotion of indigenous cow based dairy programme has empowered landless and deprived women and has improved their socio-economic and health status. JKBT had a four-pronged approach to promote dairy farming:
 - i. Support families to purchase Indigenous cows
 - ii. Training of cattle owners on cows' health aspects
 - iii. Bring technology close to dairy farmers including that of
 - a) Cattle feeding cum drinking water systems
 - b) Chaff cutter to increase work efficiency and reduce drudgery
 - c) Azolla Culture for cattle feed, and
 - iv. Link cow-based by-products to natural farming.
 - xii. **Cattle Feeding cum Drinking Water System (Automatic Pashu Than)-** Innovative Cattle feeding technology has helped in improving health of cattle, increased milk productivity and reduced drudgery of women. The CFT has proved to be of great help to the families as it ensures the availability of drinking water for their cattle at any time. The families observed that it also helps in reducing fodder wastage and thus saves their time and money.
 - xiii. **Azolla Feeding-** Azolla is providing highly useful nutrients, minerals and proteins in the feed. It is noticed that the families taking on Azolla feeding have registered an increased milk production of 10-22%. For better extension, JKBT adopted an innovative method by establishing master unit of Azolla to motivate the farmers for taking up the activity in large number. IEC materials like pamphlets in local language are distributed in villages to

disseminate information on its benefits along with the benefitted farmer's contact details. This helped in spreading awareness among other farmers about the successful intervention of this model. As a result, farmers from nearby villages made visits to know more about the model development.

- xiv. **Promotion of Chaff Cutter for efficient use of fodder-** For efficient use of fodder and comfortable feeding to the cattle, JKBT promotes power operated chaff cutter which makes the cattle feed easy to eat and digest. It also helps in saving of time of the dairy farmers.

Promoting Micro Enterprise and Skill Development

- i. **Women Self Help Groups and Income Generating Activities-** Women empowerment is not only completed to bring the women at one platform through SHG but the socio-economic development through initiating income generating activities. Believing in the strength of people's collectives, JKBT has promoted women's self help groups and Farmers clubs as village level organizations. SHGs of women have pooled savings for internal lending for needs of their own members for consumption purpose and productive purposes like to pay contribution for availing benefits of the programmes of JKBT. Through various trainings on group management, bank linkages, book keeping and to strengthen their decision making, women are gaining knowledge to improve the quality of their families. These SHGs have also collectively accessed different programmes and schemes of various Government Department. Members of women SHGs have initiated 90 different types of income generation activities to raise their economic condition. Financial support encourages them to start individual or group based small income generating activity and when the enterprise comes in profit the members repay the money which they borrowed.
- ii. **Skill Training Initiative for Youth-** JKBT has initiated vocational and skill development programs like tailoring and Computer course etc. with the help of master trainers. After observing the results, these training courses have been quite in demand. The trained youth have also set up network at village level and nearby big shops to take orders of stitching readymade clothes.
- iii. **Job Oriented Vocational Training-** JKBT held four village camps to orient youth. 37 villages are covered under the skill and vocational trainings program and around 327 youths are benefitted under skill and vocational trainings.
- iv. **Biogas for Domestic Purpose-** Biogas has several benefits for its efficient use in cooking, lighting and farming. The Biogas Programme and its growing popularity have established the Trust as the biggest

biogas promoting organization in the state. With constant support and efforts of JKBT, biogas is used to meet household energy needs in the programme areas, such as an alternative fuel for cooking in place of wood, use in domestic lighting and organic manure. Creating awareness among the members of SHG and Farmers' Clubs became a proven strategy for the expansion of Biogas Programme in the surrounding villages. A local cadre of masons was trained for the construction, supervision and maintenance of biogas plants.

- v. **Creating Network of 'Resource Farmers' through Livelihood Training & Resource Centre-** In order to reach out to more number of farmers in a decentralized way, JKBT came up with an innovative idea of establishing 'Satellite Centres' of LTRC at farmers' fields. JKBT identified farmers at different locations who had previously adopted more than a few of its programmes. These farmers served as 'Change Agents' - 'Resource Farmers' - to sensitize their fellow farmers on best farming practices. JKBT developed training brochures with names, contact details and photographs of live models that were developed at farmers' fields with an innovative idea of sharing and replicating successful models in the nearby villages.

Recognitions and Felicitations

- 1) NABARD awarded JKBT for its outstanding contribution in the improvement of agricultural productivity through newer technology transfer in various crops.
- 2) NABARD honored The Jagdamba Kisan Club of village Khokharo Ki Dhani (Dhod) the state level award of being 'Sarvshreshth Kisan Club' in Rajasthan for its initiatives in agricultural innovations, transfer of technology and productivity enhancement.

Acknowledgements

Industrial relations have been cordial at all the manufacturing units of the Company.

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Government authorities, bankers, customers and suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Kushagra Nayan Bajaj
Chairman

Mumbai,
April 28, 2014

ANNEXURE-I to Directors' Report for the year ended March 31, 2014

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies Act (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. Conservation of Energy

Bajaj Corp continued to emphasize on the conservation and optimal utilization of energy in every manufacturing unit of the Company. The energy conservation measures implemented during FY 2014 are listed below:

- Maintenance of the machine as per schedule.
- Lights in the Raw Material / Packing Material and Finished Stock godown area are switched off during night across locations.
- Installed material sensor on every machine resulting into reduction of power consumption.
- Water collected through rain water harvesting at the plant premises to raise the water level in the borewell.
- Replacement of street lights and installation of CFL in manufacturing and godown area.

The details of total energy consumption and energy consumption per unit of production are given in Form A.

B. Technology Absorption

Efforts made by Company in technology absorption are given in prescribed Form B attached.

C. Foreign Exchange Earnings and Outgo

During the year foreign exchange earnings and outgo was ₹ 744.81 lacs and ₹ 91.77 lacs respectively. The details of total exchange used and earned are provided in Note B26 & B25 respectively annexed to the Accounts.

FORM – A

Form of Disclosure of particulars with respect to Conservation of Energy

Note: The numbers given below relate to the own manufacturing facilities of the Company

	2013 - 14	2012 - 13
A. Power & Fuel Consumption		
(a) Purchased		
Units (in kwh)	7,34,066	4,98,571
Total Amount (in ₹)	48,25,612	32,45,768
Rate per unit (in ₹)	6.57	6.51
(b) Own Generation		
Through Diesel generator		
Units (in kwh)	76,523	64,284
Cost per unit (in ₹)	17.81	15.16
Total cost (in ₹)	13,62,574	9,74,252
Through Steam Turbine / Generator		
Units	-	-
Unit per Litre of Fuel Oil	-	-
Cost per unit	-	-
B. Average Consumption per unit of production of Hair Oil		
Electricity (kwh/Manufactured kilo ltr. of Hair Oil)	52.27	36.36

FORM – B

Disclosure of particulars with respect to technology absorption (to the extent applicable)

I. RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D is carried out by the Company:

Research & Development efforts were focused on improvement in existing products and development of new products in the following segment:

- Hair care products
- Ayurvedic products
- NOMARKS Soap (Grade-1) 75g.
- Research programs to understand the physiology of hair.
- Incorporation of refined ricebran oil in Almond Drops Hair Oil (ADHO) for Bangladesh production and market.
- Development of new Barfilla Kailash Parbat Cooling Oil (KPCO).
- Development of new Amla Hair Oil and new fragrance.
- Development of new and innovative Serum Products to prevent entangling knots and provide soft and silky feeling in hair are under progress.
- Development of effective product to prevent Dandruff in Hair under progress.
- Development of Value Added Coconut Oil under progress.
- Development of coding machine for CFC packing.
- Automatic capping machine installation.
- Development of 300 ml PET bottle.
- Development of 500 ml PET bottle neck modification.
- Development of attractive new Amla Hair Oil (AHO) PET bottle.
- Development of Flip-top cap of Brahmi Amla Hair Oil (BAHO) / Jasmine Hair Oil (JHO) / Amla Shikakai Hair Oil (ASHO)
- Development of quadra pack for KPCO Subha Arambha.
- Development of multi-address CFC.
- Development of moulds for Soap 75g and 125g respectively.
- Development of flow-wrap in soap.
- Optimization of width in shrink roll.
- Consumer in-sight for product evaluation and design. Consumer complaint track is maintained.
- Development of Shrink Wrapping of products in the manufacturing units.
- Complexity reduction in Jasmine Hair Oil by the development of fragrance substitute and implemented.
- Development of competencies in new areas like Skin Care, Hair Care, Ayurveda Preparations and Soap.
- Modification of specifications in the field of RMs and PMs to further improve the quality of our end products.
- Benchmark studies with competitors products.
- ISO certification (ISO 9001, ISO 14001 and ISO 18001).

2. Benefits derived as the result of the above efforts

- On account of above R & D efforts we are able to do re-engineering in our premium brand and reduce our cost of production with same standards of quality.
- New products like KPCO Barfilla and Amla Hair Oils will add to our existing products and they will attract to the consumers in the market.

- Starting production in Bangladesh is a good extension of ADHO.
- Attractive packaging developments will attract the consumers.
- New raw material in ADHO and optimization of shrink roll dimension are useful for cost reduction.
- Automatic capping machines implemented for 50ml and 100ml ADHO help in cost reduction.
- We have created a deep rooted stability study in our laboratory.

Future Plan of Action:

Continued efforts are being made to develop innovative, commercially viable process and also for improving shelf life, stability, quality, convenience and meeting regulatory compliances. Company will continue to do research on new variants and SKUs under hair care segment and products in the category NOMARKS and develop competencies in new areas like Skin Care, Personal Care, Ayurveda Preparations and Soap.

3. Expenditure on R&D

(₹ in lacs)

For the year ended March 31	2014	2013
a) Capital	7.22	0.99
b) Recurring	4.15	1.67
c) Total	11.37	2.66
d) Total R & D expenditure as a percentage of total turnover	0.017%	0.004%

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- Imparting training to personnel in various manufacturing techniques by Indian experts and suppliers of plant and machinery.
- Company is going towards 100% automation. Company is shifting from manual cap pressing technique to automatic cap pressing technique.
- New packaging technology adopted for which shrink wrapping machines has been installed.
- Successful installation of 10 tracks pouch filling machine and coding machine.
- New conveyor system has been introduced for shifting of finished goods from production line to storage area.

2. Benefit derived as a result of the above efforts:

- Increased productivity
- Power saving
- Manpower cost reduced
- Raw materials cost reduction
- Production wastage reduced

3. Information regarding technology imported during the last 5 years : Nil

ANNEXURE-II to Directors' Report for the year ended March 31, 2014

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

Name	Designation/ Nature of Duties	Qualification	Experience (Yrs.)	Remuneration (₹ in Lacs)	Date of Appointment	Age (Yrs.)	Particulars of Last employment
1. Mr. Sumit Malhotra	Managing Director	B Pharma (Hons.), PGDBM (IIM, Ahmedabad)	28	169.36	01.04.08	53	Bajaj Consumer Care Ltd.* - President (Sales & Mktg.)
2. Mr. Jimmy Anklesaria	Director - Business Development	B. Com, MBA	36	190.41	15.07.11	59	Godrej Consumer Products Ltd. - Executive Vice President (International Operations)

Notes:

- Gross Remuneration shown above is subject to tax and comprises salary (including arrears, allowances, perquisites, rent, medical reimbursement, leave travel benefits, leave encashment, contribution to provident fund & gratuity under LIC scheme) in terms of actual expenditure incurred by the company.
- All the employees have adequate experience to discharge the responsibilities assigned to them.
- None of the above employee is related to any of the Directors of the Company.
- The nature of employment is on contractual basis.

* Pursuant to fresh certificate of incorporation dated November 25, 2011, the name of the Company changed to Bajaj Resources Limited.

Corporate Governance Report

(Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges)

Company's philosophy on code of corporate governance

The elements of transparency, fairness, disclosure and accountability form the cornerstone of corporate governance policy at Bajaj Corp Limited (BCL). These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

It is the constant endeavor of the Board of Directors to leverage the resources at its disposal and foster an environment for growth and development of human resources. The management team is fully committed and empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. Systems are in place for strategic planning, risk management, financial plans and budgets, integrity of internal controls and reporting, emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit. Good corporate governance standards have enabled BCL build and sustain its reputation for quality and also attract and retain the best and brightest talents.

The philosophy and practice of corporate governance can be summarised as:

- Responsible and ethical decision making
- Transparency in all business dealings and transactions
- Timely and accurate disclosures of information
- Integrity of reporting
- The protection of the rights and interests of all stakeholders
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision

Board of Directors

Composition

The Board of Directors as on March 31, 2014 consists of 7 Directors. 2 of the Directors are Executive Directors and the remaining 5 Directors are Non-Executive Directors. The Executive Directors consist of 1 Managing Director and 1 Director (Business Development). 1 of the 7 Directors belongs to the promoter group.

Pursuant to Clause 49 of the Listing Agreement, the Board of Directors of the Company shall have an optimum combination of Executive Directors with not less than fifty percent of the Board of Directors comprising of Non-Executive Directors. In the case of BCL, since 5 out of 7 Directors are Non- Executive, the Company is complying with the requirement of fifty percent of the Board comprising Non-Executive Directors.

Further pursuant to Clause 49 of the Listing Agreement, if the Chairman of the Board is a Non – Executive Director and he is a promoter of the Company, at least one-half of the Board should consist of Independent Directors. Since, 4 out of 7 Directors are Independent, the Company is also complying with the requirement of at least one-half of the Board consisting of Independent Directors.

The Board of Directors of BCL, therefore, has a healthy blend of Executive and Non-Executive Directors. Moreover, all the Non- Executive Directors are eminent professionals and bring the wealth of their professional expertise and experience to the management of the Company (See Table 1).

Terms of Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013 not less than 2/3rd of the total number of Directors shall be persons whose period of office is liable to determination by retirement of directors by rotation. 1/3rd of such Directors for the time being as are liable to retire by rotation shall retire from office and, if eligible, may seek re-appointment at a general meeting. Further, as per the provisions of the Section 152 of the Companies Act, 2013, total number of Directors shall not include Independent Directors whether appointed under the Companies Act, 2013 or any other law for the time being in force. In computing the number of Directors liable to retire at the Eighth Annual General Meeting, Independent Directors appointed pursuant to Clause 49 of the Listing Agreement have been excluded.

As regards the appointment and tenure of Independent Directors, the policy adopted by the Board is as follows:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors as mandated by the Companies Act, 2013.
- The Independent Directors will serve a maximum of two terms of five years each.
- In the transition to the Companies Act, 2013, which is effective April 1, 2014, all the Independent Directors will serve a term in office up-to March 31, 2019 as mandated by the Companies Act, 2013.

TABLE 1: Composition of the Board of Directors during 2013-14

Name	Position	Age (years)	Directorship Tenure (years)	Relationship with other Director
Mr. Kushagra Nayan Bajaj (Chairman) DIN 00017575	Non-Independent, Non-Executive	37	6	None
Mr. Sumit Malhotra (Managing Director) DIN 02183825	Non-Independent, Executive	52	6	None
Mr. Jimmy Rustom Anklesaria Director (Business Development) DIN 03464365	Non-Independent, Executive	59	2	None
Mr. Gaurav Dalmia DIN 00009639	Independent, Non-Executive	47	4	None
Mr. Dilip Cherian DIN 00322763	Independent, Non-Executive	57	4	None
Mr. Haigreave Khaitan DIN 00005290	Independent, Non-Executive	43	4	None
Mr. Aditya Vikram Ramesh Somani DIN 00046286	Independent, Non-Executive	40	4	None

Other Directorship and Membership of Board Committees

Details of the number of Directorships held in other Companies and Committee positions held by Directors of BCL are summarized below:

TABLE 2: Directorship in other Companies and Committee position in all Public Limited Companies as at March 31, 2014

Name	Directorship			Committee Membership			Committee Chairmanship		
	Public Companies	Others	Total	In Listed Public Companies	In Unlisted Public Companies	Total	In Listed Public Companies	In Unlisted Public Companies	Total
Mr. Kushagra Nayan Bajaj	1	3	4	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Sumit Malhotra	1	0	1	1	Nil	1	Nil	Nil	Nil
Mr. Jimmy Rustom Anklesaria	1	1	2	1	Nil	1	Nil	Nil	Nil
Mr. Gaurav Dalmia	8	29	37	3	Nil	3	1	Nil	1
Mr. Dilip Cherian	3	10	13	1	Nil	1	1	Nil	1
Mr. Haigreave Khaitan	14	1	15	7	1	8	Nil	Nil	Nil
Mr. Aditya Vikram Ramesh Somani	1	3	4	2	Nil	2	Nil	Nil	Nil

Notes:

1. Private Limited Companies, Foreign Companies and Companies under Section 25 of Companies Act, 1956 have been excluded for the purposes of calculating committee positions.
2. Membership/Chairmanship in only Audit Committee and Shareholders' & Investors' Grievance Committee including Bajaj Corp Limited have been considered for committee positions as per the Listing Agreement.

None of the Directors of BCL is a member in more than 10 committees and Chairman of more than 5 committees across all companies in which he is a Director.

Responsibilities of the Managing Director and Director-Business Development

Presently, the Company has Managing Director – Mr. Sumit Malhotra and Director (Business Development) – Mr. Jimmy Rustom Anklesaria at the helm of affairs. There is clear demarcation of responsibility and authority between these two.

- The Managing Director is responsible for leading and directing our Company's strategy and business operations. He is also responsible for the sales and marketing division and achieving the annual business plan, taking new initiatives and investments.
- The Director (Business Development) is responsible for acquisitions and strategic initiatives.

Managing Director and the Director (Business Development) along with the senior management provide periodic reports to the Board on their responsibilities, performance and targets.

Pecuniary relationship and transactions of Non-Executive Directors with BCL


The register of contracts maintained by the Company pursuant to the provisions of Section 301 of the Companies Act, 1956, contains particulars of all contracts or arrangements to which Section 297 or 299 apply. The register is signed by all the Directors present during the respective Board meetings held from time to time.

Board procedures

Board Meetings and Attendance

During the financial year 2013-14, the Board met six times. (See Table 3)

TABLE 3: Board meetings

Date of Board Meeting	Duration of gap from previous Board Meeting	Maximum gap permitted as per Clause 49
May 3, 2013	111 days	 120 days
July 9, 2013	66 days	
August 2, 2013	23 days	
August 22, 2013	19 days	
October 14, 2013	52 days	
February 6, 2014	114 days	

The maximum time gap between any two meetings is less compared to the mandated requirement of not more than 4 months in Clause 49 of the Listing Agreement. Generally the dates of the meetings were decided well in advance.

The details of attendance of Directors at the six Board meetings held during the financial year 2013-14 and at the last Annual General Meeting held on August 2, 2013 are given in Table 4.

TABLE 4: Attendance at the meetings of the Board of Directors during 2013-14

Name	Position	Board Meetings held	Board Meetings attended	Whether attended previous AGM on August 2, 2013
Mr. Kushagra Nayan Bajaj	Non-Independent, Non-Executive	6	5	Yes
Mr. Sumit Malhotra	Non-Independent, Executive	6	5	Yes
Mr. Jimmy Rustom Anklesaria	Non-Independent, Executive	6	6	Yes
Mr. Gaurav Dalmia	Independent, Non-Executive	6	6	Yes
Mr. Dilip Cherian	Independent, Non-Executive	6	6	Yes
Mr. Haigreve Khaitan	Independent, Non-Executive	6	2	Yes
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	6	3	Yes

Information provided to the Board

The Board of BCL has complete access to any information within the Company. At the meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all the related details that require deliberation by the members of the Board.

Comprehensive information regularly provided to the Board, *inter alia*, include:

- Annual operating plans, budgets and updates;
- Production, sales and financial performance statistics;
- Expansion plans, capital expenditure budgets and updates;
- Plant-wise operational review;
- Quarterly financial results;

- vi) Utilisation of IPO proceeds;
- vii) Minutes of meetings of Board Committees viz; Audit, Remuneration, Shareholders' & Investors' Grievance and Management Committees as well as the abstracts of the circular resolutions passed; Also Board Minutes of Subsidiary Companies.
- viii) General notices of interest;
- ix) Staff matters, including senior appointments;
- x) Materially important legal proceedings by or against the Company;
- xi) Share transfer and dematerialisation compliance;
- xii) Significant developments relating to labour relations and human resource relations;
- xiii) Voluntary retirement schemes;
- xiv) Fatal/serious accidents or mishaps and any material effluent or pollution problems;
- xv) Details of foreign exchange exposure and steps taken by management to limit the risk of adverse rate movement;
- xvi) Details of acquisition plans;
- xvii) Information Technology strategies and related investments;
- xviii) Legal compliances reporting system;
- xix) Insider trading - related disclosure procedures and such other matters and
- xx) Significant transactions.

Board Committees

As of March 31, 2014, the Board had five committees (See Table 5)

TABLE 5: Board Committees

Committee	Members (Position)
Audit Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
	Mr. Dilip Cherian (Independent, Non-Executive)
Remuneration Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive)
	Mr. Haigreve Khaitan (Independent, Non-Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
Shareholders' / Investors' Grievance Committee**	Mr. Dilip Cherian, Chairman* (Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
	Mr. Jimmy Anklesaria (Non-Independent, Executive)
Management Committee	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
	Mr. Jimmy Anklesaria (Non-Independent, Executive)
	Mr. Gaurav Dalmia (Independent, Non-Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
IPO Committee***	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)

* Chairman of the respective Committee

** With effect from April 28, 2014, the Company has constituted Stakeholders Relationship Committee and the Shareholders' & Investors' Grievance Committee was subsequently dissolved.

*** With effect from April 28, 2014, the IPO Committee was dissolved and the powers were conferred to the Management Committee.

The Board is responsible for the constituting, assigning, co-opting and fixing of terms of service for committee members of various committees. The Chairman of the Board, in consultation with the Company Secretary of the Company and the Committee Chairman, determines the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the full Board for approval. The quorum for meetings is either two members or one-third of the members of the committees, whichever is higher. In the case of all the above committees of BCL, two members constitute the quorum subject to the specific provisions laid down in the Listing Agreement.

Code of conduct

The Company has adopted a Code of Ethics for the Directors and senior management of the Company. The same has been posted on the website of the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. The declaration by the Managing Director to that effect forms part of this Report. The Code of Ethics is also in compliance with the provisions of Companies Act, 2013 prohibiting insider trading on securities.

Audit Committee

Constitution and Composition

The Audit Committee was constituted on August 29, 2008 and was reconstituted on February 4, 2010 and February 11, 2011. The composition of the Audit Committee is given in Table 5 above.

Meetings and Attendance

The Audit Committee met four times during the year on the following dates:

Date of Audit Committee Meetings	Duration of meeting
May 3, 2013	25 Minutes
August 2, 2013	20 Minutes
October 14, 2013	30 Minutes
February 6, 2014	25 Minutes

The attendance of each Committee Member is provided in Table 6

TABLE 6: Attendance at the meetings of the Audit Committee of Directors during financial year 2013-14

Name of Committee Members	Position	Committee Meetings held	Committee Meetings attended
Mr. Gaurav Dalmia, Chairman	Independent, Non-Executive	4	4
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	4	3
Mr. Dilip Cheria	Independent, Non-Executive	4	4

All the above members possess sound knowledge of accounts, audit and finance.

Mr. Kushagra Nayan Bajaj, Non Executive Chairman and Mr. V. C. Nagori, Chief Financial Officer are permanent invitees to the Audit Committee meetings. In addition, the heads of the Finance and Internal Audit functions, representatives of statutory auditors and other executives as are considered necessary, generally attended these meetings. The Company Secretary acted as the Secretary to the Audit Committee.

Terms of Reference

The scope and function of the Audit Committee is in accordance with Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, as amended from time to time, and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;

- c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments to financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report.
5. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
 6. Review and monitor auditors independence and performance of statutory and internal auditors and effectiveness of adequacy of audit process.
 7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Carrying discussions with internal auditors on any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 10. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors.
 12. To monitor the use of proceeds received in the initial public offering.
 13. Approval of appointment of CFO (i.e. the Whole-time Financial Director or any other person heading the finance function or discharging that function) after assessing the qualification and background etc. of the candidate.

14. To review the functioning of the Whistle Blower mechanism.

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors delegated the following additional powers to the Audit Committee w.e.f. April 28, 2014:

1. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
2. Approval or any subsequent modification of transactions of the company with related parties.
3. Scrutiny of inter-corporate loans and investments.
4. Valuation of undertakings or assets of the company, wherever it is necessary.
5. Evaluation of internal financial controls and risk management systems.

Remuneration Committee

Constitution and Composition

The Remuneration Committee was constituted on February 4, 2010.

The composition of the Remuneration Committee is given in Table 5 above.

Meetings and Attendance

During 2013-14, the Remuneration Committee met once on May 3, 2013.

The attendance of each Committee Member is provided in Table - 7

TABLE 7: Attendance at the meetings of the Remuneration Committee of Directors during financial year 2013-14

Name of Committee Members	Position	Committee Meetings held	Committee Meetings attended
Mr. Gaurav Dalmia, Chairman	Independent, Non-Executive	1	1
Mr. Haigreve Khaitan	Independent, Non-Executive	1	0
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	1	1

Terms of Reference

The Remuneration Committee was constituted in 2010 with the following terms of reference:

- a. To determine the Company's policy on remuneration to Executive Directors and their relatives working in the Company, including pension rights and compensation payments.

- b. To approve the remuneration payable to all managerial personnel (under the Companies Act, 1956) including Executive Directors.

Remuneration Policy

The Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director and Director-Business Development after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

Remuneration to Directors

Remuneration of Non-Executive Directors

Non-Executive Directors were paid sitting fee of ₹ 20,000 for attending each Board Meeting and ₹ 15,000 for attending each Committee Meeting. The details of sitting

fees paid to Non-Executive Directors during the financial year 2013-14 are provided in Table-8.

The Company has not paid any commission to Non- Executive Directors for the year under review.

Remuneration of Executive Directors

The Executive Directors, Mr. Sumit Malhotra and Mr. Jimmy Rustom Anklesaria were paid remuneration as per their respective terms of appointment approved by the shareholders of the Company.

Upon retirement, Mr. Sumit Malhotra and Mr. Jimmy Rustom Anklesaria will be entitled to retiral benefits as per the rules of the Company. No pension will be paid by the Company to any of the Directors.

BCL has no stock option plans and hence such instrument does not form part of the remuneration package payable to any Executive Director and/or Non-Executive Director. During the period under review, the Company has paid Performance Incentive, details of which are disclosed in Table 8. The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the period under review.

The details of remuneration paid to the directors of the Company are given in Table 8.

TABLE 8: Remuneration of Directors during financial year 2013-14

Name of Directors	Relationship with other Directors	Salary (Net) (₹)	Performance Incentive (₹)	Sitting fees (₹)	Total (₹)	Notice period
Mr. Kushagra Nayan Bajaj	--	--	--	1,15,000	1,15,000	N.A.
Mr. Sumit Malhotra Managing Director	--	1,39,36,266	30,00,000	--	1,69,36,266	N.A.
Mr. Jimmy Rustom Anklesaria Director - Business Development	--	1,45,40,905	45,00,000	--	1,90,40,905	N.A.
Mr. Gaurav Dalmia	--	--	--	2,10,000	2,10,000	N.A.
Mr. Dilip Cherian	--	--	--	2,40,000	2,40,000	N.A.
Mr. Haigreve Khaitan	--	--	--	40,000	40,000	N.A.
Mr. Aditya Vikram Ramesh Somani	--	--	--	1,20,000	1,20,000	N.A.

Note: The Remuneration Committee reviews performance of Executive Directors in consultation with the Head of Human Resources and decides Performance Linked Incentive.

Shareholders' & Investors' Grievance Committee

Constitution and Composition

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement (effective from October 1, 2014), a Stakeholders Relationship Committee (SR Committee) was constituted on April 28, 2014. Consequently, the Shareholders' & Investors Grievance Committee was dissolved and its powers conferred to the SR Committee.

The SR Committee, inter-alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional powers (terms of reference) of the SR Committee are:

1. Review and oversee the process of transfer, rematerialization, etc. and other shares related formalities.
2. Review and oversee the process of resolving of shareholders/investors/security-holders grievances.
3. Advise the Board of Directors on matters which can facilitate better investor services and relations.
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

The composition of the Stakeholders Relationship Committee is given in Table 5 above.

Mr. Sujoy Sircar, Company Secretary, is designated as the Compliance Officer. The Company has designated email id "complianceofficer@bajajcorp.com" exclusively for the purpose of registering complaints by shareholders/investors/security-holders electronically. This e-mail id is displayed on the Company's website i.e. www.bajajcorp.com

Table 9 shows the nature of complaints received from shareholders during 2013-14. No complaint(s) were pending as on March 31, 2014.

TABLE 9: Details of Investor Complaints received during the year 2013-14

Nature of complaints received during 2013-14	No. of complaints
Non-Receipt of Annual Report	4
Non-Receipt of Dividend Warrants	17
Others	0
Total	21

Meetings and Attendance

During the year under review, the erstwhile Shareholders' & Investors' Grievance Committee met four times. The attendance of each Committee Member is provided in Table 10.

TABLE 10: Attendance at the meetings of the erstwhile Shareholders' and Investors' Grievance Committee of Directors during the financial year 2013-14

Name of Committee Members	Position	Committee Meeting Held	Committee Meeting Attended
Mr. Dilip Cherian, Chairman	Independent, Non-Executive	4	4
Mr. Sumit Malhotra	Non-Independent, Executive	4	4
Mr. Jimmy Rustom Anklesaria	Non-Independent, Executive	4	3

Management Committee

Constitution and Composition

The Management Committee was constituted on August 13, 2010 and was reconstituted on August 22, 2013. The Composition of Management Committee is given in Table 5 above.

Meetings and Attendance

During the year under review, the Management Committee met three times on August 5, 2013, August 22, 2013 and December 20, 2013.

The attendance of each Committee Member is provided in Table – 11

TABLE 11: Attendance at the meetings of the Management Committee of Directors during the financial year 2013-14

Name of Committee Members	Position	Committee Meetings held	Committee Meetings attended
Mr. Kushagra Nayan Bajaj, Chairman	Independent, Non-Executive	3	2
Mr. Sumit Malhotra	Managing Director	3	3
Mr. Jimmy Rustom Anklesaria*	Non-Independent, Executive	3	2
Mr. Gaurav Dalmia	Independent, Non-Executive	3	1
Mr. Aditya Vikram Ramesh Somani	Independent, Non-Executive	3	0

* Appointed w.e.f. August 22, 2013.

Terms of Reference

The Management Committee is a non-mandatory requirement under the Listing Agreement with the Stock Exchanges. Post listing of the equity shares of the Company on the Stock Exchanges, the complexity and nature of various compliances have increased manifold. Further routine business items are presently being approved by the Board of Directors of the Company. Since some of the activities are required to be completed within a short span of time and since the Directors of the Company are in different locations, it is not possible to convene a Board Meeting on short notice. Therefore, the Board has delegated powers to the committee such as opening and closing of Bank Account, availing working capital facilities and short term borrowing, issuing power of attorney, authorise various employees of the Company to represent and appear before the statutory authorities, etc.

IPO COMMITTEE

Constitution and Composition

The IPO Committee was constituted on February 20, 2010.

The composition of IPO Committee is given in Table 5 above.

The IPO Committee is a non-mandatory requirement under the Listing Agreement with the Stock Exchanges.

Meetings and Attendance

During the year under review, there was no meeting of the IPO Committee.

Terms of Reference

The IPO Committee constituted primarily for the purpose of the Initial Public Offering of the Company. The terms of reference of the Committee related to the Company's Initial Public Offering and covered the entire gamut of provisions that are required to be complied with in respect to the IPO.

Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

Non-mandatory requirements under Clause 49 of the Listing Agreement

The status of compliance with the non-mandatory

requirements of Clause 49 of the Listing Agreement is provided below:

Remuneration Committee

The Company has a Remuneration Committee, the details of which are provided in this Report under the section "Remuneration Committee".

Audit Qualification

It is always the Company's endeavor to present unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Training of Board Members

Directors are fully briefed on all business-related matters, risk assessment and new initiatives proposed by the Company.

Whistle Blower Policy (Vigil Mechanism)

The Board of Directors of the BCL and Chairman of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in BCL has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect violations of laws, rules, regulations, unethical conduct, questionable accounting/audit practices, reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report those concerns to the Company's management.

The 'Whistle Blower' policy adopted by the Company in October 2010 provides a ready mechanism for reporting violations of laws, rules, regulations or unethical conduct. The confidentiality of the "whistle blower" is maintained and he/she is not subjected to any victimization and/or harassment. The present Whistle Blower policy is in conformity with the provisions of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement (effective from October 1, 2014). Every employee of the Company has been provided access to the Audit Committee Chairman through email/correspondence address should they desire to avail of the Vigil Mechanism.

Subsidiary Companies

At present, the Company has no materially Indian unlisted subsidiary company. Accordingly, the requirement of appointing at least one independent director on the Board of Directors of the materially Indian unlisted subsidiary is not applicable. The Board reviews the financial statements particularly investments made by its Indian unlisted subsidiary company and the minutes of the Board Meetings of the unlisted subsidiary company are placed at the Board Meeting of the Company along with a statement of all significant transactions and arrangements entered into by the Indian unlisted subsidiary company.

Information to Shareholders

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

Auditors' Certificate on Corporate Governance

The Company has obtained a certificate from its Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the Listing Agreement with the Stock Exchanges. This certificate is annexed to the Corporate Governance Report for the year 2013-14 and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

Report on Corporate Governance

This section, read together with the information given in the sections (i) Management Discussion and Analysis and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the financial year 2013-14.

Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

Steps for Prevention of Insider Trading Practices

In compliance with the SEBI (Prevention of Insider Trading) Regulations as amended, the Company has issued a comprehensive set of guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of BCL and disclosure requirements in this regard. The Company believes that 'The Code of Internal Procedure and Conduct' that it has framed in this regard will help in ensuring compliance with the amended SEBI regulations.

Material Disclosures and Compliance

Details of related party transaction during the year have been set out under Note No. 30 of Notes for Information forming part of Statement on Significant Accounting Policies & Notes forming Part of the Accounts. These are not having any potential conflict with the interests of the Company at large.

Disclosures

All material transactions entered into with related parties have been disclosed in this Corporate Governance Report.

The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India in preparation of its financial statements and the Company has not adopted a treatment different from that prescribed in an Accounting Standard.

The Company has laid down the procedures about Risk Assessment and Minimization and the same has been informed to the Board. These procedures are periodically reviewed to ensure that the Executive Management controls risk through means of a properly defined framework.

Pursuant to Clause 49 of the Listing Agreement, the statement of uses and application of Public Issue proceeds are disclosed to the Audit Committee as part of the quarterly unaudited and annual audited financial statements. The Monitoring Agency report is immediately placed before the Audit Committee upon receipt.

No transaction of material nature has been made by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have potential conflict with the interest of Company at large.

The Company publishes its criteria of making payment of sitting fee / remuneration to its non-executive Directors in the Annual Report.

None of the Non-Executive Directors of the Company holds equity shares in the Company. The following Executive Directors are holding equity shares of the Company as per details given below:

Sr. No.	Name of the Director	No. of shares held
1	Mr. Sumit Malhotra	200
2	Mr. Jimmy Rustom Anklesaria	1000

A new appointee on the Board discloses his shareholding in the Company prior to his appointment. These details are also disclosed in the notice to the general meeting called for the appointment of Directors.

Details of Non-compliance

During the last 3 years, there were no instances of non-compliance on any matter related to the capital markets. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets.

Shareholder Information

Information on general body meetings

Date, Time and Venue of 8th AGM :	Friday, August 1, 2014 at 4.00 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021.
--	---

The previous three Annual General Meetings (AGM) of the Company were held on the following date, time and venue. (See Table 12)

TABLE 12: Date, Time and Venue of Annual General Meetings held :

AGM	Day, Date & Time	Venue
5th AGM	Monday, August 8, 2011 at 11:00 A. M.	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai – 400021.
6th AGM	Wednesday, August 1, 2012 at 12 Noon	Rangaswar Hall, 4th Floor, Yashwantrao Chavan Pratishthan, Y B Chavan Centre, General Jagannath Bhosle Marg, Nariman Point, Mumbai-400021.
7th AGM	Friday, August 2, 2013 at 12 Noon	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai – 400021.

The summary of Special Resolutions and other important resolutions passed at the previous 3 Annual General Meetings are reported below:

5th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment and revision of Mr. Roshan Fateh Lal Hinger as Whole time Director of the Company, liable to retire by rotation.	Special Resolution
2. Revision in remuneration payable to Mr. Sumit Malhotra, Whole-time Director up to the remaining tenure of his present term.	Special Resolution
3. Appointment of Mr. Kushagra Nayan Bajaj as Director of the Company, liable to retire by rotation.	Ordinary Resolution
4. Appointment of Mr. Gaurav Dalmia as Director of the Company, liable to retire by rotation.	Ordinary Resolution

6th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment of Mr. Dilip Cherian, as Director of the Company, liable to retire by rotation.	Ordinary Resolution
2. Appointment of Mr. Aditya Vikram Ramesh Somani, as Director of the Company liable to retire by rotation.	Ordinary Resolution
3. Appointment of Mr. Jimmy Rustom Anklesaria, as Director of the Company, liable to retire by rotation.	Special Resolution
4. Resolution under Section 81(1A) of the Companies Act, 1956 regarding further issue of share capital read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.	Special Resolution

7th AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment of Mr. Sumit Malhotra, as Director of the Company, liable to retire by rotation.	Ordinary Resolution
2. Appointment of Mr. Haigreva Khaitan, as Director of the Company, liable to retire by rotation.	Ordinary Resolution
3. Approval under Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII for revision in term of remuneration of Mr. Sumit Malhotra, as Managing Director of the Company.	Special Resolution
4. Approval under Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII for revision in term of remuneration of Mr. Jimmy Rustom Anklesaria, as Whole-time Director of the Company.	Special Resolution
5. Approval under Section 61 of the Companies Act, 1956 for revision in utilisation of the proceeds from the Initial Public Offering of Equity Shares made in pursuance of the said Prospectus.	Special Resolution
6. Approval under Section 81(1A) of the Companies Act, 1956 for issue of equity shares etc. to Public.	Special Resolution

Financial Calendar

Financial Year 2014-15	: April 1, 2014 to March 31, 2015
Audited Annual Results for the year ended March 31, 2014	: By last week of April 2014
Mailing of Annual Report	: By first week of July 2014*
Unaudited first quarter financial results	: By first week of August 2014*
Unaudited second quarter financial results	: By second week of November 2014*
Unaudited third quarter financial results	: By second week of February 2015*

* Tentative

Dividend Announcement

The Board of Directors of the Company at its meeting held on February 6, 2014 declared interim dividend @ 650% (₹ 6.50 per share) on the equity share of the face value of ₹ 1/- each and the same was paid to the shareholders. The interim dividend shall be taken as final dividend for the financial year 2013-14.

Payment of Dividend

Dividend paid by account payee/non-negotiable instrument or through NECS/RTGS/Electronic Clearing Service (ECS) as notified by the SEBI through the stock exchanges. In view of the advantages of receiving dividend through NECS/RTGS/ECS, shareholders are requested to opt for this mode. The details of action required to be taken by shareholders in this regard are outlined in the notice of the annual general meeting. For further clarifications or additional details, shareholders may please contact the Company. The declared dividend is paid by the Company within the statutory time period under the Companies Act, 1956.

Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013 (corresponding to Sections 205A to 205C of

the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer, has to be transferred by the Company to "The Investor Education and Protection Fund" ("IEPF").

The details of Dividends paid by the Company and the corresponding due dates for transfer of such unclaimed/unencashed dividend to the aforementioned Fund constituted by the Central Government are furnished hereunder:

The details of unclaimed dividend are as under:

Dividend for the year	No. of Shareholders	Amount (₹)	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010-2011	108	20,007.00	08.08.2011	13.09.2018
2011-2012	176	49,672.00	07.02.2012	14.04.2019
2012-2013	289	1,33,594.50	11.01.2013	18.03.2020
2013-2014	370	1,86,621.50	06.02.2014	13.04.2021

Information on Directors being appointed / re-appointed

The information regarding Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting is given under Annexure to items 3, 5, 6, 7 & 8 of the Notice convening Annual General Meeting.

Communication to Shareholders

The Company has published its quarterly, half-yearly and annual results in all the editions of Free Press (English) and Navshakti (vernacular), Mumbai. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company www.bajajcorp.com.

Share Transfer

The power to approve share transfer/transmission, etc. as well as the dematerialisation/rematerialisation has been delegated to Mr. Kushagra Nayan Bajaj, Chairman, Mr. Sumit Malhotra, Managing Director, Mr. D. K. Maloo, Vice President (Finance), Mr. Sujoy Sircar, Company Secretary of the Company with effect from October 21, 2010. All transfers pertaining to shares held in physical form as well as requests for dematerialisation/rematerialisation are processed in fortnightly cycles.

Registrar and Share Transfer Agent

Karvy Computershare Private Limited, as the Registrar and Share Transfer Agent of BCL, handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is also handled by Karvy Computershare Private Limited.

Share Transfer System

Share transfers received by the Company are registered within 15 days from the date of receipt in most of the cases, provided the documents are complete in all respects.

The number of shares transferred in physical category during the year 2013-14 was nil as compared to nil shares in 2012-13.

Dematerialisation of Shares

During the year 2013-14, 200 shares were dematerialised as compared to nil shares during the year 2012-13. The distribution of shares in physical and electronic modes as at March 31, 2014 and March 31, 2013.

(See Table 13).

TABLE 13: Details of Shares held in physical and electronic mode (Face Value ₹ 1/- each)

Categories	Position as at March 31, 2014		Position as at March 31, 2013		Shares Dematerialised during financial year 2013-14	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	306	0.00	506	0.00	200	0.00
Demat:						
NSDL	35765190	24.25	21202675	14.37	0	0.00
CDSL	1111734504	75.75	126296819	85.63	0	0.00
Sub-total	147499694	100.00	147499494	100.00	0	0.00
Total	147500000	100.00	147500000	100.00	200	0.00

Listing on stock exchanges and stock codes

The Company's equity shares are listed and traded on the following stock exchanges :

Name	Address	Stock Code
BSE Ltd. (BSE)	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	533229
The National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051	BAJAJCORP

The ISIN Number of Company's Equity Shares (face value of ₹ 1/- each) for NSDL & CDSL is INE933K01021.

The Company has paid listing fees for the financial year 2013-14 to all the stock exchanges where its securities are listed.

Market Price Data

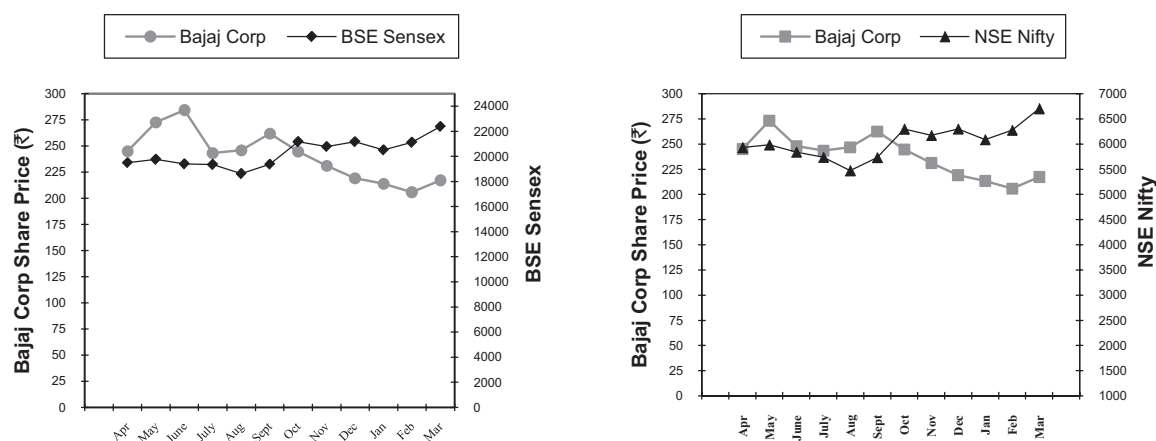
Equity Shares

The details of high/low market price of the equity shares of the Company at BSE Limited (BSE) and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 14)

TABLE 14: Monthly high/low Market Price of Equity Shares of BCL during financial year 2013-14

Month	Quotation at BSE			Quotation at NSE		
	HIGH FV ₹ 1	LOW FV ₹ 1	CLOSING FV ₹ 1	HIGH FV ₹ 1	LOW FV ₹ 1	CLOSING FV ₹ 1
April 2013	251.10	223.00	245.20	253.75	221.15	245.15
May 2013	284.00	243.95	272.80	283.70	243.00	273.10
June 2013	281.95	240.00	248.25	282.90	239.95	248.20
July 2013	264.50	218.25	243.30	264.00	218.65	243.70
August 2013	263.00	230.00	246.05	263.55	229.05	247.00
September 2013	287.15	236.50	261.90	282.00	235.35	262.65
October 2013	276.00	214.65	244.85	276.00	214.00	244.90
November 2013	251.60	228.00	231.20	251.50	228.00	231.10
December 2013	234.40	198.00	219.30	236.00	178.90	219.05
January 2014	220.50	203.95	214.10	220.50	204.00	213.30
February 2014	223.50	200.00	205.75	224.00	200.10	206.00
March 2014	234.00	204.00	217.10	234.50	203.00	217.20

The comparable movements of BCL's shares against the broad based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2014 is depicted in Chart A

CHART A: Relative Performance of BCL's shares versus BSE Sensex/NSE Nifty :

Distribution of Shareholding

The shareholding distribution of equity shares (Face Value ₹1/- each) as at March 31, 2014 (See Table 15)

TABLE 15: Shareholding distribution as at March 31, 2014

Distribution Schedule as on March 31, 2014					
Sr. No	Category	No. of shareholders	% of total shareholders	No. of shares	% of Capital
1	upto 5000	19828	98.82	3269582	2.22
2	5001 - 10000	73	0.36	518340	0.35
3	10001 - 20000	63	0.31	834523	0.57
4	20001 - 30000	21	0.10	537160	0.36
5	30001 - 40000	7	0.03	237614	0.16
6	40001 - 50000	5	0.02	240458	0.16
7	50001 - 100000	23	0.11	1725765	1.17
8	100001 and above	45	0.22	140136558	95.01
	Total	20065	100.00	147500000	100.00

Shareholding Pattern

Table 16 gives the shareholding pattern (Face Value ₹1/- each) of the Company as at March 31, 2014.

TABLE 16: Shareholding pattern as at March 31, 2014

Category	March 31, 2014		March 31, 2013	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters	110625000	75.00	125000000	84.75
Mutual Funds/UTI	2753177	1.87	206910	0.14
Financial Institutions/Banks	47940	0.03	5400	0.00
Insurance Companies	0	0.00	0	0.00
Foreign Institutional Investors	19887263	13.48	14748531	10.00
NRIs & OCBs	454005	0.31	184285	0.12
Body Corporates	7075211	4.80	1928060	1.31
Individuals	6239281	4.23	5162911	3.50
Others	418123	0.28	263903	0.18
Total	147500000	100.00	147500000	100.00

Investor Services

The Company under the overall supervision of Mr. Sujoy Sircar, Company Secretary is committed to provide efficient and timely services to its shareholders. Before IPO, all the share transfers and related process were being conducted in-house. Post IPO i.e. w.e.f. August 18, 2010, the Company has appointed M/s. Karvy Computershare Private Limited as its registrar and share transfer agent for rendering the entire range of services to the shareholders of the Company in regard to share transfer, change of address, change of mandate, dividend, etc. The electronic connectivity with both the depositories - NSDL and CDSL is being maintained by M/s. Karvy Computershare Private Limited. The Company Secretary in co-ordination with the Registrar and Share Transfer Agent at periodic intervals attends and resolves various investor related complaints to the satisfaction of the investors.

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered Shareholder/s. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with Depository Participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Plant Locations

Hair Oil Manufacturing Units

1. Parwanoo, Himachal Pradesh

Khasra N 434
Opp ESI Hospital,
Sector-1, Parwanoo,
Tehsil Kasauli, District Solan, Himachal Pradesh

2. Paonta Sahib, Himachal Pradesh

Village Batamandi,
Tehsil Paonta Sahib,
District Sirmore, Himachal Pradesh

3. Dehradun, Uttarakhand

Industrial Khasra No. 122/13 MI,
Selaquin Ind. Area,
Dehradun, Uttarakhand

Address for Correspondence

Investors and shareholders can correspond with:

- The Company at the following address:
Secretarial Department
Bajaj Corp Limited
221, Solitaire Corporate Park,
167, Guru Hargovind Marg,
Chakala, Andheri (E),
Mumbai - 400 093
Tel: (9122) 66919477/78 Fax: (9122) 66919476
E-mail: complianceofficer@bajajcorp.com
Website: www.bajajcorp.com

AND/OR

- The Registrars and Share Transfer Agent of the Company M/s. Karvy Computershare Private Limited at their following address: -

By Post/ Courier/ Hand Delivery

M/s Karvy Computershare Private Limited
Unit : Bajaj Corp Limited
17-24, Vittal Rao Nagar, Madhapur,
Hyderabad -500081
Phone No. (91 40) 4465 5000/2342 0815-28
Fax No. (91 40) 2342 0814
Email: einward.ris@karvy.com

Declaration

I, Sumit Malhotra, Managing Director of Bajaj Corp Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company ;
- The code of conduct has been posted on the website of the Company ;
- The code of conduct has been complied with.

For Bajaj Corp Limited

Place : Mumbai
Date : April 28, 2014

Sumit Malhotra
Managing Director

Certificate

To,

The Members of
Bajaj Corp Limited

We have examined the compliance of conditions of corporate governance by **BAJAJ CORP LIMITED** (the Company) for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **R. S. Dani & Company**
Chartered Accountants
ICAI Firm registration number: 000243C

C. P. Kothari
Partner
Membership No. 072229

Date : April 28, 2014
Place : Mumbai

Management Discussion and Analysis

The Indian Economy

The Indian economy in year 2013-14 was characterized by high inflation, low growth, negative industrial output, all time low Indian currency, volatile movement of flow of foreign investment, lots of import restrictions to control trade deficit. RBI and Government has taken many steps to control depreciating Indian currency. RBI has increased MSF rates by 300 basis points to increase the cost of carry of currency. Slowly RBI managed the gap of 100 basis points between MSF rates and Repo rate by reducing MSF rates in a phased manner. RBI increased REPO rate thrice by 25 basis points to control the inflation. Government and RBI measures have helped control gold imports and stabilize the trade deficit and rupee. The higher import duty on gold is one example, and banks have been asked to discourage retail customers from buying gold. In September 2013, the RBI created a special facility for oil marketing companies (OMCs) to source their dollar requirements following the sharp depreciation of the rupee. With a stabilizing rupee, this window has now been closed, but it may be opened again for OMCs if the rupee once more starts losing its value rapidly. Terms for Non Resident Indian (NRI) bondholders have been eased, and foreign institutional investors have been allowed to access securities purchases directly without waiting for monthly auctions. Export growth, although picking up, will require some fiscal support in the form of export credits to neutralize the impact of high domestic taxes and input inflation.

The CPI for May 2014 eased to near March 2014 level at 8.28% (y-o-y) after accelerating to three month high at 8.59% in April 2014, driven by lower food prices.

India's WPI inflation was 6.0% in May (up from 5.2% in April), which constituted a 1.2% mom rise on a seasonally adjusted basis. As in the case of CPI, food prices were the main driver of WPI inflation in May. Non-food manufactured goods inflation, a proxy for core inflation, also edged up to 3.8% in May, from 3.4% in April. Assuming food prices do not rise appreciably in the next few months, WPI inflation should start moderating from here on, thanks to a favorable base effect. However, the extent of moderation will be contingent on the evolving food price dynamic and global oil price trend. Food and fuel price inflation risks have been rising, constituting the first macro challenge to India's new government. The new government announced a range of stabilization measures for products covering about a third of the CPI. There are risks to the central forecast of 8% CPI inflation by January 2015 stemming from a less-than-normal monsoon due to possible el nino effects; uncertainty on the setting of minimum support prices for agricultural commodities and the setting of other administered prices, especially of fuel, fertiliser and electricity. We expect RBI to pause on next policy in August.

The fiscal deficit for 2013-14 fiscal finally turned out to be 4.5 percent of GDP. The fiscal deficit, which is the gap between expenditure and revenue, was 4.9 percent of GDP in 2012-13. India's CAD sharply narrowed to 1.7 percent of the GDP or USD 32.4 billion in 2013-14 from a record high of 4.7 percent in FY'13. For the Jan—March quarter, CAD - a measure of the inflow and outflow of foreign currency — stood at USD 1.2 billion or 0.2 percent of GDP, as against USD 18.1 billion, or 3.6 percent of GDP in the same period of the previous fiscal, according to the RBI. The highest ever CAD reported in 2013-14 had led to a slew of problems, including a heavy drop in the value of the rupee, which touched an all-time low of 68.85 against the US dollar last August.

Clearly, the Indian economy is edging toward one of its weakest growth moments in a decade. The nation's economic growth engine runs the real risk of losing momentum. India's economic growth remained below 5 percent mark second year in a row at 4.7 percent in 2013-14, but the industry is hopeful of a rebound with a stable government headed by Narendra Modi who is considered pro-business.

India's fourth quarter growth stood at 4.6 percent.

The year 2014 will be a watershed for India in political and economic terms. The nation has witnessed a full majority government under the leadership of Mr. Narendra Modi in its 16th general elections. The newly elected government's first budget will be presented soon. There is a risk that last year's numbers could be re-stated (which would probably push the FY14 fiscal deficit higher compared to the current outturn of 4.5% of GDP) if the new government chooses to settle arrears related to various subsidies and account for it in the last year. The focus, should be on driving small savings, delivering tax reforms (GST and direct taxes), encouraging FDI and restructuring government expenditure. We expect the government can realistically target a fiscal deficit of 4.5% of GDP for FY15. Given limited near-term scope to increase revenues appreciably or to cut current expenditure aggressively, we expect the government to rely on disinvestments as a key source of revenue to reduce the fiscal deficit. The interim budget disinvestment target of INR569bn (0.44% of GDP) seems likely to be retained. Among all the key heads of non-plan expenditure items (interest, defense, subsidies), the scope and need for cutting subsidy-related expenditure is probably the highest, even though it is a politically challenging task. Some progress has been made on reducing oil subsidies but the pace of improvement has been very slow; in our view, the government should try to eliminate the diesel subsidies as fast as possible and also try to reduce LPG and kerosene subsidies to the extent that is politically feasible (LPG subsidies account for almost 50% of total oil subsidy bill at this juncture).

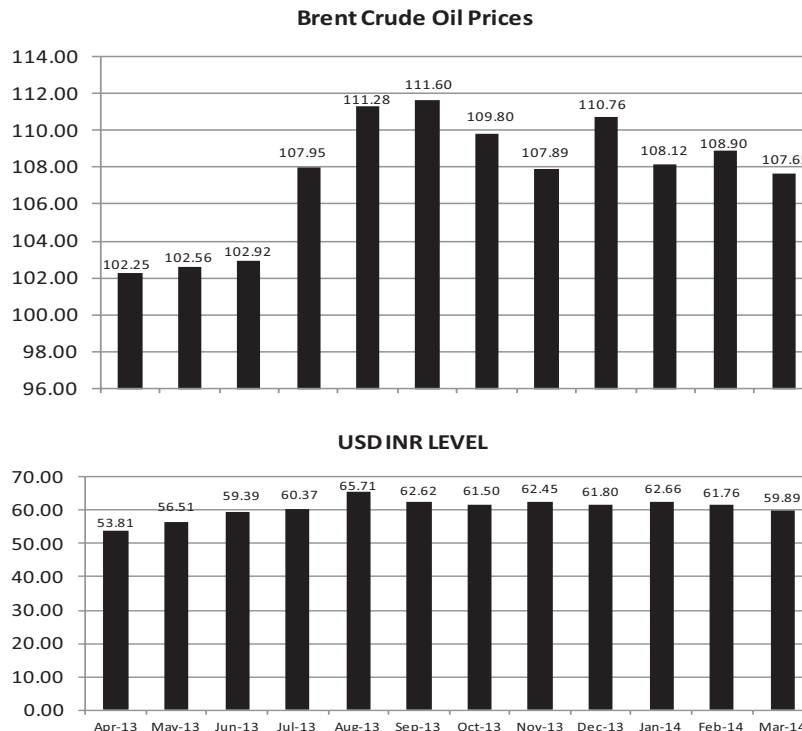
Recent press statements suggest that the government is likely to announce some steps in the budget to phase out LPG and kerosene subsidies. If this happens, it will indeed be an encouraging development. Fiscal consolidation is needed not only to reduce the inflationary impulse in the economy and to keep the current account deficit from rising too high, but also to achieve debt sustainability, which could become a major issue if India were to face a prolonged growth slowdown. Given the paucity of time, it would be unreasonable to expect the budget to be a game-changer in terms of policy announcements, but the market will be looking for signals underscoring fiscal responsibility. As long as the right signals and intent are in place, we think the government should get the benefit of doubt, especially considering that fiscal consolidation takes time and cannot be achieved overnight. We think India's economic growth rate will improve to 5.5 per cent in current fiscal year and can improve further in coming years on back of favourable domestic and global environment. A combination of structural correction, confidence in new government and favourable global conditions could propel economic growth to beyond 6 per cent in coming

years. All in all, although India's challenges for 2014-15 look massive, they could still be manageable given India's huge growth engines stemming from a young and massive population in a deep urbanization process. The Indian government must grasp the opportunity of reform in the good times rather than waiting any longer.

CRUDE PRICES IN \$ PER BARREL

Crude oil prices remained at elevated levels throughout the year above \$ 100 per averaging \$ 108 per barrel. However crude did not come below \$ 100 per barrel below the year. The commodity prices are more or less in a range between \$ 100 - \$ 110 per barrel on speculation of quantitative easing by FED.

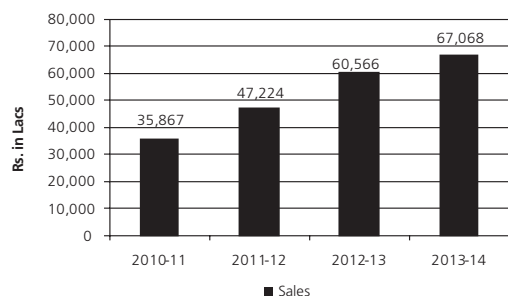
As per OPEC estimation World oil demand will rise slightly more than expected in 2014. The OPEC estimated that global demand will rise by 1.09 million barrels per day than this year. We expect Brent crude oil price to weaken as non-OPEC supply growth exceeds growth in world consumption. Brent crude oil price is projected to average \$105 per barrel and \$101 per barrel in 2014 and 2015, respectively.



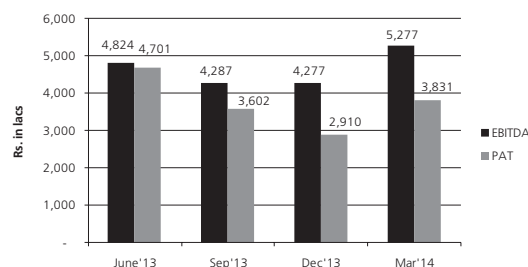
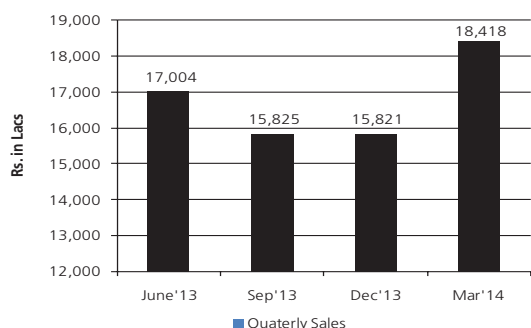
Key Highlights of the Company performance in FY 14 :

- Sales increased to ₹ 67,068 lacs in FY14 from ₹ 60,566 lacs in FY13, registering a growth of 10.74%
- Earnings before interest, depreciation and tax increased to ₹ 18,665 lacs in FY14 from ₹ 17,282 lacs in FY 13, registering a growth of 8.01%
- Profit after Tax (PAT) decreased by 10.12% from ₹ 16,738 lacs in FY13 to ₹ 15,044 lacs in FY14. This earning is after an amortisation of ₹ 2,860 lacs for the brand NOMARKS which was acquired by the company during the year.

Company sales during last four years:

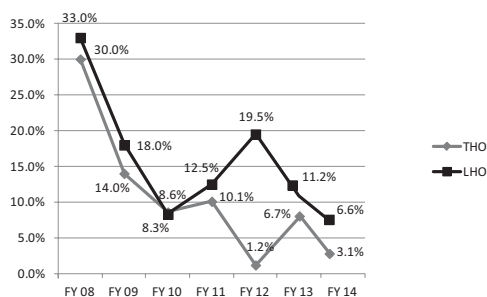


Quarterly sales, EBITDA & PAT of the Company during the year are as follows:



The Hair Oil Industry

The year 2013-14 has been a difficult year for the Hair Oil industry. The industry had been exhibiting a good volume growth on a year to year basis for the last 5 years. However, during the year 2013-14, the overall Hair Oil Industry slowed down to a growth of 3.1% in volume. This was led by decline in volumes of Cooling Hair Oils and Coconut Oils. The fastest growing segment within the Hair Oil industry i.e. Light Hair Oils grew by just 6.6% (by volume) as against a growth of 11.2% in the previous year.



The Hair Oil industry growth has been driven by the conversion of unbranded (loose) oil users to Branded hair oil. As a result of the tough economic scenario led by high inflation, consumers have been postponing trials of new brands in many categories. This year the conversion, which led to consumers trying out more expensive brands, has slowed down leading to the decline in Volumes of Branded Hair Oils being consumed.

Within the geographies, rural areas have been driving the growth of Hair Oils - since the highest incidence of Loose Hair Oil users reside in rural areas. This year the volume growth in rural areas (for Total Hair Oils) has declined from 5.6% (in the year 2012-13) to 4.8%.

Our Brand – Bajaj Almond Drops

Despite the difficult market conditions, our brand continues to gain market share. As against a Volume Market Share of 54.5% in FY13, our brand has reached 57.9% in FY14. This growth in market share is a result of the differential offtake growth of Light Hair Oil market (which has grown by just 6.6%) and Bajaj Almond Drops which has grown by 13.4% by volume.

Growth of our key brand has come as a result of continued investment in advertising and increasing distribution. As has been the trend in the last few years Bajaj Almond Drops is among the highest advertised hair oil brands in the country. The investment in Advertising and Sales Promotion has helped ensure that Bajaj Almond Drops continues to be a leader in the Light Hair Oil segment and become the second largest Hair Oil brand (by Turnover) in the Indian hair oil industry.

Last year we started operating rural ready stock vans to increase our reach. Throughout this year we have been operating vans all over the country and covering around 10,000 villages/semi urban towns on a monthly basis. This is reflected in the increase in distribution of around 410,000 outlets during the year. The retail universe of Bajaj Almond Hair oil grew from 2.27 million outlets to 2.68 million during the current financial year led by increase in our Rural reach. As a result of this increase in penetration of our key brand, rural penetration has also increased and now Bajaj Almond Drops gets around 38% of its sales from the rural areas.

As in 2012-13 the fast growing SKUs remain the 500ml and 3ml sachets. Sachets have achieved a 18% saliency within Bajaj Almond Drops, where as the 500ml SKU now represents over 10% of the volumes within just 3 years of its launch in 2011-12.

Sku	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14
Sachet	1%	2%	3%	4%	6%	7%	10%	13%	15.8%	18.0%
15	0%	0%	0%	0%	0%	0%	0%	0%	0.2%	0.0%
20	1%	1%	1%	1%	1%	3%	3%	3%	4.3%	4.3%
30	0%	0%	0%	0%	0%	0%	0%	0%	1.2%	0.7%
50	17%	19%	18%	17%	17%	18%	16%	16%	19.7%	19.0%
75	2%	2%	3%	5%	5%	4%	4%	3%	3.0%	2.4%
100	45%	45%	41%	39%	38%	34%	33%	29%	28.5%	27.9%
200	34%	31%	28%	24%	22%	21%	20%	19%	11.8%	11.8%
300	0%	0%	6%	10%	11%	13%	14%	11%	6.8%	5.6%
500	0%	0%	0%	0%	0%	0%	0%	6%	8.7%	10.2%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

NOMARKS global

At the time of Your Company's IPO in August 2010 the Company had identified inorganic growth as a strategy to create shareholder value over the long term. This inorganic growth was to come from purchasing brands or acquiring companies as a means to gain access to high growth categories, new markets or consolidate market share in existing categories like hair care. Your Company had pursued opportunities during the FY2013-14 both within India and outside India.

We are glad to report that in August 2013, your Company executed definitive agreements to purchase the skin care brand NOMARKS, along with associated goodwill, from Ozone Ayurvedics. On signing of these agreements with Ozone Ayurvedics your Company has become the sole owner of the NOMARKS brand which gives your Company access to the second largest brand in the fast growing Anti Marks & Anti Blemish category of about Rs 350 crore which comes under the overall skin care category of Rs 8,500 crore. This acquisition enhances your Company's position in the personal care market and gives entry into the fast growing skin care category. At the same time the acquisition of NOMARKS brand is expected to reduce Bajaj Corp's dependence on hair oils.

NOMARKS product portfolio consisting of face wash, facial cream, soap etc. is based on the natural

science of Ayurveda. NOMARKS created the Anti-Marks category in early 2000 and has been ranked the most preferred brand in "Marks and Scars" category for five times in the last ten years (Survey by FMCG Federation of India with research partner TNS). This brand addresses common problems of all age groups, with focus on teens / youth, and is supported by India's demographic profile.

After the acquisition of NOMARKS, during H2 FY2014, your Company has focused on integrating the NOMARKS brand into its own sales and distribution network, while continuing to manufacture the products at Ozone

Ayurvedics who have provided these transition services at a cost for a minimum of one year. The integration process is thus far tracking the projections for FY2014 and we expect the integration to complete in H1 of FY2015.

Your Company has leveraged synergies in the areas of purchase and supply chain and in sales and distribution areas. There are also reverse distribution synergies of NOMARKS with Bajaj Corp's existing portfolio of hair oils as NOMARKS has strong equity with the chemist and cosmetic channels of distribution.

Your Company continues to evaluate other M&A opportunities, however, the Company will first complete

the integration of the NOMARKS brand and only then actively pursue acquisition opportunities in FY 2015.

The Company's acquisition initiatives, as mentioned in the previous year, will continue to be focused on brand assets and businesses in India, as the Company believes it can create greatest shareholder value here than in cross border M&A. At the same time your Company scans opportunities in Africa, Middle East SAARC and South East Asia for M&A initiative if opportunities can be developed to fit our strategy and meet the investment philosophy.

Kailash Parbat Cooling Oil

The cooling oil segment was the worst impacted by the adverse economic conditions. In the year 2013-14 cooling oil segment has shown a 2.6% decline in volumes. Though our brand Kailash Parbat has grown in offtake (9.9%) the primary sales volumes have declined by 13% due to stock correction at the distributor level.

Distribution

We continue to focus on improving the distribution of our brands. Our brands are now distributed through close to 7000 stockists and 10,000 villages are covered directly through our rural sub-stockists and vans.

The future of the brand will depend upon how fast the rural distribution and therefore the rural market share of our brand rises.

Currently around 38% of the sales of Bajaj Almond Drops Hair Oil come from the rural areas. This will continue to rise as a result of the differential growths in offtake of urban vs. the rural areas.

Operations

The Company has been continuously striving to strengthen procurement process, manufacturing operations, marketing & human resource management and back-end operations which is demonstrated in the Company's performance during the year 2013-14.

1. Procurement

During the FY14 the prices of crude went up as high as \$111.40 per barrel and ₹ v/s \$ also remained highly volatile resulting into fluctuation in prices of Light Liquid Paraffin (LLP). However we could hedge our cost by entering into long term contracts for LLP. Other than this, the prices of glass bottles and vegetable oil relented a little during the year in comparison to the previous year. For rest of the inputs, there were no significant changes in the cost. We successfully responded to the volatility in the market scenario and the challenge in costs through advance contracts and by developing new suppliers for packaging material. We also created a huge storage capacity of LLP in our Paonta Sahib Unit which has been very useful during the year.

Besides this, a number of new items of raw and packaging materials and set of new suppliers for these items were added this year for manufacture of products acquired by the Company during the year.

2. Manufacturing

Company has five production facilities (including third party manufacturing facility), of which three units are located in Himachal Pradesh (at Parwanoo & Paonta Sahib) and one is located in Uttarakhand (Dehradun) for manufacturing of all variants of hair oils and one unit is located at Udaipur, Rajasthan for the manufacturing of our oral care product. During the year, operations at Paonta Sahib & Selaquin unit, which is our main facilities, were further upgraded and scaled up by adding production capacities coupled with further automation of the processes to increase productivity and to reduce manpower costs.

This year third party units were established for manufacturing of soap, face wash, cream and lotion etc. which are products under NOMARKS brand.

Dehradun and Paonta Sahib plants are now ISO 9001, 14001 & 18001 certified while Parwanoo plant is ISO 9001 & 14001 certified.

3. Treasury Operations

During the year, our Company's operations continued to remain focused on deployment of surplus funds and managing the temporary liquidity within well defined frame work. The year under review was characterised by highly volatile interest rate scenarios resulting in an opportunity to reshuffle the portfolio as per interest rate movement.

- 1) We have been actively managing our investment portfolio between certificate of deposits, Indian Government Bonds and corporate bonds depending upon the interest rate scenario and liquidity condition in the market to get higher returns while maintaining the credit quality of the portfolio. The active fund management strategy gave us good returns on our portfolio when RBI increased MSF rates by 300 basis points and Repo rate by 75 basis points in three stages in September, October and January.
- 2) Going forward, we expect inflation shoot up in second half of next fiscal which will force RBI to increase rates to maintain CPI level at 8%. The United States' policy on interest rate hike will also help us to determine the interest rate movement. We intend to continue to tactically shift our allocation between Central Government Bonds, State Government Bonds, Corporate Bonds and Certificate of deposits depending upon interest rate movement and liquidity condition in market.
- 3) Our treasury remains committed to actively manage the portfolio without sacrificing the credit quality. Within three years of treasury operations, company has achieved credible name and reputation in money market.

4. Human Resources & Industrial Relations

As a progressive organization, we have clearly defined the standards of excellence for our people assets and specified the methods and approaches needed to exceed them, to establish a clear path to achieve competitive success.

In pursuit of our inorganic growth opportunities with the acquisition of "NOMARKS" Brand and in establishing our International Business Vertical for a global footprint, a comprehensive alignment with the vision of the organization has enabled the HR function to set realistic expectations and aligns the individual's performance with the overall strategy.

Our approach has evolved from concentrating on the "Organization of the Business" to the "Business of the Organization". We have constantly been able to drive interventions/processes that have been able to contribute towards strengthening our core HR pillars i.e. Attract, Develop, Engage and Retain.

We have been able to institute a robust recruitment model that enabled us attract/acquire talent from the other renowned FMCG companies. This has led to acquisition of quality manpower and drive customer centric culture with open communication and transparency.

In addition to our existing strategies for recruitment, we had also initiated the Campus Recruitment to attract and hire fresh talent from eminent and established business schools.

Segmented learning approach has been institutionalized and provides differentiated development structure for our employees across verticals and geographies. We have been able to institutionalize one level up out bound training program for our first line managers while sustaining it for the senior level.

Our engagement initiatives aim at creating the non-transactional psychological contract with our people assets and their families in order to further make them part of our extended Bajaj Corp family. We had participated in the AON Hewitt Best Employer Survey last year, the results showcased that we had mostly surpassed the Best Employer(s) scores in that category and all India average.

We have established BCL Connect (HR Automation) and have migrated certain processes and procedures to attain maximum reach, conversion and reduce Turn Around Time (TAT).

As on March 31, 2014 the company had 422 people on its rolls.

The industrial relations at the Company's units, head office and sales centers were cordial throughout the year, under review.

Financial Review

During FY14 company registered growth in sales. Sales at ₹ 67,068 lacs recorded a growth of 10.74% over previous year.

Abridged Profit & Loss Account of the Company

(₹ in lacs)

Particulars	2013-14	2012-13	YoY %
Sales	67,068.00	60,566.13	10.74%
Other Operating Income	104.61	105.72	-1.05%
Total	67,172.61	60,671.85	10.71%
Cost of Material Consumed	26,875.39	25,770.76	4.29%
Employee Cost	3,394.38	2,950.18	15.06%
Advertisement & Sales Promotional Expenses	11,329.96	8,791.72	28.87%
Other Expenses	6,907.42	5,877.40	17.53%
EBITDA	18,665.46	17,281.79	8.01%

Particulars	2013-14	2012-13	YoY %
Finance Cost	588.44	8.20	7076.10%
Depreciation	367.47	328.39	11.90%
Other Income	4,012.55	4,005.13	0.19%
Profit before exceptional item & Tax	21,722.10	20,950.33	3.68%
Exceptional Item	2,859.65	0.00	
Tax	3,818.09	4,212.05	-9.35%
Profit After Tax	15,044.36	16,738.28	-10.12%

EBITDA margin decreased from 28.53% to 27.83% due to increase in advertisement & selling expenses.

Key Profitability Ratios

Particulars	2013-14	2012-13
EBITDA/Sales	27.83%	28.53%
Profit before Tax & Exceptional Item/Sales	32.39%	34.59%
PAT/Sales	22.43%	27.64%
Earnings Per Share (₹)	10.20	11.35

Key Balance Sheet Ratios

Particulars	2013-14	2012-13
ROCE	38.67%	45.99%
RONW	29.91%	36.72%
Book Value per Share (₹)	35.40	32.80
Net Working Capital* in no. of days sales	-2	-6

* Excludes cash & bank balance

With efficient management of supply chain, receivables and creditors, Company continued to keep the net working capital (excluding cash & bank balance) at negative level.

We continue to be a debt free Company.

During the year Company paid an Interim Dividend @ 6.50/- per share i.e, 650% of its share capital. This translated into a cash outflow of ₹ 11,216.9 lacs (including Corporate Dividend Tax) and a dividend payout of 74.6%.

The Board confirms the aforesaid interim dividend as final dividend.

Initial Public Offer (IPO)

In the year 2010, the Company through an Initial Public Offering ("IPO") had raised ₹ 297 crore. The Net Issue proceeds ₹ 275.46 crore [Actual ₹ 278.04 crore] was proposed to be applied for the following objects set out in the Prospectus.

Sr. No	Expenditure Items	Total Estimated Expenditure (₹ in crore)
1.	Promote our future products	220.00
2.	Acquisitions and other strategic initiatives	50.00
3.	General Corporate Purposes	5.46
	Total	275.46

At the 7th Annual General Meeting held on August 2, 2013, the shareholders of the Company authorized the Board of Directors to vary and/or revise the aforesaid utilization of proceeds. Pursuant to the said authority granted by the shareholders, the Board of Directors have revised the aforesaid IPO proceeds as under:

Sr. No	Expenditure Items	Estimated Expenditure as per Prospectus	Revised Expenditure for net IPO proceeds	Amount utilized up-to March 31, 2014
1.	Promote our future products	220.00	28.60	28.60
2.	Acquisitions and other strategic initiatives	50.00	200.00	140.94
3.	General Corporate Purposes	5.46	49.44	0.00
	Total	275.46*	278.04*	169.54

*Budgeted IPO expenses ₹ 21 crore (approx) actual IPO expenses ₹ 18.75 crore (approx).

Pending utilisation, net proceeds of the IPO have been invested in interest bearing liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	₹ in crore
(a) In Fixed Deposits with Banks	70.00
(b) In Bonds	15.29
(c) In Certificate of Deposits of Banks	23.18
(d) In Debt Mutual Fund	0.03
Total	108.50

Internal Control Systems & Adequacy

Company has in place, an adequate internal control and internal audit system managed by qualified and experienced people. Main objective of the system is

- to safeguard the Company's assets against loss through unauthorized use and pilferage
- to ensure that all transactions are authorized, recorded and reported correctly and timely
- to ensure that operations are conducted in an efficient and cost effective manner
- to ensure various compliances under statutory regulations and corporate policies are made on time
- to figure out the weaknesses persisting in the system and suggest remedial measure for the same.

Internal audits are undertaken on a continuous basis covering all the operations i.e., manufacturing, sales & distribution, marketing, finance, etc. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of the system.

Risks & Concerns

Our Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks.

One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Crude Oil prices remained as high as \$ 111 per barrel during the year which resulted into hike in prices of its derivatives. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. While Bajaj Almond Drops has exhibited adequate pricing power, unprecedented increase in raw material prices consequent to crude price increase may not be fully passed on and some impact may have to be absorbed by the Company.

Inflationary tendencies in the economy and deterioration of macro economic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

We operate in a highly competitive FMCG market with competitors who may have better ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions. Further, there are regional or smaller competitors who have certain advantages over us. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales.

The FMCG environment is competition intensive and to ensure survival in this industry, one has to focus on branding, product development and innovation but such expenditure carry the inherent risk of failure.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect our operations and profitability.

The Company is well aware of the above risks and as part of business strategy has put in mechanisms to ensure that they are mitigated with timely action.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realise certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgments before taking any investment decisions.

Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, Sumit Malhotra, Managing Director and V. C. Nagori, Chief Financial Officer of Bajaj Corp Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2014 and its entire schedule and notes on accounts, as well as the Cash Flow Statement.
2. To the best of our knowledge and information:
 - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company, which are fraudulent, illegal or violate the company's code of conduct.
4. The company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.
5. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:
 - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
 - b. Significant changes in internal control over financial reporting during the year;
 - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
 - d. Significant changes in accounting policies during the year.

Place : Mumbai
Date : April 28, 2014

Sumit Malhotra
Managing Director
Bajaj Corp Limited

V C Nagori
Chief Financial Officer
Bajaj Corp Limited

Independent Auditors' Report

To the Members of
Bajaj Corp Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Bajaj Corp Limited ('the Company'), which comprises the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial

statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

C. P. Kothari
Partner
M.No. 072229

Place : Mumbai
Date : April 28, 2014

Annexure to the Auditors' Report

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Bajaj Corp Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management at the reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) There was no disposal of a substantial part of fixed asset during the year.
- (ii) (a) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management as explained to us are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in internal control system of the Company in respect of these areas.
- (v) (a) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposit from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act related to the manufacture of Hair Oil and other cosmetics products which comes under the list of Cosmetic or Toiletries item and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) According to records of the Company, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty and Cess and other statutory dues to the extent applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) There is no disputed due on account of sales tax, wealth tax, income tax, service tax, custom duty, excise duty and cess.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not obtained any borrowings by way of debentures

- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) The Company has, in our opinion, maintained proper records of the transactions and contracts with respect to its investments and timely entries of such transactions are made therein. We also report that the Company has held the investments in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by other from bank or financial institution.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that term loan taken during the year amounting to ₹ 100 crores and has been repaid during the year. There is no outstanding term loan at the end of the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year. Therefore, the provision of clause 4(xix) of the order is not applicable to the Company.
- (xx) We have verified that the end use of money raised by public issue is as disclosed in the notes to the financial statements.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

C. P. Kothari
Partner
M.No. 072229

Place : Mumbai
Date : April 28, 2014

Balance Sheet as at March 31, 2014

(₹ in Lacs)

PARTICULARS	Note No.	As At March 31, 2014		As At March 31, 2013	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	B1	1,475.00		1,475.00	
(b) Reserves and Surplus	B2	50,733.08	52,208.08	46,905.62	48,380.62
(2) Non-Current Liabilities					
(a) Deferred tax liabilities (Net)	B3	0.00	0.00	125.65	125.65
(3) Current Liabilities					
(a) Trade payables	B4	4,051.65		4,905.37	
(b) Other current liabilities	B5	1,909.28	5,960.93	2,191.05	7,096.42
			58,169.01		55,602.69
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	B6				
(i) Tangible assets		4,761.48		4,440.23	
(ii) Intangible assets		11,257.08		14.50	
(iii) Capital work-in-progress		70.14		129.78	
Total		16,088.70		4,584.51	
(b) Non-current investments	B7	5,388.58		5,225.21	
(c) Long term loans and advances	B8	2,620.56	24,097.84	2,654.29	12,464.01
(2) Current assets					
(a) Current investments	B9	15,683.51		18,323.64	
(b) Inventories	B10	3,945.19		3,585.07	
(c) Trade receivables	B11	837.11		997.14	
(d) Cash and Bank Balances	B12	12,899.09		18,898.51	
(e) Short-term loans and advances	B13	267.25		244.34	
(f) Other current assets	B14	439.02	34,071.17	1,089.98	43,138.68
TOTAL			58,169.01		55,602.69
Summary of significant accounting policies	A				

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Profit and Loss Statement for year ended March 31, 2014

(₹ in Lacs)

PARTICULARS	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Revenue from operations	B16	67,172.61	60,671.85
II. Other Income	B17	4,012.55	4,005.13
III. Total Revenue (I + II)		71,185.16	64,676.98
IV. Expenses			
1. Cost of materials consumed	B18	21,701.89	21,837.26
2. Purchase of Traded Goods		5,285.32	4,450.33
3. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	B19	(111.82)	(516.83)
4. Employee benefit expense	B20	3,394.38	2,950.18
5. Financial costs	B21	588.44	8.20
6. Depreciation	B6	367.47	328.39
7. Other expenses	B22	18,237.38	14,669.12
Total Expenses		49,463.06	43,726.65
V. Profit before exceptional & extraordinary items and tax (III - IV)		21,722.10	20,950.33
VI. Exceptional Items (Amortisation of Trademark & Intellectual Properties)	B6	2,859.65	-
VII. Profit before tax (V - VI)		18,862.45	20,950.33
VIII. Tax expense:			
1. Current tax		3,943.74	4,182.54
2. Deferred tax		-125.65	29.51
IX. Profit(Loss) for the period from continuing operations (VII - VIII)		15,044.36	16,738.28
X. Earning per equity share:	B29		
1. Basic		10.20	11.35
2. Diluted		10.20	11.35
Summary of significant accounting policies	A		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Cash Flow Statement (Indirect Method) for the year ended March 31, 2014

(₹ In Lacs)

Particulars	For the year ended 31.03.14	For the year ended 31.03.13
A. Cash Flow from Operating Activities		
Net Profit before exceptional items & tax	21,722.10	20,950.33
Adjustments for:		
Depreciation	367.47	328.39
Misc. Expenditure written off	1.55	2.25
Interest Income	(3,300.41)	(3,406.29)
Loss/(Profit) on sale of asset	-	0.05
Loss/(Profit) on sale of Investment	(712.14)	(598.89)
Operating profit before working capital changes	18,078.57	17,275.84
Adjustments for:		
(Increase)/decrease in Trade Receivables	160.03	(483.04)
(Increase)/decrease in Inventories	(360.12)	(744.05)
(Increase)/decrease in Loans & Advances	(47.69)	(57.00)
Increase/(decrease) in Trade payables	(853.72)	218.83
Increase/(decrease) in Other Current Liabilities	(283.34)	352.24
Cash generated from operations	16,693.73	16,562.82
Less: Direct taxes paid/deducted at source	3,927.92	4,247.35
Net Cash from/ (Used in) Operating Activities (A)	12,765.81	12,315.47
B. Cash Flow from Investing Activities		
(Purchase)/Sale of fixed assets	(14,659.91)	(1,077.32)
Interest received	3,949.82	2,594.62
Bank Deposit with original maturity of more than 3 months	7,719.77	(16,020.04)
Inter Corporate Deposit to Subsidiary	(28.71)	2,439.71
Purchase of shares of subsidiary Company	(163.37)	(2,500.37)
Proceeds from sale of Current Investment (Net)	3,352.27	13,535.96
Net Cash from/ (Used in) Investing Activities (B)	169.87	(1,027.44)
C. Cash Flow from Financing Activities		
Dividend Paid	(9,585.93)	(9,586.91)
Dividend Tax Paid	(1,629.40)	(1,555.34)
Net Cash from/ (Used in) Financing Activities (C)	(11,215.33)	(11,142.25)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	1,720.35	145.78
Cash & Cash Equivalents - Opening Balance	292.93	147.15
Cash & Cash Equivalents - Closing Balance	2,013.28	292.93
Cash & Cash Equivalents (Closing Balance)		
Cash in Hand	8.75	10.46
Drafts in Hand	27.26	107.61
Balances in Banks	1,977.27	174.86
Total Cash & Cash Equivalents (Refer note no 12)	2,013.28	292.93

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Statement on Significant Accounting Policies & Notes Forming Part of the Accounts for the year ended March 31, 2014

A1. CORPORATE INFORMATION:

1. Bajaj Corp Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the business of hair oils and other cosmetics products. The Company has presence in both domestic and international markets.

A2. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis Of Preparation Of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied and are consistent with those used in the previous year.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization.

5. Depreciation and Amortisation

- (i) Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- (ii) Intangible assets are amortised on a systematic basis over a period of useful life.

6. Research & Development

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

7. Revenue Recognition

- (i) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sale of goods is exclusive of Sales tax/VAT.
- (ii) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

8. Inventories

- (i) Stock of raw material and packing materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on Weighted Average basis.
- (ii) Stock of work in progress and Finished goods is valued at cost or net realisable value whichever is lower.
- (iii) Stock of Traded Goods is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

9. Investments

Investments, which are readily realisable and intended to be held for not more than one year from balance sheet date are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost of acquisition. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

10. Preliminary Expenses

One fifth of the preliminary expenses have been written off during the year.

11. Foreign Currency Transaction:**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

12. Employee Benefits:**(i) Short Term Employee Benefits:**

Short term employee benefits are recognised as expenditure at the undiscounted value in the statement of Profit and Loss for the year in which the related service is rendered.

(ii) Post Employment Benefits:**(a) Defined Contribution Plans**

Employees' own and Employer's Contribution are paid to the Government Provident Fund Authority and are recognised during the year in which the related service is rendered.

Employee Pension Scheme: Contribution to Employee's Pension Scheme 1995 is made to the Government Provident Fund Authority.

(b) Defined Benefit Plans

Gratuity & Leave Encashment :

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively,

of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the statement of Profit and Loss.

13. Income Tax And Deferred Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

14. Impairments of Assets

The Carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of Profit and Loss for the year in which an asset is identified as impaired.

15. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

16. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and Bank deposits with original maturity of three months or less.

17. Provisions and Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to financial statement. However, no claims, appeals, show cause notice are pending at any level with any fiscal authorities.

Present obligation as a result of past event with possibility of outflow of resources, when reliably estimable is recognized in financial statement. However, there is no contingent liability against the company.

B. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014:**1. Share Capital**

- (i) Description of Equity Share Capital

Particulars	As at 31.03.2014			As at 31.03.2013		
	Face Value per Share	Nos (In Lacs)	Amount (₹ in Lacs)	Face Value per Share	Nos (In Lacs)	Amount (₹ in Lacs)
a) Authorised	1.00	2,000.00	2,000.00	1.00	2,000.00	2,000.00
b) Issued	1.00	1,475.00	1,475.00	1.00	1,475.00	1,475.00
c) Subscribed & Fully Paid up	1.00	1,475.00	1,475.00	1.00	1,475.00	1,475.00

- (ii) There is no change in the share capital during the current and preceding year.

- (iii) Terms/ rights attached to equity shares:

The Company has one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iv) Out of the total equity shares of 1475 lacs, 955 lacs shares are held by Bajaj Resources Limited, the holding Company.

- (v) Details of shareholders holding more than 5% shares of the Company as on March 31, 2014 are given below:

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. of Shares held	% of holding	No. of Shares held	% of holding
1. Bajaj Resources Ltd.	955.00	64.75%	955.00	64.75%
2. SKB Roop Commercial LLP* (formerly known as SKB Roop Commercial Private Limited)	151.25	10.25%	295.00	20.00%
	1,106.25	75.00%	1,250.00	84.75%

* Converted from SKB Roop Commercial Private Limited pursuant to Limited Liability Partnership Act 2008 w.e.f April 15, 2013

2. Reserves & Surplus

(₹ in Lacs)

Particulars	As at 31.03.2014		As at 31.03.2013	
a) Securities Premium Reserves				
Opening Balance		29,475.00		29,475.00
b) General Reserves				
Opening Balance	5,057.00		3,377.00	
Add: Reserve created during the year	1,504.44	6,561.44	1,680.00	5,057.00
c) Surplus in the statement Profit and Loss				
Opening Balance	12,373.62		8,458.18	
Add: Profit for the year	15,044.36		16,738.28	
	27,417.98		25,196.46	
Less: Appropriations				
i) Transferred to General Reserve	1,504.44		1,680.00	
ii) Interim Dividend	9,587.50		9,587.50	
iii) Corporate Dividend Tax	1,629.40		1,555.34	
Net Surplus in the statement of Profit and Loss		14,696.64		12,373.62
		50,733.08		46,905.62

3. Deferred Tax

(₹ in Lacs)

Particulars	Opening Balance		Liability/(Asset) Created		Closing Balance	
	FY 2013-14	FY 2012-13	FY 2013-14	FY 2012-13	FY 2013-14	FY 2012-13
Deferred Tax Liabilities/ (Asset) on account of timing difference in Depreciation	125.65	98.48	(125.65)	27.17	-	125.65
Deferred Tax Liability/ (Asset) on account of timing difference in Provision for Leave Encashment	-	(2.34)	-	2.34	-	-
Total	125.65	96.14	(125.65)	29.51	0.00	125.65

4. Trade Payables

(₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
a) Sundry Creditors for Goods	2,771.88	3,108.58
b) Sundry Creditors for expenses	1,279.77	1,796.79
	4,051.65	4,905.37

5. Other Current Liabilities

(₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
a) Statutory Liabilities	340.44	726.94
b) Advances from Customers	187.10	198.16
c) Security Deposits from C&F and Others	41.50	42.50
d) Application Money Refundable	2.40	2.47
e) Unclaimed Dividends	3.90	2.33
g) Other Outstanding Liabilities	1,333.94	1,218.65
	1,909.28	2,191.05

6. Fixed Assets

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As on 01.04.2013	Additions	Deductions	As on 31.03.2014	Upto 31.03.2013	For the Period		Deductions	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
						Depreciation	Amortisation				
1. Tangible Assets											
(a) Land	998.04	116.50	-	1,114.54	-	-		-	-	1,114.54	998.04
(b) Factory Building	703.11	83.59	-	786.70	184.10	56.84		-	240.94	545.76	519.01
(c) Other Building	2,194.52	1.91	-	2,196.43	214.49	99.07		-	313.56	1,882.87	1,980.03
(d) Plant & Machinery	1,092.20	428.65	-	1,520.85	339.82	152.28		-	492.10	1,028.75	752.38
(e) Vehicles	92.67	9.17	-	101.84	35.36	16.75		-	52.11	49.73	57.31
(f) Office & Other Equipments	41.80	16.86	-	58.66	9.48	5.47		-	14.95	43.71	32.32
(g) Computer	71.21	10.70	-	81.91	44.76	13.08		-	57.84	24.07	26.45
(h) Furniture & Fixtures	45.37	4.09	-	49.46	4.66	7.69		-	12.35	37.11	40.71
(i) Electrical Fittings	52.56	6.39	-	58.95	18.57	5.44		-	24.01	34.94	33.98
	5,291.48	677.86	-	5,969.34	851.24	356.62		-	1,207.86	4,761.48	4,440.23
2. Intangible Assets											
(a) Computer Software	35.51	19.07	-	54.58	21.01	10.85		-	31.86	22.72	14.50
(b) Trade Mark & Intellectual Properties	-	14,094.01	-	14,094.01	-	-	2,859.65	-	2,859.65	11,234.36	-
	35.51	14,113.08	-	14,148.59	21.01	10.85	2,859.65	-	2,891.51	11,257.08	14.50
Total	5,326.99	14,790.94	-	20,117.93	872.25	367.47	2,859.65	-	4,099.37	16,018.56	4,454.73
Previous Year	4,445.44	941.29	59.75	5,326.99	555.05	328.39		11.19	872.25	4,454.73	3,890.39
Capital Work in Progress	129.78	73.05	132.69	70.14	-	-		-	-	70.14	129.78

Note : None of the above assets are on lease.

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
-------------	------------------	------------------

7. Non-current investments

a) Trade Investments (Unquoted)	5,388.58	5,225.21
	5,388.58	5,225.21

Above investments represent ₹ 5223.84 Lacs (Previous Year ₹ 5223.84 Lacs) in Uptown Properties & Leasing Private Ltd., wholly owned subsidiary, represented by 809,680 (Previous Year - 809,680) Equity shares (unquoted) of face value of ₹ 10/- each of and ₹ 164.74 Lacs (PY ₹ 1.37 Lacs) in Bajaj Bangladesh Limited, wholly owned subsidiary, represented by 2,000,000 (P.Y. 20,000) Equity Shares (unquoted) of face value of BDT 10/- each. These investments are valued at cost.

8. Long term loans and advances

(₹ in Lacs)

a) Security Deposits	60.62	51.66
b) Advance to Suppliers of Fixed Assets	5.94	77.34
b) Loans & advances to related parties (Refer note no.30)	2,554.00	2,525.29
	2,620.56	2,654.29

(i) All the above loans and advances are unsecured and considered good.

9. Current Investments

(₹ in Lacs)

a) Investment in Debt Mutual Funds	550.00	-
b) Investment in Bank's CDs	9,568.87	-
c) Investment in Bonds	4,046.98	17,322.56
d) Investment in Govt. Securities	1,517.66	1,001.08
	15,683.51	18,323.64

(i) All the above investments are valued at cost.

(ii) Scriptwise breakup of above investments is as follows:

a) Investment in Debt Mutual Fund

(₹ in Lacs)

Bank's CDs	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Birla Sun Life Cash Plus Fund-Growth	219,094.53	450.00	-	-
UTI Liquid Plan Cash Plus- Growth	4,765.32	100.00	-	-
Grand Total	223,859.84	550.00	-	-

b) Investment in Bank's CDs (Certificate of Deposits)

(₹ in Lacs)

Bank's CDs	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Bank of Baroda	2,500.00	2,482.65	-	-
Oriental Bank of Commerce	2,500.00	2,458.08	-	-
Central Bank of India	2,500.00	2,310.41	-	-
Corporation Bank	2,500.00	2,317.73	-	-
Grand Total	10,000.00	9,568.87	-	-

c) Investment in Bonds

(₹ in Lacs)

Bank's CDs	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Food Corporation of India (9.95%)	200	2,035.58	-	-
Power Finance Corporation Bond (8.19%)	100	1,000.00	-	-
Rural Electrification Corporation Ltd (9.63%)	50	500.72	-	-
Rural Electrification Corporation Ltd (9.61%)	50	510.68	-	-
Axis Bank Ltd (9.15%)	-	-	100	1,011.75

Bank's CDs	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Central Bank of India (9.40%)	-	-	150	1,500.00
Housing Development Finance Corporation Ltd (9.25%)	-	-	100	1,002.03
IDFC Ltd (8.85%)	-	-	100	1,001.45
National Bank For Agriculture & Rural Development (8.83%)	-	-	75	750.60
Power Finance Corporation Ltd (8.87%)	-	-	100	1,001.94
Power Finance Corporation Ltd (8.94%)	-	-	50	500.00
Power Finance Corporation Ltd (8.72%)	-	-	150	1,500.27
Power Grid Corporation of India Ltd (8.85%)	-	-	360	4,546.92
Rural Electrification Corporation Ltd (8.84%)	-	-	200	2,005.58
DVC Bond (8.69%)	-	-	100	1,000.00
Semi NPCIL (8.54%)	-	-	50	501.29
IRFC Bond (8.83%)	-	-	100	1,000.73
Grand Total	400	4,046.98	1,635	17,322.56

d) Investment in Government Securities (₹ in Lacs)

Bonds	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
9.71% Andhra Bank	50	504.67	-	-
9.71% Haryana	100	1,012.99	-	-
8.59% ANDHRA PRADESH SDL 2023	-	-	50	500.70
8.86% Andhra GS 2022	-	-	50	500.38
Grand Total	150	1,517.66	100	1,001.08

(iii) Aggregate Book Value of Investments (₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Quoted Investments	-	-
Market Value - ₹ NIL (Previous year : NIL)		
b) Unquoted Investments	15,683.51	18,323.64
	15,683.51	18,323.64

10. Inventories (₹ in Lacs)

a) Raw Materials	958.24	858.37
b) Packing Materials	734.62	586.19
c) Finished Goods	1,749.97	1,846.91
d) Stock In Trade	438.75	231.58
e) Work-in-progress	63.61	62.02
	3,945.19	3,585.07

(i) Finished Goods includes Goods in Transit of ₹ Nil (Previous year : Nil).

(ii) Raw & packing material are valued at cost and finished goods are valued at cost or realizable value whichever is lower.

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
-------------	------------------	------------------

11. Trade Receivables

a) Outstanding for a period exceeding 6 months from the date they are due for payment	52.44	62.66
b) Others	784.67	934.48
	837.11	997.14

(i) All the above trade receivables are unsecured and considered good.

12. Cash and Bank Balances

(₹ in Lacs)

a) Cash & Cash Equivalent:		
i) Balances with Banks:		
On Current Account	48.37	22.73
On Unpaid Dividend Accounts	3.90	2.13
Deposit with original maturity of less than 3 months	1,925.00	150.00
ii) Drafts in Hand	27.26	107.61
iii) Cash in hand	8.75	10.46
Total Cash & Cash Equivalent	2,013.28	292.93
b) Other Bank Balances:		
Deposit with original maturity of more than 12 months	100.00	100.00
Deposit with original maturity of more than 3 months but less than 12 months	10,785.81	18,505.58
	12,899.09	18,898.51

13. Short-term loans and advances

(₹ in Lacs)

a) Advances to Suppliers	24.05	64.78
b) Loans & advances to Staff	57.89	43.12
c) Advance Income Tax (Net of Provision for tax)	67.71	83.53
d) Prepaid Expenses	112.86	52.55
e) Other Recoverables	4.74	0.36
	267.25	244.34

(i) All the above short term loans and advances are unsecured and considered good.

(ii) All the above short term loans and advances are provided to non-related parties.

14. Other current assets

(₹ in Lacs)

a) Accrued Income	439.02	1,088.43
b) Miscellaneous Expenditure (to the extent not written off)	-	1.55
	439.02	1,089.98

15. Initial Public Offer (IPO)

Company came up with its IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. Company issued 45 lacs fully paid up equity shares of face value of ₹ 5/- each at a premium of ₹ 655/- thereby raising a total fund of ₹ 29700 Lacs.

Position of IPO Funds at the end of the year is as follows:

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
Amount collected through IPO	29,700.00	29,700.00
Less : IPO expenses	1,896.25	1,896.25
Less : Fund utilized for promotion of future products	2,859.75	2,331.34
Less : Fund utilized for acquisitions & strategic initiatives	14,094.01	-
Closing Balance of IPO Funds as on 31st March	10,849.99	25,472.41

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) In Fixed Deposits with Banks	7,000.00	17,440.00
b) In Certificate of Deposits of Banks	2,317.73	-
c) In Bonds of Public Sector	1,529.35	7,031.33
d) In Debt Mutual Fund	2.91	-
e) In Government Securities	-	1,001.08
Total	10,849.99	25,472.41

16. Revenue from operations

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Sale of products	67,068.00	60,566.13
b) Other operating revenues	104.61	105.72
	67,172.61	60,671.85

Details of Product sold

i) Manufactured Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	55,298.53	51,521.08
Soap	145.83	-
Total	55,444.36	51,521.08

ii) Traded Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	9,971.01	8,873.54
Tooth Powder	169.51	171.51
Facewash	382.10	-
Soap	248.77	-
Cream	721.41	-
Others	130.84	-
Total	11,623.64	9,045.05

17. Other Income

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Interest Income	3,300.41	3,406.29
b) Net gain/(loss) on sale of current investments	712.14	598.89
c) Net gain/(loss) on sale of Fixed Assets	-	(0.05)
	4,012.55	4,005.13

18. Cost of Material Consumed

(₹ in Lacs)

Product	Opening Stock	Purchases	Consumption	Closing Stock
Refined Oil	215.28	2,100.67	2,157.07	158.88
	(71.64)	(2392.67)	(2249.03)	(215.28)
Light Liquid Paraffin	448.01	7,602.64	7,826.78	223.87
	(382.36)	(7619.06)	(7553.41)	(448.01)
Other raw material	195.09	2,762.14	2381.74	575.49
	(311.39)	(2681.34)	(2797.64)	(195.09)
Packing Material	586.19	9,484.73	9,336.30	734.62
	(451.95)	(9102.94)	(9237.18)	(586.19)
Total	1,444.57	21,950.18	21,701.89	1,692.86
	(1217.34)	(21796.01)	(21837.26)	(1444.56)

(Figures in bracket are for previous year)

19. Change in Inventories

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13	Changes
a) Finished Goods	1,749.97	1,846.91	96.94
	(1,846.91)	(1,397.50)	(449.41)
b) Traded Goods	438.75	231.58	-207.17
	(231.58)	(185.29)	(46.29)
c) Work-in-progress	63.61	62.02	-1.59
	(62.02)	(40.89)	(21.13)
	2,252.33	2,140.51	-111.82
	(2,140.51)	(1,623.68)	(516.83)

Finished Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	1,431.14	1,846.91
Facewash	18.81	-
Soap	277.39	-
Cream	22.63	-
Total	1,749.97	1,846.91

Traded Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	163.53	219.60
Tooth Powder	11.40	11.98
Facewash	112.41	-
Soap	39.02	-
Cream	84.21	-
Others	28.18	-
Total	438.75	231.58

Purchase of Traded Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	4,297.02	4,335.42
Tooth Powder	115.34	114.91
Facewash	288.20	-
Soap	261.37	-
Cream	243.48	-
Others	79.91	-
Total	5,285.32	4,450.33

20. Employee benefit expense

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Salaries & Wages	3,129.12	2,690.85
b) Contribution to provident & other funds	161.32	140.15
c) Gratuity Expenses	46.24	34.00
d) Staff Training & Welfare expenses	57.70	85.18
	3,394.38	2,950.18

21. Financial Costs

(₹ in Lacs)

a) Interest Expense	584.38	4.80
b) Bank charges	4.06	3.40
	588.44	8.20

22. Other Expenses

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
A. Selling & Distribution Overheads		
Schemes & Sales Promotion Expenses	6,687.26	4,608.18
Advertisement	4,642.70	4,183.54
Freight	2,569.71	2,169.96
Travelling and Conveyance	900.38	717.61
Royalty	735.32	680.53
Cash Discount	682.78	671.22
Other Selling Overheads	589.61	493.23
Octroi & Entry tax	322.03	297.22
	17,129.79	13,821.49
B. General & Administrative Overheads		
Rent	106.58	87.94
Manufacturing Expenses	268.68	191.24
Power and fuel (Mfg)	68.61	45.51
Legal & Professional Expenses	147.24	89.79
Postage and Telephone	66.57	63.84
Power and fuel	16.11	17.95
Insurance	60.50	40.29
Audit Fees & Expenses (refer note no. 23)	13.73	12.35
Repairs - Machinery	47.59	44.44
Repairs - Others	2.44	2.39
Repairs - Building	14.83	14.83
Rates & taxes	27.96	26.40
Miscellaneous Expenses	266.75	210.66
	1,107.59	847.63
TOTAL (A + B)	18,237.38	14,669.12

23. Payment to Auditors

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) For Statutory Audit	6.74	6.74
b) For Tax Audit	2.25	2.25
c) For others services	1.57	0.06
d) For reimbursement of expenses	3.17	3.30
	13.73	12.35

24. Imported And Indigenous Raw Material Consumption

(₹ in Lacs)

Particulars	FY 2013-14		FY 2012-13	
1. Imported CIF, Custom Duty and other Charges	-	-	-	-
2. Indigenous	12,365.59	100%	12,600.08	100%

25. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
Professional Fees	32.30	2.11
Travelling	52.98	42.30
Marketing Expenses	6.49	-

28. Earning in Foreign Currency

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
FOB Value of Exports	744.81	487.22

27. Segment Reporting

As the company's business activity falls within a single segment viz. 'Cosmetics and toiletries' and the sales substantially being in the domestic market, the disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" as prescribed by the Companies (Accounting Standard) Rules 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Statement of Profit and Loss.

28. Employee related dues**A. Defined Benefit Plan**

(₹ in Lacs)

	2013-14		2012-13	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
a. Components of Employer Contribution				
Current Service Cost	42.69	21.44	31.26	3.42
Interest Cost	20.65	9.82	18.21	8.80
Expected Return on Plan Assets	(20.65)	(9.82)	(18.21)	(8.80)
Actuarial (Gain)/Loss	3.55	0.11	2.74	1.58
	46.24	21.55	34.00	5.00
b. Change in Defined Obligation				
Present Value of Obligation as at beginning of the year	201.64	100.89	174.96	98.42
Current Service Cost	42.69	21.44	31.26	3.42
Interest Cost	20.65	9.82	18.21	8.80
Actuarial (Gain)/Loss	0.00	0.00	0.00	0.00
Benefits Paid	(18.65)	(19.57)	(22.79)	(9.75)
Present Value of Obligation as at the end of the year	246.33	112.58	201.64	100.89
c. Change in Fair Value of Plan Assets				
Present Value of Plan Assets as at beginning of the year	201.64	100.89	174.96	98.42
Expected Return on Plan Assets	20.65	9.82	18.21	8.80
Actuarial Gain/(Loss)	(3.55)	(0.11)	(2.74)	(1.58)
Actual Company Contribution	46.24	21.55	34.00	5.00
Benefits Paid	(18.65)	(19.57)	(22.79)	(9.75)
Present Value of Plan assets as at the end of the year	246.33	112.58	201.64	100.89
d. Actuarial assumptions :				
Discount Rate	8%	8%	8%	8%
Estimated Rate of Return on Plan Assets	8.75%	8.75%	9.25%	9.25%
Salary Escalation Ratio Inflation	5%	5%	5%	5%
Method	Projected Unit Credit Method		Projected Unit Credit Method	
Mortality Rate	LIC (1994-96) Ultimate		LIC (1994-96) Ultimate	

		(₹ in Lacs)
B. Defined Contribution Plan	FY 2013-14	FY 2012-13
Company's Contribution to different contribution plans:		
a. Provident Fund	149.08	125.33
b. Employees State Insurance	6.61	10.36
c. Employees Superannuation Fund	0.00	0.00
d. EDLI Contribution	1.63	1.45
e. Group Insurance	4.00	3.00
	161.32	140.15

29. Basic & Diluted Earnings per share (EPS) computed in accordance with Accounting Standard 20 "Earning per share" as prescribed under the Companies (Accounting Standard) Rules, 2006

	FY 2013-14	FY 2012-13
Profit After Tax (₹ in Lacs)	15,044.36	16,738.28
Adjusted weighted average number of shares outstanding		
Basic (In Lacs)	1,475.00	1,475.00
Diluted (In Lacs)	1,475.00	1,475.00
Earning per Share (face value ₹ 1/- per share)		
Basic (₹)	10.20	11.35
Diluted (₹)	10.20	11.35

30. As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', prescribed by the Companies (Accounting Standard) Rules, 2006 , the disclosures of transactions with the related parties as defined in AS-18 are given below :

(i)	List of related parties and relationships:	
	Name of the Related Party	Relationship
1	Bajaj Resources Ltd.	Holding company
2	Mr Kushagra Bajaj	Key Management Personnel
3	Mr Sumit Malhotra	Key Management Personnel
4	Mr Jimmy Anklesaria	Key Management Personnel
5	Mr Apoorv Bajaj	Key Management Personnel
6	Uptown Properties & Leasing Pvt Ltd.	Subsidiary company
7	Bajaj Bangladesh Ltd.	Subsidiary company
8	Bajaj Corp International (FZE)	Subsidiary company
9	Bajaj Infrastructure Development Company Ltd	Associates
10	Bajaj Hindusthan Ltd.	Associates
11	Abhitech Developers Pvt. Ltd.	Associates
12	Lalitpur Power Generation Company Ltd.	Associates
13	SKB Roop Commercial LLP*(formerly SKB Roop Commercial Pvt. Ltd)	Associates

(ii) Transactions during the period with Related Parties:

(₹ in Lacs)

Sl. No.	Nature of transaction	Holding company	Key Management Personnel	Subsidiary Company	Associates	Total	Outstanding as on 31.03.14
A. Profit & Loss							
1	Dividend Paid	6,207.50 (8,125.41)			983.12	7,190.62 (8,125.41)	
2	Royalty Expense	735.32 (680.53)				735.32 (680.53)	735.32 (680.53)
3	Sale of Vehicle		(17.34)			(17.34)	
4	Remuneration		418.06 (577.13)			418.06 (577.13)	
5	Sitting Fees Paid		1.15 (0.90)			1.15 (0.90)	
B. Balance Sheet							
6	Deposit for Rent					-	-
		(-5.50)			(-6.30)	(-11.80)	-
7	Investment In Equity			163.36 (2,500.37)		163.36 (2,500.37)	5,388.58 (5,225.22)
8	Loan Given			28.71 (-2439.71)		28.71 (-2439.71)	2,554.00 (2,525.29)

(Figures in bracket are for previous year)

31. Based on information available with Company, there are no supplier registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2014 and March 31, 2013 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
32. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Independent Auditor's Report Consolidated Financial Statements

To the Board of Directors of Bajaj Corp Limited

We have audited the accompanying consolidated financial statements of Bajaj Corp Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances

but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit total assets of ₹ 112.81 lacs as at March 31, 2014, total revenues of ₹ Nil and net cash outflows amounting to ₹ 16.62 lacs for the year then ended, included in the accompanying consolidated financial statements in respect of one subsidiary, whose financial statements and other financial information have been audited by other auditors and whose report has been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiary is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For **R. S. Dani & Company**
Chartered Accountants
Registration No. : 000243C

Place : Mumbai
Date : April 28, 2014

C. P. Kothari
Partner
M.No. 072229

Consolidated Balance Sheet as at March 31, 2014

(₹ in Lacs)

Particulars	Note No.	As At March 31, 2014		As At March 31, 2013	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	B1	1,475.00		1,475.00	
(b) Reserves and Surplus	B2	50,448.61	51,923.61	46,781.94	48,256.94
(2) Non-Current Liabilities					
(a) Deferred tax liabilities (Net)	B3	39.48	39.48	147.08	147.08
(3) Current Liabilities					
(b) Trade payables	B4	4,055.22		4,944.99	
(c) Other current liabilities	B5	1,910.24	5,965.46	2,166.31	7,111.30
TOTAL			57,928.55		55,515.32
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	B6				
(i) Tangible assets		8,028.26		7,764.34	
(ii) Intangible assets		11,257.08		14.50	
(iii) Capital work-in-progress		70.14		129.78	
Total		19,355.48		7,908.62	
(b) Goodwill on consolidation		4,300.10		4,300.10	
(c) Long term loans and advances	B7	69.16	23,724.74	129.00	12,337.72
(2) Current assets					
(a) Current investments	B8	15,683.51		18,323.64	
(b) Inventories	B9	3,945.19		3,585.07	
(c) Trade receivables	B10	837.11		997.14	
(d) Cash and cash equivalents	B11	12,920.03		18,917.87	
(e) Short-term loans and advances	B12	377.71		263.90	
(f) Other current assets	B13	440.26	34,203.81	1,089.98	43,177.60
TOTAL			57,928.55		55,515.32
Summary of significant accounting policies followed by the Company	A				

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

ICAI Firm's Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Jimmy Rustom Anklesaria

Director

Gaurav Dalmia

Director

Sumit Malhotra

Managing Director

Aditya Vikram Ramesh Somani

Director

Haigreave Khaitan

Director

Dilip Cherian

Director

Sujoy Sircar

Company Secretary

Place : Mumbai

Date : April 28, 2014

Consolidated Profit and Loss Statement for year ended March 31, 2014

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Revenue from operations	B15	67,172.61	60,671.85
II. Other Income	B16	4,012.55	4,005.13
III. Total Revenue (I + II)		71,185.16	64,676.98
IV. Expenses			
1. Cost of materials consumed	B17	21,701.89	21,837.26
2. Purchase of Traded Goods		5,285.32	4,450.33
3. Changes in inventories of finished goods, work-in-progress and Traded Goods	B18	(111.82)	(516.83)
4. Employee benefit expense	B19	3,418.10	2,950.18
5. Financial costs	B20	588.49	8.20
6. Depreciation	B6	433.40	397.57
7. Other expenses	B21	18,281.38	14,701.17
Total Expenses		49,596.76	43,827.89
V. Profit before exceptional items and tax (III - IV)		21,588.40	20,849.09
VI. Exceptional Items (Amortisation of Trademark & Intellectual Properties)		<u>2,859.65</u>	-
VII. Profit before tax (V - VI)		18,728.75	20,849.09
VIII. Tax expense:			
1. Current tax		3,943.74	4,182.54
2. Deferred tax		-107.60	<u>50.71</u>
		3,836.14	4,233.25
IX. Profit(Loss) for the period from continuing operations (VII-VIII)		14,892.61	16,615.84
X. Earning per equity share:	B28		
1. Basic		10.10	11.26
2. Diluted		10.10	11.26
Summary of significant accounting policies	A		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **R. S. Dani & Company**

Chartered Accountants

ICAI Firm's Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

For and on behalf of the Board

Kushagra Nayan Bajaj

Chairman

Jimmy Rustom Anklesaria

Director

Sumit Malhotra

Managing Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Cash Flow Statement (Indirect Method) for the year ended March 31, 2014

(₹ in Lacs)

Particulars	For the year ended 31.03.14	For the year ended 31.03.13
A. Cash Flow from Operating Activities		
Net Profit before exceptional items & tax	21,588.40	20,854.10
Adjustments for:		
Depreciation	433.40	397.57
Misc. Expenditure written off	0.31	2.25
Interest Income	(3,300.41)	(3,406.29)
Loss/(Profit) on sale of asset	-	0.05
Loss/(Profit) on sale of Investment	(712.14)	(598.89)
Operating profit before working capital changes	18,009.56	17,248.79
Adjustments for:		
(Increase)/decrease in Trade Receivables	160.03	(483.04)
(Increase)/decrease in Inventories	(360.12)	(744.05)
(Increase)/decrease in Loans & Advances	(141.20)	(56.99)
Increase/(decrease) in Trade Payables	(889.77)	232.63
Increase/(decrease) in Other Current Liabilities	(265.11)	353.00
Cash generated from operations	16,513.39	16,550.34
Less: Direct taxes paid/deducted at source	3,927.92	4,252.35
Net Cash from/ (Used in) Operating Activities (A)	12,585.47	12,297.99
B. Cash Flow from Investing Activities		
(Purchase)/Sale of fixed assets	(14,668.49)	(1,114.62)
Interest received	3,949.82	2,594.62
Bank Deposit with original maturity of more than 3 months	7,719.77	(16,005.33)
Profit on sale of Investments	712.14	598.89
Profit on sale of asset	-	(0.05)
(Purchase)/ sale of Investment (Net)	2,640.13	12,937.07
Net Cash from/ (Used in) Investing Activities (B)	353.37	(989.42)
C. Cash Flow from Financing Activities		
Dividend Paid	(9,587.50)	(9,588.09)
Dividend Tax Paid	(1,629.40)	(1,555.34)
Net Cash from/ (Used in) Financing Activities (C)	(11,216.90)	(11,143.43)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	1,721.94	165.14
Cash & Cash Equivalents - Opening Balance	312.29	147.15
Cash & Cash Equivalents - Closing Balance	2,034.22	312.29
Cash & Cash Equivalents (Closing Balance)		
Cash in Hand	8.75	13.12
Remittance in Transit including Cheques in Hand	27.26	107.61
Balances in Banks	1,998.21	191.56
Total	2,034.22	312.29

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

ICAI Firm's Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Statement on Significant Accounting Policies & Notes Forming Part of the Accounts for the year ended March 31, 2014

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Principal of Consolidation

- (a) The Consolidated Financial Statement relates to Bajaj Corp Limited (the parent company) , Uptown Properties and Leasing Private Limited (a wholly owned subsidiary body corporate incorporated in India) & Bajaj Bangladesh Limited (Company Incorporated in Bangladesh)
- (b) The consolidated financial statements have been prepared on the basis of AS-21, issued by ICAI under pooling of interest method read with the following basic assumptions:
 - (i) The financial statements of the parent company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting in unrealized profits or losses. Investments of parent company in subsidiaries are eliminated against respective proportionate stake of parent company therein on the respective dates when such investments were made by way of debiting/crediting the difference of the two in Goodwill.
 - (ii) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.
 - (iii) Minority interest, where lying, in the net income of consolidated subsidiaries have been adjusted against the income of the group so as to arrive at net income attributable to the parent company. Minority interest, consisting of equity attributable to them on the date such investments were made by the parent company and movement in their equity since the date of parent subsidiary relationship, has been disclosed in the consolidated financial statement separately.
 - iv) Foreign Exchange fluctuations on conversion of the accounts of foreign

subsidiaries have been taken to "Foreign Currency Translation Reserve" (Arising on Consolidation.)

2. Basis Of Preparation Of Financial Statements

The Financial Statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 1956. Income and Expenditure of all "Material Items" are accounted on accrual basis.

3. Fixed Assets

Fixed assets are reflected in the accounts at historical cost less accumulated depreciation.

4. Depreciation

Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

5. Revenue Recongnition

- a) Revenue is recognised when the significant risk and rewards of ownership of the goods have been passed to the buyers. Sale of goods is exclusive of Sales tax/VAT.
- (b) Recognition of revenue in respect of construction project is recognized in accordance with the "Guidance Note on Recognition of Revenue by Real Estate Developers" issued by the Institute of Chartered Accountants of India.
- (c) Income earned by way of leasing or renting out of commercial premises is recognized as income in accordance with Accounting Standard 19 on Leases. Initial direct costs such as legal expenses, brokerage, etc. are recognized as expenses on accrual basis in the Profit and Loss Account.

6. Inventories

- (a) Stock of raw & packing materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on Moving Weighted Average basis.
- (b) Stock of Goods-in-Process and Finished goods is valued at cost or net realisable value whichever is lower.

7. Investments

Long term investments are stated at cost of acquisition. Diminution in value of such long term investments is not provided for except where determined to be of permanent nature. Current investments are stated at lower of cost or fair market value.

8. Borrowing Costs

- (a) Borrowing costs that are attributable to the acquisition, development and construction of qualifying assets are treated as direct cost and are considered for capitalization.

- (b) All other borrowing costs are recognized as an expenses in the period in which they are incurred.

9. Preliminary Expenses

One fifth of the preliminary expenses have been written off during the year.

10. Research & Development

Revenue expenditure on Research and Development is charged against the profit for the year and Capital expenditure on Research and Development is shown as an addition to Fixed Assets.

11. Foreign Currency Transaction

Transactions in foreign currency are recorded at exchange rate prevailing on the date of the transaction. Exchange rate differences resulting from foreign exchange transactions settled during the period, are recognized in the Profit and Loss Account.

12. Employee Benefits:

- (a) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Profit and Loss Account of the year in which the related service is rendered.

- (b) Post Employment Benefits:

- (i) Defined Contribution Plans

Employees' own and Employer's Contribution are paid to the Government Provident Fund Authority and are recognised during the year in which the related service is rendered.

Employee Pension Scheme: Contribution to Employee's Pension Scheme 1995 is made to the Government Provident Fund Authority.

- (ii) Defined Benefit Plans

Gratuity & Leave Encashment :

Gratuity and Leave Enashment liabilities are covered under the Gratuity cum-Insurance

Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Acturial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. Company has taken a new Leave Encashment Policy from Life Insurance Corporation of India (LIC) during the year for payment of leave encashment liability.

13. Income Tax And Deferred Taxation

The liability of company on account of Income Tax is estimated considering the provisions of the Income Tax Act, 1961. Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent year.

14. Impairments of Assets

The Carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired.

15. Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, no claims, appeals, show cause notice are pending at any level with any fiscal authorities.

Present obligation as a result of past event with possibility of outflow of resources, when reliably estimable is recognized in accounts. However, there is no contingent liability against the company.

B. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014:**1. Share Capital**

(i) Description of Equity Share Capital

Particulars	As at 31.03.2014			As at 31.03.2013		
	Face Value per Share	Nos (In Lacs)	Amount (₹ in Lacs)	Face Value per Share	Nos (In Lacs)	Amount (₹ in Lacs)
a) Authorised	1.00	2,000.00	2,000.00	1.00	2,000.00	2,000.00
b) Issued	1.00	1,475.00	1,475.00	1.00	1,475.00	1,475.00
c) Subscribed & Fully Paid up	1.00	1,475.00	1,475.00	1.00	1,475.00	1,475.00

(ii) There is no change in the share capital during the current and preceding year.

(iii) Terms / rights attached to equity shares:

The Company has one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Out of the total equity shares of 1475 lacs, 955 lacs shares are held by Bajaj Resources Limited, the holding Company.

(v) Details of shareholders holding more than 5% shares of the Company as on March 31, 2014 are given below:

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. in Lacs	% of holding	No. in Lacs	% of holding
1. Bajaj Resources Ltd.	955.00	64.75%	955.00	64.75%
2. SKB Roop Commercial LLP*(formerly known as SKB Roop Commercial Private Limited)	151.25	10.25%	295.00	20.00%
	1,106.25	75.00%	1,250.00	84.75%

* Converted from SKB Roop Commercial Private Limited pursuant to Limited Liability Partnership Act 2008 w.e.f April 15 2013

2. Reserves & Surplus

(₹ in Lacs)

Particulars	As at 31.03.2014		As at 31.03.2013	
a) Securities Premium Reserve		29,475.00		29,475.00
b) General Reserve				
Opening Balance	5,057.00		3,377.00	
Add: Reserve created during the year	1,504.44	6,561.44	1,680.00	5,057.00
c) Foreign Currency Translation Reserve				
Opening Balance	-		-	
Add: Exchange difference during the year on account of net investments in Non-integral foreign operations	(9.04)	(9.04)	-	-
c) Surplus in the statement Profit and Loss				
Opening Balance	12,249.94		8,456.92	
Add: Profit for the year	14,892.61		16,615.85	
	27,142.55		25,072.77	
Less: Appropriations				
i) Transferred to General Reserve	1,504.44		1,680.00	
ii) Interim Dividend	9,587.50		9,587.50	
iii) Corporate Dividend Tax	1,629.40		1,555.33	
Net Surplus in the statement of Profit and Loss		14,421.21		12,249.94
		50,448.61		46,781.94

3. Deferred Tax

(₹ in Lacs)

Particulars	Opening Balance		Liability/(Asset) Created		Closing Balance	
	FY 2013-14	FY 2012-13	FY 2013-14	FY 2012-13	FY 2013-14	FY 2012-13
Deferred Tax Liabilities/(Asset) on account of timing difference in Depreciation	147.08	98.71	(107.60)	48.37	39.48	147.08
Deferred Tax Liability/(Asset) on account of timing difference in Provision for Leave Encashment	-	(2.34)	-	2.34	-	-
Total	147.08	96.37	(107.60)	50.71	39.48	147.08

4. Trade Payables

(₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
a) Sundry Creditors for Goods	2,771.88	3,145.74
b) Sundry Creditors for expenses	1,283.34	1,799.25
	<u>4,055.22</u>	<u>4,944.99</u>

5. Other Current Liabilities

(₹ in Lacs)

	As at 31.03.2014	As at 31.03.2013
a) Statutory Liabilities	340.51	743.96
b) Advances from Customers	187.10	198.16
c) Security Deposits from C&F and Others	41.50	42.50
d) Application Money Refundable	2.40	2.47
e) Unclaimed Dividends	3.90	2.33
f) Other Outstanding Liabilities	1,334.83	1,176.89
	<u>1,910.24</u>	<u>2,166.31</u>

6. Fixed Assets

(₹ in Lacs)

PARTICULARS		GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK				
		As on 01.04.2013	Additions	Deductions	As on 31.03.2014	Upto 31.03.2013	For the Period Depreciation	Amortisation	Deductions	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
1. Tangible Assets												
(a)	Land	3,014.04	116.50	-	3,130.54	-	-	-	-	-	3,130.54	3,014.04
(b)	Factory Building	703.11	83.59	-	786.70	184.10	56.84	-	-	240.94	545.76	519.01
(c)	Other Building	3,568.87	10.50	-	3,579.38	283.20	164.54	-	-	447.74	3,131.64	3,285.67
(d)	Plant & Machinery	1,097.06	428.65	-	1,525.71	342.20	152.74	-	-	494.94	1,030.76	754.86
(e)	Vehicles	92.67	9.17	-	101.84	35.37	16.75	-	-	52.12	49.71	57.29
(f)	Office & Other Equipments	41.80	16.86	-	58.66	9.47	5.47	-	-	14.93	43.73	32.34
(g)	Computer	71.21	10.70	-	81.91	44.76	13.08	-	-	57.84	24.07	26.45
(h)	Furniture & Fixtures	45.37	4.09	-	49.46	4.66	7.69	-	-	12.35	37.11	40.71
(i)	Electrical Fittings	52.55	6.39	-	58.95	18.57	5.44	-	-	24.01	34.93	33.98
		8,686.68	686.46	-	9,373.14	922.33	422.55	-	-	1,344.88	8,028.26	7,764.34
2. Intangible Assets												
(a)	Computer Software	35.51	19.07	-	54.58	21.01	10.85	-	-	31.86	22.72	14.50
(b)	Trade mark & other Intellectual Property	-	14,094.01	-	14,094.01	-	-	2,859.65	-	2,859.65	11,234.36	-
		35.51	14,113.08	-	14,148.59	21.01	10.85	-	-	2,891.51	11,257.08	14.50
		8,722.19	14,799.53	-	23,521.72	943.34	433.40	-	-	4,236.39	19,285.34	7,778.84
Total		4,450.29	4,331.65	59.75	8,722.19	556.96	328.39	11.19	-	943.34	7,778.84	3,890.39
Previous Year		129.78	73.05	132.69	70.14	-	-	-	-	-	70.14	129.78
Capital Work in Progress												

Note : None of the above assets are on lease.

7. Long term loans and advances

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Security Deposits	63.16	51.66
b) Capital Advance	5.94	77.34
c) Prepaid Profession Tax	0.06	
d) Loans & advances to related parties (Refer note no.30)	69.16	129.00

(i) All the above loans and advances are unsecured and considered good.

8. Current Investments

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Investment in Debt Mutual Funds	550.00	-
b) Investment in Bank's CDs	9,568.87	-
c) Investment in Bonds	4,046.98	17,322.56
d) Investment in Government Securities	1,517.66	1,001.08
	15,683.51	18,323.64

(i) All the above investments are valued at cost

(ii) Scriptwise breakup of above investments is as follows:

a) Investment in Debt Mutual Fund

(₹ in Lacs)

Debt Mutual Fund	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Birla Sun Life Cash Plus Fund-Growth	219,094.53	450.00	-	-
UTI Liquid Plan Cash Plus- Growth	4,765.32	100.00	-	-
Grand Total	223,859.84	550.00	-	-

b) Investment in Bank's CDs (Certificate of Deposits)

(₹ in Lacs)

Bank's CDs	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Bank of Baroda	2,500.00	2,482.65	-	-
Oriental Bank of Commerce	2,500.00	2,458.08	-	-
Central Bank of India	2,500.00	2,310.41	-	-
Corporation Bank	2,500.00	2,317.73	-	-
Grand Total	10,000.00	9,568.87	-	-

c) Investment in Bonds

(₹ in Lacs)

Bonds	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Food Corporation of India (9.95%)	200	2,035.58	-	-
Power Finance Corporation Bond (8.19%)	100	1,000.00	-	-
Rural Electrification Corporation Ltd (9.63%)	50	500.72	-	-
Rural Electrification Corporation Ltd (9.61%)	50	510.68	-	-

Bonds	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
Axis Bank Ltd (9.15%)	-	-	100	1,011.75
Central Bank of India (9.40%)	-	-	150	1,500.00
Housing Development Finance Corporation Ltd (9.25%)	-	-	100	1,002.03
IDFC Ltd (8.85%)	-	-	100	1,001.45
National Bank For Agriculture & Rural Development (8.83%)	-	-	75	750.60
Power Finance Corporation Ltd (8.87%)	-	-	100	1,001.94
Power Finance Corporation Ltd (8.94%)	-	-	50	500.00
Power Finance Corporation Ltd (8.72%)	-	-	150	1,500.27
Power Grid Corporation of India Ltd (8.85%)	-	-	360	4,546.92
Rural Electrification Corporation Ltd (8.84%)	-	-	200	2,005.58
DVC Bond (8.69%)	-	-	100	1,000.00
Semi NPCIL (8.54%)	-	-	50	501.29
IRFC Bond (8.83%)	-	-	100	1,000.73
Grand Total	400	4,046.98	1,635	17,322.56

(d) Investment in Govt. Securities

(₹ in Lacs)

Government Securities	As at 31.03.2014		As at 31.03.2013	
	Units	₹ in Lacs	Units	₹ in Lacs
9.71% Andhra Bank	50	504.67	-	-
9.71% Haryana	100	1,012.99	-	-
8.59% ANDHRA PRADESH SDL 2023	-	-	50	500.70
8.86% Andhra GS 2022	-	-	50	500.38
Grand Total	150	1,517.66	100	1,001.08

(iii) Aggregate Book Value of Investments

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Quoted Investments	-	-
Market Value - ₹ NIL (Previous year : NIL)		
b) Unquoted Investments	15,683.51	18,323.64
Total	15,683.51	18,323.64

9. Inventories

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Raw Materials	958.24	858.37
b) Packing Materials	734.62	586.19
c) Finished Goods	1,749.97	1,846.91
d) Traded Goods	438.75	231.58
e) Work-in-progress	63.61	62.02
Total	3,945.19	3,585.07

(i) Finished goods includes goods in transit of ₹ NIL (previous year : NIL)

(ii) Raw & packing material are valued at cost and finished goods are valued at cost or realizable value whichever is lower.

10. Trade Receivables

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Outstanding for a period exceeding 6 months from the date they are due for payment	52.44	62.66
b) Others	784.67	934.48
Total	837.11	997.14

(i) All the above trade receivables are unsecured and considered good.

11. Cash and Bank Balances

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Cash & Cash Equivalent		
i) Balances with Banks:		
On Current Account	69.31	39.43
On Unpaid Dividend Accounts	3.90	2.13
Deposit with original maturity of less than 3 months	1,925.00	150.00
ii) Drafts in Hand	27.26	107.61
iii) Cash in hand	8.75	13.12
Total Cash & Cash Equivalent	2,034.22	312.29
b) Other Bank Balances:		
Deposit with original maturity of more than 12 months	100.00	100.00
Deposit with original maturity of more than 3 months but less than 12 months	10,785.81	18,505.58
Total	12,920.03	18,917.87

12. Short-term loans and advances

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Advances to Suppliers	117.59	64.91
b) Loans & advances to Staff	57.89	43.12
c) Advance Income Tax (Net of Provision for tax)	84.60	100.42
d) Prepaid Expenses	112.88	52.55
e) Other Recoverables	4.75	2.90
Total	377.71	263.90

(i) All the above short term loans and advances are unsecured and considered good.

(ii) All the above short term loans and advances are provided to non-related parties

13. Other current assets

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Accrued Income	439.02	1,088.43
b) Miscellaneous Expenditure (to the extent not written off)	1.24	1.55
Total	440.26	1,089.98

14. Initial Public Offer (IPO)

Company came up with its IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. Company issued 45 lacs fully paid up equity shares of face value of ₹ 5/- each at a premium of ₹ 655/- thereby raising a total fund of ₹ 29700 Lacs.

Position of IPO Funds at the end of the year is as follows:

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
Amount collected through IPO	29,700.00	29,700.00
Less : IPO expenses	1,896.25	1,896.25
Less : Fund utilized for promotion of future products	2,859.75	2,331.34
Less : Fund utilized for acquisitions & strategic initiatives	14,094.01	-
Closing Balance of IPO Funds as on 31 March	10,849.99	25,472.41

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
(a) In Fixed Deposits with Banks	7,000.00	17,440.00
(b) In Certificate of Deposits of Banks	2,317.73	-
(c) In Bonds of Public Sector	1,529.35	7,031.33
(d) In Mutual Fund	2.91	-
(e) In Government Securities	-	1,001.08
Total	10,849.99	25,472.41

15. Revenue from operations

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Sale of products	67,068.00	60,566.13
b) Other operating revenues	104.61	105.72
Total	67,172.61	60,671.85

Details of Product sold

i) Manufactured Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	55,298.53	51,521.08
Soap	145.83	-
Total	55,444.36	51,521.08

ii) Traded Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	9,971.01	8,873.54
Tooth Powder	169.51	171.51
Facewash	382.10	-
Soap	248.77	-
Cream	721.41	-
Others	130.84	-
Total	11,623.64	9,045.05

16. Other Income

(₹ in Lacs)

Particulars	As at 31.03.2014	As at 31.03.2013
a) Interest Income	3,300.41	3,406.29
b) Net gain/(loss) on sale of current investments	712.14	598.89
c) Net gain/(loss) on sale of Fixed Assets	-	(0.05)
Total	4,012.55	4,005.13

17. Cost of Material Consumed

(₹ in Lacs)

Product	Opening Stock	Purchases	Consumption	Closing Stock
Refined Oil	215.28	2,100.67	2,157.07	158.88
	(71.64)	(2392.67)	(2249.03)	(215.28)
Light Liquid Paraffin	448.01	7,602.64	7,826.78	223.87
	(382.36)	(7619.06)	(7553.41)	(448.01)
Other raw material	195.09	2,762.14	2381.74	575.49
	(311.39)	(2681.34)	(2797.64)	(195.09)
Packing Material	586.19	9,484.73	9,336.30	734.62
	(451.95)	(9102.94)	(9237.18)	(586.19)
Total	1,444.57	21,950.18	21,701.89	1,692.86
	(1217.34)	(21796.01)	(21837.26)	(1444.56)

(Figures in brackets are of Previous Year)

18. Change in Inventories

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13	Changes
a) Finished Goods	1,749.97	1,846.91	96.94
	(1,846.91)	(1,397.50)	(449.41)
b) Traded Goods	438.75	231.58	(207.17)
	(231.58)	(185.29)	(46.29)
c) Work-in-progress	63.61	62.02	(1.59)
	(62.02)	(40.89)	(21.13)
Total	2,252.33	2,140.51	(111.82)
	(2,140.51)	(1,623.68)	(516.83)

Finished Goods :

(₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	1,431.14	1,846.91
Facewash	18.81	-
Soap	277.39	-
Cream	22.63	-
Total	1,749.97	1,846.91

Traded Goods : (₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	163.53	219.60
Tooth Powder	11.40	11.98
Facewash	112.41	-
Soap	39.02	-
Cream	84.21	-
Others	28.18	-
Total	438.75	231.58

Purchase of Traded Goods : (₹ in Lacs)

Product	FY 2013-14	FY 2012-13
Hair Oil	4,297.02	4,335.42
Tooth Powder	115.34	114.91
Facewash	288.20	-
Soap	261.37	-
Cream	243.48	-
Others	79.91	-
Total	5,285.32	4,450.33

19. Employee benefit expense: (₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Salaries & Wages	3,152.84	2,690.85
b) Contribution to provident & other funds	161.32	140.15
c) Gratuity Expenses	46.24	34.00
c) Staff Training & Welfare expenses	57.70	85.18
Total	3,418.10	2,950.18

20. Financial Costs (₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a) Interest Expense	584.38	4.80
b) Bank charges	4.11	3.40
Total	588.49	8.20

21. Other Expenses (₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
A. Selling & Distribution Overheads		
Schemes & Sales Promotion Expenses	6,687.26	4,608.18
Advertisement	4,642.70	4,183.54
Freight	2,569.71	2,169.96
Travelling and Conveyance	900.38	717.61
Royalty	735.32	680.53
Cash Discount	682.78	671.22
Other Selling Overheads	589.61	493.23
Octroi & Entry tax	322.03	297.22
	17,129.79	13,821.49

21. Other Expenses (Contd.)

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
B. General & Administrative Overheads		
Rent	106.77	87.94
Manufacturing Expenses	268.68	191.24
Power and fuel (Mfg)	68.61	51.45
Legal & Professional Expenses	168.67	92.40
Postage and Telephone	66.71	63.84
Power and fuel	16.11	17.95
Insurance	60.50	40.29
Audit Fees & Expenses	14.52	12.69
Repairs - Machinery	47.59	44.44
Repairs - Others	2.44	2.39
Repairs - Building	14.91	14.83
Rates & taxes	33.92	26.40
Miscellaneous Expenses	282.16	233.82
	<u>1,151.59</u>	<u>879.68</u>
Total (A + B)	18,281.38	14,701.17

22. Payment to Auditors

(₹ in Lacs)

Particulars	FY2013-14	FY2012-13
a) For Statutory Audit	7.54	7.02
b) For Tax Audit	2.25	2.31
c) For others services	1.57	0.06
d) For reimbursement of expenses	3.17	3.30
Total	<u>14.52</u>	<u>12.69</u>

23. Imported And Indigenous Raw Material Consumption

(₹ in Lacs)

Particulars	FY2013-14		FY2012-13	
1. Imported CIF, Custom Duty and other Charges	-	-	-	-
2. Indigenous	12,365.59	100%	12,600.08	100%

24. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	FY2013-14	FY2012-13
Professional Fees	32.30	2.11
Travelling	52.98	42.30
Marketing Expenses	6.49	-

25. Earning in Foreign Currency

(₹ in Lacs)

Particulars	FY2013-14	FY2012-13
FOB Value of Exports	744.81	487.22

26. Segment Reporting

As the company's business activity falls within a single segment viz. 'Cosmetics and toiletries' and the sales substantially being in the domestic market, the disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" as prescribed by the Companies (Accounting Standard) Rules 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Statement of Profit and Loss.

27. Employee related dues

A. Defined Benefit Plan

(₹ in Lacs)

Particulars	2013-14		2012-13	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
a. Components of Employer Contribution				
Current Service Cost	42.69	21.44	31.26	3.42
Interest Cost	20.65	9.82	18.21	8.80
Expected Return on Plan Assets	(20.65)	(9.82)	(18.21)	(8.80)
Actuarial (Gain)/Loss	3.55	0.11	2.74	1.58
	<u>46.24</u>	<u>21.55</u>	<u>34.00</u>	<u>5.00</u>
b. Change in Defined Obligation				
Present Value of Obligation as at beginning of the year	201.64	100.89	174.96	98.42
Current Service Cost	42.69	21.44	31.26	3.42
Interest Cost	20.65	9.82	18.21	8.80
Actuarial (Gain)/Loss	0.00	0.00	0.00	0.00
Benefits Paid	(18.65)	(19.57)	(22.79)	(9.75)
Present Value of Obligation as at the end of the year	<u>246.33</u>	<u>112.58</u>	<u>201.64</u>	<u>100.89</u>
c. Change in Fair Value of Plan Assets				
Present Value of Plan Assets as at beginning of the year	201.64	100.89	174.96	98.42
Expected Return on Plan Assets	20.65	9.82	18.21	8.80
Actuarial Gain/(Loss)	(3.55)	(0.11)	(2.74)	(1.58)
Actual Company Contribution	46.24	21.55	34.00	5.00
Benefits Paid	(18.65)	(19.57)	(22.79)	(9.75)
Present Value of Plan assets as at the end of the year	<u>246.33</u>	<u>112.58</u>	<u>201.64</u>	<u>100.89</u>
d. Actuarial assumptions :				
Discount Rate	8%	8%	8%	8%
Estimated Rate of Return on Plan Assets	9.25%	9.25%	9.25%	9.25%
Salary Escalation Ratio Inflation	5%	5%	5%	5%
Method	Projected Unit Credit Method		Projected Unit Credit Method	
Mortality Rate	LIC (1994-96) Ultimate		LIC (1994-96) Ultimate	

B. Defined Contribution Plan

Company's Contribution to different contribution plans:

(₹ in Lacs)

Particulars	FY 2013-14	FY 2012-13
a. Provident Fund	149.08	125.33
b. Employees State Insurance	6.61	10.36
c. Employees Superannuation Fund	0.00	0.00
d. EDLI Contribution	1.63	1.45
e. Group Insurance	4.00	3.00
	161.32	140.15

28. Basic & Diluted Earnings per share (EPS) computed in accordance with Accounting Standard 20 "Earning per share" as prescribed under the Companies (Accounting Standard) Rules, 2006

Particulars	2013-14	2012-13
Profit After Tax (₹ in Lacs)	15,044.36	16,615.85
Adjusted weighted average number of shares outstanding		
Basic (In Lacs)	1,475.00	1,475.00
Diluted (In Lacs)	1,475.00	1,475.00
Earning per Share (face value ₹ 1/- per share)		
Basic (₹)	10.20	11.26
Diluted (₹)	10.20	11.26

29. As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', prescribed by the Companies (Accounting Standard) Rules, 2006, the disclosures of transactions with the related parties as defined in AS-18 are given below :

(i) List of related parties and relationships:

Name of the Related Party	Relationship
1. Bajaj Resources Ltd.	Holding company
2. Mr Kushagra Bajaj	Key Management Personnel
3. Mr Sumit Malhotra	Key Management Personnel
4. Mr Jimmy Anklesaria	Key Management Personnel
5. Mr Apoorv Bajaj	Key Management Personnel
6. Bajaj Infrastructure Development Company Ltd	Associates
7. Bajaj Hindusthan Ltd.	Associates
8. Abhitech Developers Pvt. Ltd.	Associates
9. Lalitpur Power Generation Company Ltd.	Associates
10. SKB Roop Commercial LLP* (formerly SKB Roop Commercial Pvt. Ltd)	Associates

(ii) Transactions during the period with Related Parties:

(₹ in Lacs)

S No	Nature of Transaction	Holding company	Key Management Personnel	Associates	Total	Outstanding as on 31.03.14
A. Profit & Loss A/c						
1	Dividend Paid	6,207.50		983.12	7,190.62	
		(8,125.41)			(8,125.41)	
2	Royalty Expense	735.32			735.32	735.32
		(680.53)			(680.53)	(680.53)
3	Sale of Vehicle				-	
			(17.34)		(17.34)	
4	Remuneration		418.06		418.06	
			(571.96)		(571.96)	
5	Sitting Fees Paid		1.15		1.15	
			(0.90)		(0.90)	
B. Balance Sheet						
6	Deposit for Rent				-	-
		(-5.50)		(-6.30)	(-11.80)	-
7	Investment In Equity				0.00	
					-	
8	Loan Given				0.00	

(Figures in bracket are for previous year)

30. "Based on information available with Company, there are no supplier registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2014 and March 31, 2013 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
31. Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

ICAI Firm's Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreave Khaitan

Director

Sujoy Sircar

Company Secretary

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company

(₹ in Lacs)

1.	Name of the Subsidiary	Uptown Properties & Leasing Pvt Ltd.	Bajaj Bangladesh Limited *
2.	Holding Company's Interest	809,680 Equity shares of ₹ 10/-each fully paid up	19,99,994 Equity shares of BDT 10/-each fully paid up
3.	Extent of Holding	100.00%	100.00%
4.	Subsidiary Financial Year ended on	31.03.2014	31.03.2014
5.	Net aggregate amount of subsidiaries Profit/(Loss) dealt within the holding company's accounts :		
	(i) For the financial year of the subsidiary	0.00	0.00
	(ii) For the previous year of the subsidiary since it become the holding company's subsidiary	0.00	0.00
6.	Net aggregate amount of subsidiaries Profit/(Loss), so far as it concerns members of the holding company, not dealt within the holding company's accounts :		
	(i) For the financial year of the subsidiary	(106.74)	(45.01)
	(ii) For the previous years of the subsidiary since it become the holding company's subsidiary	(123.69)	0.00

Details of Subsidiary Companies for the FY 2013-14

Particulars		Amount (₹ in Lacs)	
		Uptown Properties & Leasing Pvt Ltd.	Bajaj Bangladesh Limited *
1.	Capital	80.97	154.40
2.	Reserves	612.35	(43.71)
3.	Total Assets	3289.20	112.81
4.	Total Liabilities (Excluding Shareholders Fund & Reserves)	2595.89	2.12
5.	Details of Investments	0.00	Nil
6.	Turnover	0.00	Nil
7.	Profit before taxation	(88.69)	(45.01)
8.	Provision for taxation	(18.05)	Nil
9.	Profit after taxation	(106.73)	(45.01)
10.	Interim & Proposed dividend	NIL	Nil

As per our report of even date

For and on behalf of the Board

For **R. S. Dani & Company**

Chartered Accountants

ICAI Firm's Registration No.: 000243C

C. P. Kothari

Partner

M. No. 072229

Kushagra Nayan Bajaj

Chairman

Sumit Malhotra

Managing Director

Jimmy Rustom Anklesaria

Director

Aditya Vikram Ramesh Somani

Director

Dilip Cherian

Director

Place : Mumbai

Date : April 28, 2014

Gaurav Dalmia

Director

Haigreve Khaitan

Director

Sujoy Sircar

Company Secretary



CIN: L01110MH2006PLC161345

Registered Office: 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai – 400093
Tel.: 022-66919477 / 78, **Fax:** 022-66191476, **Website:** www.bajajcorp.com; **Email:** complianceofficer@bajajcorp.com

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional Slip at the venue of the meeting.

D.P. Id*		Folio No.	
Client Id *		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER : _____

I hereby record my presence at the **8th Annual General Meeting** of the Company held on **Friday, August 1, 2014 at 4:00 P.M.** at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021.

Signature of Shareholder/Proxy

* Applicable for investors holding shares in electronic form.

TEAR HERE



CIN: L01110MH2006PLC161345

Registered Office: 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai – 400093
Tel.: 022-66919477 / 78, **Fax:** 022-66191476, **Website:** www.bajajcorp.com; **Email:** complianceofficer@bajajcorp.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN : L01110MH2006PLC161345

Name of the Company : BAJAJ CORP LIMITED

Registered Office : 2nd Flr., Bldg.No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (E), Mumbai – 400093

Name of the member(s) : _____

Registered Address : _____

Email ID : _____

Folio No./Client ID/DP ID : _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1) Name : _____ Address : _____

Email ID : _____ Signature : _____
or failing him

2) Name : _____ Address : _____

Email ID : _____ Signature : _____
or failing him

3) Name : _____ Address : _____

Email ID : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **8th Annual General Meeting** of the Company to be held on **Friday, August 1, 2014 at 4:00 P.M., at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	Special Business
<ol style="list-style-type: none"> Adoption of Financial Statements and Report of the Board of Directors and Auditors thereon, for financial year ended March 31, 2014. To confirm Interim Dividend of 650% (₹ 6.50) per equity share already paid, as final. Appointment of a director in place Mr. Jimmy Anklesaria (DIN: 03464365), who retires by rotation and being eligible, offers himself re-appointment. Appointment of M/s. R. S. Dani & Company (Firm Registration Number 000243C) as the auditors of the Company and to fix their remuneration. 	<ol style="list-style-type: none"> Appointment of Mr. Gaurav Dalmia (DIN: 00009639), as an Independent Director. Appointment of Mr. Dilip Cherian (DIN 00322763), as an Independent Director. Appointment of Mr. Haigreave Khaitan (DIN 00005290), as an Independent Director. Appointment of Mr. Aditya Vikram Ramesh Somani (DIN 00046286), as an Independent Director. Re-appointment of Mr. Apoorv Bajaj as Executive President of the Company for a period of 5 years w.e.f November 5, 2014. Further issue of capital pursuant to Section 62(1)(C) of the Companies Act, 2013 by way QIP/GDRs/FCCBs, etc. Ratification of remuneration payable to Cost Auditor, for the financial year 2014-2015.

Signed this _____ day of _____ 2014.



Signature of shareholder

Signature of the proxy (holders)

Note:

This form of proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting

**BAJAJ CORP LIMITED**

(CIN: L01110MH2006PLC161345)

Registered office: 2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400093, Maharashtra.

E-mail: complianceofficer@bajajcorp.com, Web: www.bajajcorp.com, Phone: (022) 669194 77/78; Fax: (022) 66919476

8th Annual Report 2013-14**BALLOT FORM**

(In lieu of E-voting)

Sr. No.:

1. Name :
2. Registered Address of the sole/first named Shareholder :

3. Name(s) of the Joint Shareholder(s) if any :

4. Registered Folio/DP ID & Client ID No. :

5. No. of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice dated April 28, 2014 convening the 8th Annual General Meeting of the Company to be held on August 1, 2014, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	Type of resolution	No. of equity shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Financial Statements and Report of the Board of Directors and Auditors thereon, for financial year ended March 31, 2014.	Ordinary Resolution			
2.	To Confirm Interim Dividend on Equity Shares already paid, as final.	Ordinary Resolution			
3.	Appointment of a director in place Mr. Jimmy Anklesaria (DIN: 03464365), who retires by rotation and being eligible, offers himself re-appointment.	Ordinary Resolution			
4.	Appointment of M/s. R. S. Dani & Company (Firm Registration Number 000243C) as the auditors of the Company and to fix their remuneration.	Ordinary Resolution			
5.	Appointment of Mr. Gaurav Dalmia (DIN: 00009639), as an Independent Director.	Special Resolution			
6.	Appointment of Mr. Dilip Cherian (DIN: 00322763), as an Independent Director.	Special Resolution			
7.	Appointment of Mr. Haigreve Khaitan (DIN: 00005290), as an Independent Director.	Special Resolution			
8.	Appointment of Mr. Aditya Vikram Ramesh Somani (DIN: 00046286), as an Independent Director.	Special Resolution			
9.	Re-appointment of Mr. Apoorv Bajaj as Executive President of the Company for a period of 5 years w.e.f. November 5, 2014.	Special Resolution			
10.	Further issue of capital under Section 62(1)(C) of the Companies Act, 2013 by way QIP/GDRs/FCCBs, etc.	Special Resolution			
11.	Ratification of remuneration to Cost Auditor, for the financial year 2014-2015.	Ordinary Resolution			

Place :

Date :

Signature of the Shareholder

NOTE: Kindly read the instructions printed overleaf before filing the form. Valid Ballot Forms received by the scrutinizer by 6:00 p.m. on July 28, 2014 shall only be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to Mr. R. Ramachandran, Practising Company Secretary, The Scrutinizer, C/o Karvy Computershare Pvt. Ltd., Unit : Bajaj Corp Limited, Plot No.17-24, Vittal Rao Nagar, Near Image Hospital, Madhapur, Hyderabad – 500081 or to his email id sethu@bajajcorp.com so as to reach by 6.00 pm on July 28, 2014. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. M/s Karvy Computershare Pvt. Ltd.). Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID/CLIENT ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.
10. Instructions for e-voting procedure are available in the Notice of 8th Annual General Meeting and are also placed on the website of the Company, www.bajajcorp.com and <https://evoting.karvy.com>

-----✂-----✂-----✂-----

E-VOTING

Users who wish to opt for e-voting may use the following login credentials.

EVEN (E Voting Event Number)	USER ID	PASSWORD / PIN

Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to- <https://evoting.karvy.com>

bajajTM NOMARKS[®]

Raho Nomarks Hamesha



PRODUCT RANGE



Skin cream range



Face wash range



Soap range



Registered office:

2nd Floor, Building No. 2, Solitaire Corporate Park, 167, Guru Hargovind Marg, Chakala, Andheri (East), Mumbai - 400 093, Maharashtra.