

# Report on Corporate Governance

**The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

**"Business should be pursued with a view to benefit the poor, not just to become a millionaire or a billionaire."**

Jamn Lal Bajaj

## Company's Philosophy on code of Governance:

The ethical values are the foundation of Company's governance philosophy which over the past 80 years of the Company's existence has become a part of its culture. We feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. We strongly believe that in business, there is something more important than just top line and bottom line and hence, each of us needs to strive towards producing our very best in all we do so that, we not only fulfill the needs of each and every consumer, but also far exceed their expectations. This is what has set us apart and this may be the very reason that we have been able to enjoy a very special relationship with our consumers. After all, when you strive, with every sinew to be the best you can be, it will show.

Corporate Governance is about commitment to values and ethical business conduct. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation.

## The Board of Directors

### Governance Structure

The Corporate Governance structure of the Company is as follows:

**Board of Directors:** The Board is entrusted with an ultimate responsibility of the management, directions and performance

of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

**Committees of the Board:** The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Risk Management Committee, Finance Committee and Debenture Committee. Each of the said Committee has been mandated to operate within a given framework.

**Executive Committee:** The main function of the Executive Committee is strategic management of the Company's businesses within the Board approved direction and framework, ensuring that effective systems are in place for appropriate reporting to the Board on important matters. The Executive Committee is headed by the Chairman & Managing Director and has business & functional heads as its members, which looks after the management of the day-to-day affairs of the Company.

**Chairman & Managing Director:** The primary role of the Chairman & Managing Director is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a world-class organisation. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors.

**Executive Director:** The Executive Director, as the member of the Board and Executive Committee, contributes to the strategic management of the Company's businesses within Board approved direction and framework. He assumes overall responsibility for strategic management of business and corporate functions including its governance processes and top management effectiveness.

**Non-Executive Directors (NEDs) including Independent Directors (IDs):** NEDs play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances, etc.

### Composition and category of Directors

The Board is broad-based and consists of eminent individuals from industrial, general corporate management, finance, law, media, corporate strategy, technical, marketing and other allied background. The Company is managed by the Board of Directors in co-ordination with the senior management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Board of Directors as at the end of March 31, 2019, comprised of ten (10) Directors viz. one (1) Executive Director - Promoter, one (1) Executive Director – Non Promoter, two (2) NEDs – Promoters including one Woman Director, one (1) NED – Non Promoter Independent Women Director, and five (5) NEDs - Independent Directors.

Shri Ashok Jalan, an ID, stepped down from the directorship of the Company on the expiry of his first term on March 31, 2019, being pre-occupied with other activities.

Shri Rajiv Bajaj has been appointed by the Board as an Additional Director in the category of NED with effect from May 22, 2019. Members' attention is drawn to a Resolution proposing his regularisation included at Item No. 6 of the Notice of Annual General Meeting (AGM).

Accordingly, as on the date of this Report, the Board of Directors comprises of ten (10) Directors and has the following composition:

Category of Directors	No. of Directors	%
NEDs – Non Independent	3	30%
NEDs - Independent	5	50%
Executive Directors	2	20%

The Chairman of the Board is an Executive Director. IDs constitute one-half of the total Board strength.

Shri Shekhar Bajaj, Shri Madhur Bajaj, Smt. Pooja Bajaj and Shri Rajiv Bajaj, since belong to the Promoter family, are related to each other. Shri Shekhar Bajaj is a father-in law of Smt. Pooja Bajaj; elder brother of Shri Madhur Bajaj and paternal uncle of Shri Rajiv Bajaj. Shri Shekhar Bajaj is also the NED in Hind Lamps Limited, an associate, and Starlite Lighting Limited, a joint venture, of the Company.

Apart from the above, and apart from the reimbursement of expenses incurred in discharge of their duties and the remuneration that the NEDs, the Chairman & Managing Director and Executive Director would be entitled to under the Companies Act, 2013 (the "Act"), none of the Directors have any other pecuniary relationships with the Company, its subsidiary, associate and joint venture or their Promoters, Directors, which in their judgement would affect their independence.

The Board has identified the following skill set with reference to its business and industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Shekhar Bajaj	Industrialist, Electrical Consumer Durables Industry domain, Business Strategy and Corporate Management
Madhur Bajaj	Industrialist, Experience in managing a large industrial conglomerate
Harsh Vardhan Goenka	Industrialist, Experience in managing a large business conglomerate
Dr. Rajendra Prasad Singh	Ex-Chairman of Navratna PSU in the power sector
Dr. (Smt.) Indu Shahani	Well Known Academician
Anuj Poddar	A Chartered Accountant with strong professional experience across consumer and other industries, Business Strategy and Corporate Management
Siddharth Mehta	Solicitor with experience across India and international territories in corporate and commercial laws, litigation and arbitration

Name of the Director	Expertise in specific functional area
Munish Khetrupal	Technology professional with extensive leadership experience across global markets
Pooja Bajaj	Strong commercial acumen
Rajiv Bajaj	Industrialist, Experience in managing a large industrial conglomerate, Recipient of many prestigious leadership awards

### Directors' Directorships/Committee memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Act or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2019 are given below:

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the Act and Listing Regulations.

#### Directorship / Committee Membership as on March 31, 2019

Name [DIN]	Date of Appointment	Category of Director	Directorships in other Indian Public Limited Companies (excluding the Company)	No. of Board Committees in which Chairman / Member (excluding the Company)		List of Directorship held in other Listed Companies and Category of Directorship
				Chairman	Member	
Shekhar Bajaj [00089358]	01/11/2014	Promoter / Chairman & Managing Director	2	Nil	1	1. Hercules Hoists Limited, NED - Non-Independent-Chairman 2. Bajaj Auto Limited, NED - Non-Independent
Madhur Bajaj [00014593]	28/11/1994	Promoter/ NED	5	Nil	Nil	1. Bajaj Holdings & Investment Limited, NED - Non Independent 2. Maharashtra Scooters Ltd, NED - Nominee of Promoter- Chairman 3. Bajaj Finance Limited, NED - Non Independent 4. Bajaj Finserv Limited, NED - Non Independent 5. Bajaj Auto Limited, NED - Non Independent

Name [DIN]	Date of Appointment	Category of Director	Directorships in other Indian Public Limited Companies (excluding the Company)	No. of Board Committees in which Chairman / Member		List of Directorship held in other Listed Companies and Category of Directorship
				Chairman	Member	
Harsh Vardhan Goenka [00026726]	01/04/2019	Independent Director	4	Nil	Nil	1. RPG Life Sciences Limited, NED - Non Independent -Chairman 2. Ceat Limited, NED - Non Independent -Chairman 3. KEC International Limited, NED - Non Independent -Chairman 4. Zensar Technologies Limited, NED - Non Independent -Chairman
Dr. Rajendra Prasad Singh [00004812]	01/04/2019	Independent Director	1	Nil	4	1. Techno Electric & Engineering Company Limited, NED - Non Independent
Dr. (Smt.) Indu Shahani [00112289]	01/04/2019	Independent Director	3	1	5	1. United Spirits Limited, NED - Independent 2. Clariant Chemicals (India) Limited, NED - Independent 3. Colgate-Palmolive (India) Limited, NED - Independent
Anuj Poddar [01908009]	01/11/2018	Additional Executive Director	Nil	Nil	Nil	Nil
Siddharth Mehta [03072352]	30/05/2016	Independent Director	2	1	2	1. Indo Count Industries Limited, NED - Independent 2. TCI Industries Limited, NED - Independent
Munish Khetrpal <sup>1</sup> [08263282]	01/11/2018	Additional Independent Director	Nil	Nil	Nil	Nil
Pooja Bajaj <sup>1</sup> [08254455]	01/11/2018	Additional Promoter/ NED	Nil	Nil	Nil	Nil

Notes:

1. Shri Munish Khetrpal and Smt. Pooja Bajaj were appointed as Directors on the Board of the Company w.e.f. November 1, 2018.
2. Shri Anant Bajaj, Managing Director ceased to be a director on demise on August 10, 2018, hence has been excluded.
3. Shri Ashok Jalan, ceased to a director on expiry of his first term as an ID on March 31, 2019, hence has been excluded.
4. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
5. Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian public limited companies other than the Company. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairmanship of more than five such Committees.
6. Shri Shekhar Bajaj, Shri Madhur Bajaj, and Smt. Pooja Bajaj are related to each other. None of the other Directors are related inter-se.
7. Details of Director(s) retiring or being appointed/re-appointed are given in Notice of AGM.
8. Brief profiles of each of the above Directors are available on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).
9. Maximum tenure of IDs is in accordance with the Act and Rules made thereunder.

## IDs confirmation by the Board

All IDs have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the IDs, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. A formal letter of appointment to IDs as provided in the Act has been issued and disclosed on website of the Company: [www.bajajelectricals.com](http://www.bajajelectricals.com).

## Number of Independent Directorships

As per Regulation 17A of the Listing Regulations, IDs of the Company do not serve as ID in more than seven listed companies. Further, the Managing Director of the Company does not serve as an ID in any listed entity.

## Board meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiary. The Board meetings are pre-scheduled and a tentative annual calendar of the Board meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

Minimum four pre-scheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs, if any, of the Company. During FY 2018-19, the Board of Directors met seven times i.e., on May 23, 2018, June 15, 2018, August 9, 2018, November 1, 2018, January 2, 2019, February 7, 2019 and March 28, 2019. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standard by The Institute of Company Secretaries of India.

## Attendance of Directors at the Board meetings and at the last AGM.

Sr. No.	Name of Directors	No. of Board meetings attended	Attendance at the AGM held on August 9, 2018
1.	Shekhar Bajaj	7 of 7	Present
2.	Anant Bajaj <sup>1</sup>	3 of 7	Present
3.	Madhur Bajaj	7 of 7	Present
4.	Harsh Vardhan Goenka	6 of 7	Present
5.	Ashok Jalan <sup>2</sup>	7 of 7	Present
6.	Dr. Rajendra Prasad Singh	7 of 7	Present
7.	Dr. Indu Shahani	7 of 7	Present
8.	Anuj Poddar	7 of 7	Present
9.	Siddharth Mehta	7 of 7	Present
10.	Munish Khetrapal <sup>3</sup>	4 of 7	Not applicable
11.	Pooja Bajaj <sup>3</sup>	4 of 7	Not applicable

### Notes:

- Shri Anant Bajaj, Managing Director ceased to be a director on demise on August 10, 2018.
- Shri Ashok Jalan, ID, step down from the directorship of the Company on the expiry of his first term on March 31, 2019, being pre-occupied with other activities.
- Shri Munish Khetrapal and Smt. Pooja Bajaj were appointed as Directors on the Board of the Company on November 1, 2018.

## Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

## Post meeting mechanism

The important decisions taken at the Board / Committee meetings are communicated to the concerned department / division.

## Board support

The Company Secretary attends the Board Meetings and advises the Board on compliances with applicable laws and governance.

## Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 and Schedule IV of the Act (Schedule IV is specifically for IDs). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

## Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities expected from him / her as a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Act, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman & Managing Director also have a one to one discussion with the newly appointed Director to familiarise him / her with the Company's operations. Further, on an ongoing basis as a part of agenda of Board / Committee meetings, presentations are regularly made to the IDs on various matters inter-alia covering the Company's and its subsidiary, associate and joint venture companies operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the IDs under various statutes and other relevant matters. The details of the familiarisation programme for Directors are available on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

## Governance Codes

### Code of Business Conduct & Ethics

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all employees of the Company. The Board of Directors and the members of senior management team of the Company are required to affirm annually compliance of this Code. A declaration signed by the Chairman & Managing Director of the Company to this effect is placed at the end of this report. The Code requires Directors and employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

### Disclosure on conflict of interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including as Chairperson and notifies

changes during the year. The members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

## Insider Trading Code

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations").

The Code is applicable to promoters, member of promoter group, all Directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

## Committees of the Board

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with the approval of the Board and they function under their respective Charters. These Committees play an important role in the overall management of the day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform the duties entrusted by the Board. The minutes of the Committee meetings are placed before the Board for noting.

### (A) Audit Committee

#### Composition

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the Listing Regulations.

During the year under review, Shri Anuj Poddar, earlier ID, resigned as the member of the Audit Committee in

view of his appointment as an Executive Director of the Company. Consequently, the Board of the Company, vide its resolution dated October 18, 2018 passed by way of circulation, re-constituted the Audit Committee by inducting Shri Siddharth Mehta, as a member of the Committee. The members of the re-constituted Audit Committee, in its meeting held on November 1, 2018, elected Shri Ashok Jalan as the Chairperson of the Committee.

The Audit Committee was again reconstituted by the Board in its meeting held on March 28, 2019 by inducting Dr. Rajendra Prasad Singh as a member of the Audit Committee effective April 1, 2019, in place of Shri Ashok Jalan, who had expressed his desire to step down from the directorship on the Board of the Company, being pre-occupied with other activities, on the expiry of his first term as an ID of the Company from the close of business hours on March 31, 2019.

As on the date of this Report, the Audit Committee comprised of 3 Directors: Dr. (Smt.) Indu Shahani as the Chairperson and Dr. Rajendra Prasad Singh and Shri Siddharth Mehta as its members. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, taxation, economics, risk and international finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. The Company Secretary acts as the convener to the Audit Committee.

### Meetings and Attendance

The Audit Committee met five times during FY 2018-19. The maximum gap between two meetings was not more than 120 days. The Committee met on May 23, 2018, August 9, 2018, November 1, 2018, February 7, 2019 and March 28, 2019. The requisite quorum was present at all meetings. The Chairman of the Audit Committee was present at the last AGM of the Company held on August 9, 2018.

The Table below provides the attendance of the Audit Committee members:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended
1.	Anuj Poddar <sup>1</sup>	Chairperson	Independent Director	2 of 5
2.	Ashok Jalan <sup>2</sup>	Chairperson	Independent Director	5 of 5

Sr. No.	Name of Directors	Position	Category	No. of meetings attended
3.	Dr. Indu Shahani	Chairperson	Independent Director	5 of 5
4.	Siddharth Mehta	Member	Independent Director	3 of 5
5.	Dr. Rajendra Prasad Singh <sup>3</sup>	Member	Independent Director	N.A.

#### Notes:

1. Chairperson/Member of the Audit Committee till October 18, 2018.
2. Chairperson/Member of the Audit Committee from November 1, 2018 till March 31, 2019.
3. Appointed as member of the Audit Committee w.e.f. April 1, 2019.

### Terms of reference and functions of Audit Committee

The Charter of the Audit Committee was revised in the Board meeting held on March 28, 2019 to be in line with the recent amendments to the Listing Regulations. The revised terms of reference of the Audit Committee as stated below is in line with what is mandated in Regulation 18 of the Listing Regulations and Section 177 of the Act.

#### Terms of reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - 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 made in the 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. modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval including the financial statements, in particular, the investments made by unlisted subsidiary(ies);
  6. 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 utilised 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;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, 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;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. 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;
  16. 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;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  21. To review the utilisation of loans, advances or both in the subsidiary company(ies) which shall not exceed ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments as on April 1, 2019.
- The Audit Committee mandatorily reviews the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses;
  5. Appointment, removal and terms of remuneration of the Chief Internal Auditor; and
  6. Statement of deviations:



- a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.
7. Compliance with the provisions of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

#### Internal Controls and Governance Processes

The Company continuously invests in strengthening its internal controls and processes. The Audit Committee formulates a detailed audit plan for the year for the internal auditor. The Internal Auditors attend the meetings of the Audit Committee and submit their recommendations to the Audit Committee and provide a road map for the future.

### (B) Nomination and Remuneration Committee (NRC)

#### Composition

NRC is governed by its Charter. During the year under review, Shri Anuj Poddar, earlier an ID, resigned as the member of the NRC in view of his appointment as an Executive Director of the Company. Consequently, the Board of the Company, vide its resolution dated October 18, 2018 passed by way of circulation, re-constituted the NRC by inducting Shri Siddharth Mehta, as a member of the Committee. The members of the re-constituted NRC, in its meeting held on November 1, 2018, elected Shri Ashok Jalan as the Chairperson of the Committee.

NRC was again reconstituted by the Board in its meeting held on March 28, 2019 by inducting Dr. Rajendra Prasad Singh as a member of the NRC effective April 1, 2019, in place of Shri Ashok Jalan, who had expressed his desire to step down from the directorship on the Board of the Company, being pre-occupied with other activities, on the expiry of his first term as an ID of the Company from the close of business hours on March 31, 2019.

As on the date of this Report, the NRC comprised of 3 Directors: Dr. (Smt.) Indu Shahani as the Chairperson and Dr. Rajendra Prasad Singh and Shri Siddharth Mehta

as its members. The Company Secretary acts as the convener to the NRC.

#### Meetings and Attendance

NRC met five times during FY 2018-19 i.e. on May 23, 2018, August 9, 2018, November 1, 2018, January 2, 2019 and February 7, 2019. The requisite quorum was present at all the meetings. The Chairperson of the NRC was present at the last AGM of the Company held on August 9, 2018.

The Table below provides the attendance of the NRC members:

Sr. No.	Name of Director	Position	Category	No. of meetings attended
1.	Anuj Poddar <sup>1</sup>	Chairperson	Independent Director	2 of 5
2.	Ashok Jalan <sup>2</sup>	Chairperson	Independent Director	5 of 5
3.	Dr. Indu Shahani	Chairperson	Independent Director	5 of 5
4.	Siddharth Mehta	Member	Independent Director	3 of 5
5.	Dr. Rajendra Prasad Singh <sup>3</sup>	Member	Independent Director	N.A.

#### Notes:

1. Chairperson/Member of the NRC till October 18, 2018.
2. Chairperson/Member of the NRC from November 1, 2018.
3. Appointed as member of the NRC w.e.f. April 1, 2019.

#### Terms of reference and functions of NRC

The broad terms of reference of NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations.

#### Terms of reference:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors

to be carried out by the Board, by the NRC or by an independent external agency and review its implementation and compliance.

2. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. While formulating the policy, to ensure that –
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
4. To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders while approving the remuneration payable to managing director, whole time director or manager.
5. To lay down / formulate the evaluation criteria for performance evaluation of IDs and the Board.
6. To devise a policy on Board diversity.
7. To ensure 'Fit & Proper' status of the proposed/ existing directors.
8. To recommend to Board, whether to extend or continue the term of appointment of the ID, on the basis of the report of performance evaluation of IDs.
9. To review and approve the remuneration and change in remuneration payable to whole-time directors.
10. To recommend to Board, all remuneration payable to senior management (i.e. members of the core

management team one level below the chief executive officer/managing director/whole time director and shall specifically include Company Secretary and Chief Financial Officer); and

11. To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof) to determine the quantum of Employee Stock Options to be granted to the employees under Company's ESOP Plans; determine eligibility for grant of ESOPS; decide the procedure for making a fair and reasonable adjustment in case of corporate actions; procedure and terms for the grant, vest and exercise of Employee Stock Option; procedure for cashless exercise of Employee Stock Options etc.
12. To undertake specific duties as may be prescribed by the board from time to time.

### Remuneration Policy

The Board on the recommendation of NRC has framed a Remuneration Policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors; and (b) a policy on remuneration for directors, key managerial personnel and other employees. The Remuneration Policy is placed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### a) NEDs remuneration

The remuneration of NEDs is determined within the limits prescribed under Section 179 read with the Rules framed thereunder and Schedule V to the Act and Listing Regulations. The NEDs of the Company receive remuneration by way of sitting fees for attending the Board and Committee meetings and commission as detailed below:

- (i) Sitting fees of ₹1,00,000/- for each meeting of the Board and Audit Committee, and ₹50,000/- for each meeting of other Committees attended by the Director, as approved by the Board within the overall limits prescribed under the Act;
- (ii) Pursuant to the approval of the Members in the Seventy-fifth AGM held on July 31, 2014, payment of commission on an annual basis, of ₹1,00,000/- for each meeting of the Board and Audit Committee attended by the Director, subject to the ceiling of 1% of the net profit of the Company prescribed under the Act;

- (iii) Reimbursement of traveling and other related expenses incurred by the NEDs for attending the Board and Committee meetings;
- (iv) IDs of the Company are not entitled to participate in ESOPs of the Company.

The service contract, notice period and severance fees are not applicable to NEDs.

#### b) Executive Directors' remuneration

The appointment and remuneration of Executive Directors, i.e. of Chairman and Managing Director, Managing Director and Executive Director, is governed by the recommendation of NRC, Resolutions passed by the Board and Shareholders of the Company.

The remuneration package of Executive Directors' comprises of salary, commission, perquisites and allowances, and contributions to provident fund and other retirement benefits as approved by the shareholders at the general meetings. Annual increments are linked to performance and are decided by NRC and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Nomination and Remuneration Policy is displayed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

The Company has no stock option plans for the promoter executive directors / NED. Only non-promoter executive directors are eligible for stock option plans.

During FY 2018-19, the Company did not advance any loans to any of the directors.

#### c) Remuneration Policy for the Key Managerial Personnel (KMP) and other employees

Remuneration of KMP and other employees largely consists of basic salary, perquisites, allowances and performance incentives. The components of total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him/her, his/her annual performance, etc. The performance pay policy links the performance pay of each employee to his/her individual, business unit

and overall Company's performance on parameters aligned to the Company's objectives.

#### Details of remuneration paid to Directors for the year ended March 31, 2019

##### (a) NEDs

Name of the Director	Sitting Fees		Commission (₹)	No. of Shares / convertible instruments held
	(₹)	(₹)		
Madhur Bajaj	7.00	7.00		815035 Equity Shares
Harsh Vardhan Goenka	6.50	6.00		Nil
Ashok Jalan	18.00	12.00		Nil
Dr. Rajendra Prasad Singh	7.50	7.00		Nil
Dr. Indu Shahani	16.00	12.00		Nil
Anuj Poddar <sup>1</sup>	6.00	5.00		Nil
Siddharth Mehta	13.00	10.00		Nil
Munish Khetrapal <sup>2</sup>	4.50	4.00		Nil
Pooja Bajaj <sup>2</sup>	5.00	4.00		130000 Equity Shares

##### Notes:

1. Remuneration payable to him for his services as an ID of the Company.
2. Appointed as Director on the Board of the Company w.e.f. November 1, 2018.
3. Commission to NEDs will be paid after adoption of the financial statements by the shareholders at the AGM scheduled to be held on August 7, 2019.

##### (b) Executive Directors

Details of remuneration paid/payable to Executive Directors during FY 2018-19 are provided in the Annexure to the Directors' Report in 'Form MGT-9'.

#### Performance Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties,

obligations and governance. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman and Managing Director and NEDs was carried out by the IDs. The Directors expressed their satisfaction with the evaluation process.

## **(C) Stakeholders' Relationship Committee (SRC)**

### **Composition and Attendance**

Pursuant to the provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations, SRC of the Board has been constituted.

During the year under review, SRC has been re-constituted by inducting Shri Shekhar Bajaj, Chairman & Managing Director and Smt. Pooja Bajaj, NED. Further, Shri Ashok Jalan ceased to be a member of SRC consequent upon his cessation as a Director of the Company.

Effective April 1, 2019, this Committee comprises of three Directors viz. Dr. (Smt) Indu Shahani, ID, Shri Shekhar Bajaj, Chairman & Managing Director and Smt. Pooja Bajaj, NED.

Shri Mangesh Patil, Company Secretary has been designated as Compliance Officer of the Company.

During FY 2018-19, the Committee met once on March 28, 2019 and it was attended by the then existing members.

Shri Ashok Jalan, ex-Chairperson of SRC was present at the last AGM of the Company held on August 9, 2018.

### **Terms of reference**

On March 28, 2019, the Board approved the revised terms of reference of SRC. For operational convenience Share Allotment Committee was dissolved and the roles and responsibilities of the Share Allotment Committee were assigned to SRC.

The revised terms of reference of SRC are as under:

1. To resolve the grievances of the security holders of the Company including complaints related to transfer

/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.
5. Issue and allotment of equity and/or preference shares.
6. Issue of new share certificate on allotment.
7. Issue of duplicate / split / consolidated share certificates.
8. To settle any question, difficulty or doubts of the shareholders that may arise with regards to the issue and allotment of shares.
9. Reference to Board of Directors in case of any question, doubts or difficulty in respect of issue, allotment, transfer of shares and any shareholders grievances, if necessary.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The minutes of SRC meetings are circulated to and noted by the Board.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

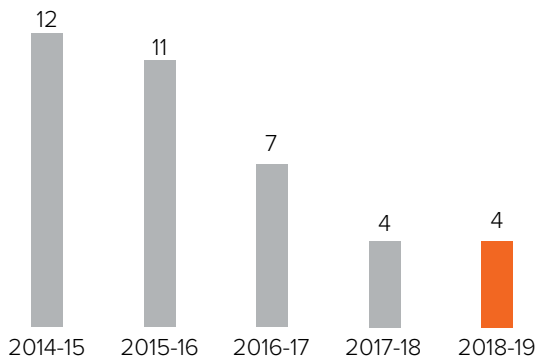
### Details of Shareholders' complaints received, resolved and pending

#### Complaints received, attended & resolved during FY 2018-19

Investors Complaints	No. of complaints
Pending at the beginning of the year	Nil
Received during the year	4
Disposed off during the year	3
Remaining unresolved at the end of the year	1*

\* As on the date of this Report, the said pending complaint also stands resolved.

#### Trend of shares related complaints during last 5 years: No. of complaints



## (D) Corporate Social Responsibility (CSR) Committee

### Composition and Attendance

The Company has always been mindful of its obligations towards the communities it impacts and has been pursuing various CSR activities long before it became mandatory by law. As required under the Act, a formal Committee of the Board was constituted in March, 2014 to oversee and give directions to the Company's CSR activities.

During the year under review, CSR Committee has been re-constituted by inducting Shri Siddharth Mehta as its member. Also during the year Shri Anant Bajaj ceased to be a member of the CSR Committee consequent upon his demise on August 10, 2018.

As on March 31, 2019, this Committee comprised of three Directors viz. Shri Shekhar Bajaj, as the Chairperson of the Committee and Dr. (Smt) Indu Shahani and Shri Siddharth Mehta, both IDs, as the members of the Committee.

During FY 2018-19, the Committee met once on March 28, 2019 and said meeting was attended by all the members.

### Terms of Reference

The Committee's responsibilities with regard to CSR matters include:

- formulation and recommendation to the Board CSR Policy and Programmes;
- oversee and implement CSR projects or programmes or activities;
- review of annual budgets with respect to CSR programmes;
- work with the management to establish and develop the Company's strategic framework and objectives with respect to CSR matters;
- receive reports from management on the Company's CSR programmes, including significant sustainable development and community relations;
- receive reports from the management on current and emerging issues and trends in the field of CSR, including a discussion on the potential impact thereof on the Company;
- receive reports from the management on the Company's CSR performance to assess the effectiveness of the CSR programmes;
- review the findings and recommendations from the auditors or by regulatory agencies or consultants concerning the Company's CSR matters; and
- review the Company's disclosure of CSR matters in the Board's Report.

The CSR Policy statement and the CSR Report forms part of the Directors' Report to the members of the Company.

## (E) Risk Management Committee

### Composition

Pursuant to Regulation 21 of the Listing Regulations, the Board of the Company, at its meeting held on March 28, 2019, constituted Risk Management Committee, to be effective from April 1, 2019, with the following as its members:

- Shri Shekhar Bajaj, Chairman & Managing Director
- Shri Anuj Poddar, Executive Director

3. Dr. (Smt) Indu Shahani, Independent Director
4. Shri Siddharth Mehta, Independent Director
5. Shri Anant Purandare, President & Chief Financial Officer
6. Shri Rishiraj Haldankar, Vice President & Head – Internal Audit

The Company Secretary acts as the convenor of the Committee.

The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company. During the year under review, no meeting was held of the said Committee.

#### Terms of Reference

The following are the responsibilities of the Committee. However, the Committee may diverge from these responsibilities and may assume such other responsibilities as it deems necessary or appropriate in carrying out its functions.

- a) To identify, assess, mitigate and monitor the existing as well as potential risks to the Company (including risks associated with cyber security and financial risk), to recommend the strategies to the Board to overcome them and review key leading indicators in this regard.
- b) to periodically review and approve the risk management framework including the risk management processes and practices of the Company.
- c) to evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
- d) To develop and implement action plans to mitigate the risks.
- e) to coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
- f) To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives.
- g) To review and periodically assess the Company's performance against the identified risks of the Company.

- h) to review and periodically reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- i) To regularly review and update the current list of material business risks.
- j) To make regular reports to the Board, including with respect to risk management and minimisation procedures.
- k) To perform such other activities related to risk management plan as requested by the Board or to address issues related to any significant, subject within its term of reference.

The role and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.

The performance of the Committee shall be reviewed by the Board periodically.

## (F) Finance Committee

#### Composition & Attendance

The Finance Committee was reconstituted by the Board in its meeting held on March 28, 2019 with the following directors as its members, in view of the vacancy caused due to demise of Shri Anant Bajaj and Shri Ashok Jalan, having expressed his unwillingness to continue to serve on the Board of the Company after the expiry of his first term of 5 years as an ID on March 31, 2019, being pre-occupied with various other activities and not being able to commit the time for the Company :

Sr.	Name of Director	Designation
1	Shri Shekhar Bajaj	Chairman & Managing Director
2	Dr. Rajendra Prasad Singh	Independent Director
3.	Smt Pooja Bajaj	Non-Executive Director

The Company Secretary acts as the Convenor of the Committee.

During FY 2018-19, the Committee met once on May 9, 2018 to deliberate on various matters referred above and the said meeting was attended by all the then members of the Committee.

#### Terms of Reference

The roles & responsibilities of the Finance Committee are as under:

1. **Banking and Trading Arrangements :** The Committee shall have general oversight responsibility for the Company's treasury activities. In this connection, the Committee shall annually review the Company's principal commercial and investment banking relationships, including its banking and treasury authorisations, and material terms of the Company's credit facilities in light of the Company's operating strategy, risk exposures, financial policies and changes in applicable law or accounting requirements.

The Committee shall have the following powers / authorities in connection with banking transactions:

- (i) Borrowings – Secured and/or unsecured short term or long term loans / facilities upto a sum not exceeding ₹500 crore between any two meetings of the Board of Directors and (i) to negotiate and finalise the terms & conditions including the rate of interest of loan(s) / facility(ies); (ii) to offer such securities as it may consider necessary in respect of the secured borrowings; and (iii) to discuss, settle and execute the document(s) as may be necessary for availing any loan / facility granted / to be granted by any bank(s) / financial institution(s) under the Common Seal of the Company in terms of Articles of Association of the Company and do all such things that may be necessary for the purposes of giving effect to the matters delegated.
  - (ii) Availing of any bill discounting and/or any other financial facilities from any other bank(s) / financial institution(s), etc.
  - (iii) Opening of bank accounts and delegation of authority to the officers of the Company for operation of the various bank accounts;
2. **Insurance Coverage :** The Committee shall annually review the Company's insurance program, including the credit quality of its insurers and re-insurers, the scope and limitations of coverage.
3. **Acquisitions and Divestitures :** The Committee may review the financial terms of material acquisitions or other equity investments and divestitures of any material operations of the Company that will be submitted to the Board of Directors for approval under the Company's Corporate Governance Policy regarding authorisations. The Committee may also approve the financial terms of transactions that have been approved in-principle by the Board of Directors, if delegated to do so by the Board.

4. **Delegation :** When appropriate, as permitted under applicable law and SEBI Listing Regulations, the Board or the Committee may delegate any of its responsibilities to a sub-committee comprised of one or more members of the Board, the Committee, or members of management.
5. **Other Duties :** The Committee shall also carry out such other duties as may be delegated to it by the Board from time to time.

### (G) Share Allotment Committee for Allotment of Shares Under ESOP

The Share Allotment Committee was constituted to expedite the process of allotment and issue of shares to the eligible employees of the Company upon their exercise stock options granted under ESOP.

During the year under review, due to demise of Shri. Anant Bajaj on August 10, 2018, Share Allotment Committee was re-constituted on November 1, 2018 comprising of three Directors viz. Shri Shekhar Bajaj as its Chairperson, Shri Ashok Jalan and Smt. Pooja Bajaj as its members.

The Company Secretary acts as the convenor of the Committee.

During FY 2018-19, the Committee met four times i.e. on: June 15, 2018, August 30, 2018, November 26, 2018, and February 7, 2019.

#### Attendance of members of the Committee at the meetings held during FY 2018-19

Director	No. of meetings attended
Shekhar Bajaj	4
Anant Bajaj <sup>1</sup>	1
Ashok Jalan	4
Pooja Bajaj <sup>2</sup>	2

#### Notes:

1. Shri Anant Bajaj, Managing Director ceased to be a director on demise on August 10, 2018.
2. Inducted as a member of the Share Allotment Committee w.e.f. November 1, 2018.

Pursuant to the Board Resolution dated March 28, 2019, the Share Allotment Committee has been dissolved effective April 1, 2019 and its authorities and responsibilities have been delegated to Stakeholders' Relationship Committee.



## (H) Debenture Committee

The Debenture Committee has been constituted for the purpose of allotment of Non-Convertible Debentures (NCDs) to its subscribers / allottees with the composition of Shri Shekhar Bajaj, as the Chairman of the Committee and Shri Anuj Poddar, Executive Director and Shri Siddharth Mehta, Director of the Company as its members.

The Company Secretary of the Company acts as the convener of the Committee. Axis Trustee Services Limited is the Debenture Trustee for the Debenture holders. The details of the Debenture trustee forms part of this report.

The Committee meeting was held on February 21, 2019, which was attended by Shri Shekhar Bajaj, Chairman of the Committee and Shri. Siddharth Mehta, member of the Committee. Leave of absence was granted to Shri Anuj Poddar.

## (I) Separate meeting of Independent Directors

During the year under review, IDs met on March 28, 2019, inter alia, to:

- Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and NEDs;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the IDs were present at this Meeting.

## Subsidiary Companies

The Company has a Policy for determining Material Subsidiaries, which is in line with the Listing Regulations as amended, and the same has been uploaded on the website of the Company viz. [www.bajajelectricals.com](http://www.bajajelectricals.com). There is no material subsidiary of the Company and hence requirements relating to composition of Board of Directors of unlisted material subsidiary do not apply to the Company.

## Affirmations and Disclosures:

### a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations.

### b. Related Party Transactions

All transactions entered into with the related parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the financial statements in accordance with "IND AS". A statement of transactions entered into with the related parties in the ordinary course of business and at arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for its approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with related party transactions. The Policy is available on the website of the Company: [www.bajajelectricals.com](http://www.bajajelectricals.com).

All the transactions are carried out on an arm's length or fair value basis and have no potential conflict with the interest of the Company at large.

### c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three financial years

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines. Consequently, there were no strictures or penalties imposed either by SEBI or Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

### d. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company

has formulated Whistle Blower Policy to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website: www.bajajelectricals.com.

#### e. Disclosure of Accounting Treatment

In preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

#### f. Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

#### g. Commodity price risk and hedging activities

The Company has adequate risk assessment and minimisation system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

#### h. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The details of Non-Convertible Debentures issued during the year under private placement basis are given in the Directors' Report.

#### i. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

The certificate of Company Secretary in practice is annexed herewith as a part of the report.

#### j. Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year. Not Applicable

#### k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.

Details relating to fees paid to the statutory auditors are given in Note 30(a) to the standalone financial statements.

#### l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 is given in the Directors' Report.

#### m. Non-mandatory requirements

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

### Risk Management Framework

Please refer to Para 'Risk Management' of the Directors' Report which forms part of this Annual Report.

### Details of Adoption of Non-Mandatory (Discretionary) Requirements

The status of compliance with the non-mandatory requirements under Regulation 27 of the Listing Regulations are as under:

- **The Board**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

- **Shareholders rights**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

- **Modified opinion(s) in audit report**

There is no modified opinion in the audit report.

reports to the Audit Committee. Internal audit reports submitted on quarterly basis are reviewed by the Audit Committee and suggestion / directions, if any, are given for necessary action.

- **Reporting of Internal Auditor**

In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who

## The Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2)

<b>Sr. No.</b>	<b>Particulars</b>	<b>Regulations</b>	<b>Brief Descriptions of the Regulations</b>	<b>Compliance Status (Yes/No/N.A.)</b>
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees / Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2.	Audit Committee	18(1)	Composition of Audit Committee & presence of the Chairman of the Audit Committee at the AGM	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of Audit Committee and review of information by Audit Committee	Yes
3.	Nomination and Remuneration Committee (NRC)	19(1) & (2)	Composition of NRC	Yes
		19(3)	Presence of the Chairman of NRC at the AGM	Yes
		19(4)	Role of NRC	Yes
4.	Stakeholders Relationship Committee (SRC)	20(1), (2) & (3)	Composition of SRC	Yes
		20(4)	Role of SRC	Yes
5.	Risk Management Committee (RMC)	21(1),(2) &(3)	Composition of RMC	Yes
		21(4)	Role of RMC	Yes
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7.	Related Party Transaction (RPT)	23(1),(5),(6),(7) &(8)	Policy for RPT	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all RPTs and review of transaction by Audit Committee	Yes
		23(4)	Approval for Material RPTs	N.A.
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	N.A.

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
9.	Obligations with respect to IDs	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of IDs	Yes
		25(4)	Review of Performance by the IDs	Yes
		25(7)	Familiarisation of IDs	Yes
10.	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to Code of Conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by NEDs	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of IDs	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to NEDs	Yes
		46(2)(g)	Policy on dealing with RPTs	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
46(2)(i)	Details of familiarisation programmes imparted to IDs	Yes		

## Shareholder Information

### Details of last three AGMs held

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
77th	2015-16	Thursday, August 4, 2016 at 11.00 AM	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Mumbai 400 020	Nil
78th	2016-17	Thursday, August 3, 2017 at 11.30 AM	IMC Marg, Churchgate, Mumbai 400 020	<ul style="list-style-type: none"> <li>- Ratification of Remuneration payable to Cost Auditors</li> <li>- Issue of Redeemable Non-Convertible Debentures on private placement basis.</li> </ul>
79th	2017-18	Thursday, August 9, 2018 at 12.00 PM	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021	<ul style="list-style-type: none"> <li>- Ratification of Remuneration payable to Cost Auditors</li> <li>- Borrowing by way of Issue of Securities</li> <li>- Promotion and re-designation of Shri Anant Bajaj as the Managing Director of the Company;</li> <li>- Maintenance of Statutory Registers at a place other than the Registered Office of the Company; and</li> <li>- Adoption of new set of Articles of Association of the Company in conformity with the Companies Act, 2013.</li> </ul>

## General Body Meetings

During the year under review, meetings of the equity shareholders, secured creditors and unsecured creditors of the Company were convened and held, as under, as per the directions of Hon'ble National Company Law Tribunal, Mumbai Bench, to consider and approve the Scheme of Arrangement between Hind Lamps Limited and the Company and their respective shareholders and creditors :

Type of Meeting	Date	Time	Venue
Equity Shareholders	Thursday, February 21, 2019	10.30 AM	Walchand Hirachand Hall, 4th Floor, Indian Merchants
Secured Creditors	Thursday, February 21, 2019	03.30 PM	Chamber, IMC Marg, Churchgate, Mumbai 400020,
Unsecured Creditors	Friday, February 22, 2019	10.30 AM	Maharashtra
Adjourned Secured Creditors	Tuesday, March 19, 2019	04.30 PM	Mulla House, 51 M.G. Road, Fort, Mumbai - 400001, Maharashtra

## Postal Ballot

During the year under review, one postal ballot was conducted by the Company as per provisions of Section 110 of the Act. Shri Anant B. Khamankar, Practicing Company Secretary was appointed as Scrutinizer for conducting postal ballot in a fair and transparent manner. The voting was conducted through physical mode as well as electronic mode. The Company had engaged the services of Link Intime India Private Limited (LIPL) to provide e-voting facility to its Members. The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out. The following Resolutions are deemed to have been passed on the last date of e-voting and receipt of Postal Ballot forms i.e. on Tuesday, March 26, 2019. The aforesaid voting results along with the Scrutinizer's Report were displayed at the Registered Office and Corporate Office of the Company and on the website of the Company: [www.bajajelectricals.com](http://www.bajajelectricals.com) and LIPL: <https://instavote.linkintime.co.in>.

All the Resolutions were approved with the requisite majority. The details of results of Postal Ballot are as under:

Particulars	No of Votes received	No and (%) of votes in favour	No. and (%) of votes against
<b>Special Resolution:</b> Re-appointment of Shri Harsh Vardhan Goenka as an ID for the second consecutive term of five (5) years on the Board of the Company i.e. from April 1, 2019 to March 31, 2024	71623309	69892782 (97.58%)	1730527 (2.42%)
<b>Special Resolution:</b> Re-appointment of Dr. (Smt.) Indu Shahani as an ID for the second consecutive term of five (5) years on the Board of the Company i.e. from April 1, 2019 to March 31, 2024.	71622887	69920349 (97.62%)	1702538 (2.38%)
<b>Special Resolution:</b> Re-appointment of Dr. Rajendra Prasad Singh as an ID for the second consecutive term of five (5) years on the Board of the Company i.e. from April 1, 2019 to March 31, 2024 as well as to continue to hold the position of Non-Executive ID beyond 75 years of age.	71622896	70116322 (97.90%)	1506574 (2.10%)
<b>Special Resolution:</b> Approval for giving loan or guarantee or providing security in connection with loan availed by any of Company's subsidiary or other person specified under Section 185 of the Companies Act, 2013.	71591744	66631196 (93.07%)	4960548 (6.93%)

Further, none of the businesses proposed to be transacted in the ensuing 80th AGM require passing a special resolution through postal ballot.

**AGM for FY 2018-19**

<b>Day and date</b>	Wednesday, August 7, 2019
<b>Time</b>	12.30 P.M.
<b>Venue</b>	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021
<b>Financial year</b>	April 1, 2018 to March 31, 2019
<b>Book closure dates for dividend</b>	Saturday, July 27, 2019 to Wednesday, August 7, 2019
<b>Last date of receipt of proxy forms</b>	Monday, August 5, 2019 before 12.30 P.M.

**Tentative calendar for financial year ending March 31, 2020**

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

<b>Sr.</b>	<b>Particulars of Quarter</b>	<b>Tentative dates</b>
1.	Q1 Results	2nd Week of August 2019
2.	Q2 and Half Yearly Results	2nd Week of November 2019
3.	Q3 Results	2nd Week of February 2020
4.	Q4 and Annual Results	4th Week of May 2020

**Dividend**

The Board of Directors at their Meeting held on May 22, 2019, has recommended dividend payout, subject to approval of the shareholders at the ensuing AGM, of ₹3.50 per share, on equity shares of the Company for FY 2018-19. The dividend shall be paid to the members whose names appear on Company's Register of Members on July 26, 2019 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on July 26, 2019 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose. The dividend, if declared at the AGM, shall be paid on or after August 14, 2019.

**Dividend Distribution Policy**

The Company has adopted Dividend Distribution Policy in terms of the requirements of the Listing Regulations and the same is annexed with this Annual Report and is also available on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

**Dividend history for the last 10 Financial Years**

Table below gives the history of dividend declared and paid by the Company in the last 10 financial years:

<b>Sr.</b>	<b>Financial Year</b>	<b>Date of declaration of Dividend</b>	<b>Dividend Per Share</b>
1.	2008-09	July 30, 2009	₹10.00
2.	2009-10	July 28, 2010	₹2.40
3.	2010-11	July 28, 2011	₹2.80
4.	2011-12	July 26, 2012	₹2.80
5.	2012-13	August 6, 2013	₹2.00
6.	2013-14	July 31, 2014	₹1.50
7.	2014-15	August 6, 2015	₹1.50
8.	2015-16	March 10, 2016	₹2.80
9.	2016-17	August 3, 2017	₹2.80
10.	2017-18	August 9, 2018	₹3.50

### Unclaimed Dividend / Shares

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund ('IEPF'), a fund established under sub-section (1) of Section 125 of the Act. The details of unclaimed / unpaid dividend are available on the website of the Company: [www.bajajelectricals.com](http://www.bajajelectricals.com).

### Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid / unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Act read with rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the demat account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due for transfer. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the demat account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules.

The Company is in the process of sending out individual communication to the concerned members whose shares are liable to be transferred to IEPFA on August 25, 2019 (Due Date), to take immediate action in the matter. As required under the IEPF Rules, the Company shall also publish a Notice informing the members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

The shareholders, in their own interest, should claim the dividends regularly as and when declared by the Company.

### Details of Unclaimed Dividend as on March 31, 2019 and due dates for their transfer:

<b>Sr.</b>	<b>Financial Year</b>	<b>Date of declaration of Dividend</b>	<b>Unclaimed Amount (₹)</b>	<b>Due Date for transfer to IEPF Account</b>
1.	2011-12	July 26, 2012	11,79,497.20	August 25, 2019
2.	2012-13	August 6, 2013	8,26,994.00	September 5, 2020
3.	2013-14	July 31, 2014	8,73,085.50	August 30, 2021
4.	2014-15	August 6, 2015	9,64,363.50	September 5, 2022
5.	2015-16	March 10, 2016	18,26,798.40	April 9, 2023
6.	2016-17	August 3, 2017	17,28,669.60	September 1, 2024
7.	2017-18	August 9, 2018	20,81,471.00	September 7, 2025

### Unclaimed Shares

The Company does not have any unclaimed shares lying with it from any public issue. However certain shares resulting out of the bonus shares issued by the Company are unclaimed by the shareholders. As required under Regulation 39(4) of the Listing Regulations, the reminders are being sent by the Company to the concerned shareholders to claim these shares and is in a process of depositing these shares in the Suspense Account.



Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows:

Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
NIL	NIL	NIL	NIL	NIL

All corporate benefits on such shares viz. bonus shares, etc. shall be transferred in accordance with the provisions of Section 124(6) of the Act read with IEPF Rules. The eligible shareholders are requested to note the same and take action for claiming the shares from the said account by submitting necessary documents.

### Distribution of Shareholding as on March 31, 2019

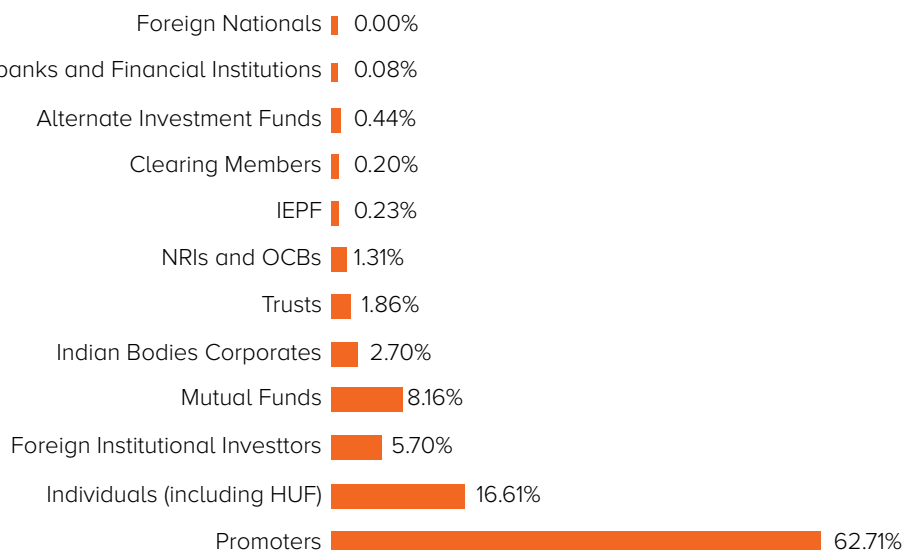
No. of equity shares	No. of shareholders	% of shareholders	No. of shares held	% of Shareholding
1 to 500	38901	88.72	3832154	3.74
501 to 1000	2153	4.91	1614736	1.58
1001 to 2000	1136	2.59	1660721	1.62
2001 to 3000	542	1.24	1353403	1.32
3001 to 4000	254	0.58	897675	0.88
4001 to 5000	184	0.42	851076	0.83
5001 to 10000	308	0.70	2258391	2.21
10001 and above	368	0.84	89931445	87.82
<b>Grand Total</b>	<b>43846</b>	<b>100.00</b>	<b>102399601</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2019

Categories	March 31, 2019		March 31, 2018	
	No. of shares	% of total capital	No. of shares	% of total capital
Promoters	64218485	62.71	64218485	62.94
Individuals (including HUF)	17005889	16.61	15074132	14.77
FIs	5834717	5.70	9919647	9.72
Mutual Funds	8352294	8.16	5476013	5.37
Indian Bodies Corporates	2765185	2.70	3814257	3.74
Trusts	1903672	1.86	1896718	1.86
NRIs and OCBs	1339239	1.31	952943	0.93
IEPF	234016	0.23	225680	0.22
Clearing Members	206963	0.20	185307	0.18
Alternate Investment Funds	449405	0.44	180000	0.18
Banks and FIs	89691	0.08	51719	0.05
Foreign Nationals	45	0.00	42600	0.04
<b>Total</b>	<b>102399601</b>	<b>100.00</b>	<b>102037501</b>	<b>100.00</b>

## Distribution of shareholding according to size class as on March 31, 2019

### Shareholding as on March 31, 2019



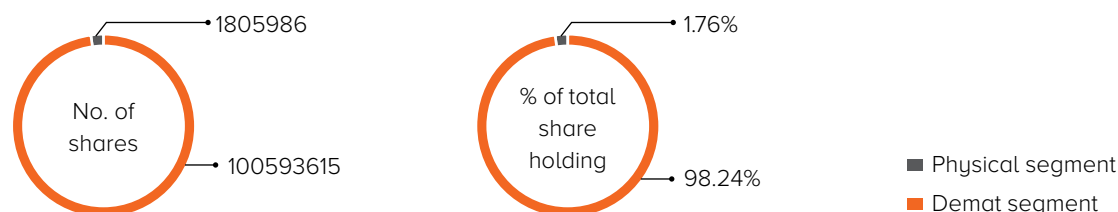
## Dematerialisation of Shares and Liquidity

98.23% of the equity shares of the Company have been dematerialised (NSDL 95.02 % and CDSL 3.21%) as on March 31, 2019. The Company has signed agreements with NSDL and CDSL whereby shareholders have an option to dematerialise their shares with either of the Depository.

Shares held in physical and electronic mode:

	Position as on March 31, 2019		Position as on March 31, 2018	
	No. of shares	% of total share holding	No. of shares	% of total share holding
<b>Physical (A)</b>	<b>1805986</b>	<b>1.76</b>	<b>2083656</b>	<b>2.04</b>
<b>Demat</b>				
NSDL	97309327	95.03	97124680	95.19
CDSL	3284288	3.21	2829165	2.77
<b>Total Demat (B)</b>	<b>100593615</b>	<b>98.24</b>	<b>99953845</b>	<b>97.96</b>
<b>Total (A) + (B)</b>	<b>102399601</b>	<b>100.00</b>	<b>102037501</b>	<b>100.00</b>

## Mode of shareholding as on March 31, 2019



Dematerialisation of Shares – Process

Shareholders who continue to hold shares in physical form are requested to dematerialise their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialised is given hereunder:

- a) Demat account should be opened with a Depository Participant (DP).
- b) Shareholders should submit the Dematerialisation Request Form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialisation Request Number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agent (RTA), which is Link Intime India Private Limited.
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP

### Consolidation of Folios and Avoidance of Multiple Mailing

To enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the RTA indicating their folio numbers to be consolidated along with the original shares certificates.

### Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and report thereof is submitted to NSE and BSE, where the Company's shares are listed. The audit confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

### Compliance with Secretarial Standards

The Company has complied with the Secretarial Standards on various aspects of corporate law and practices issued by The Institute of Company Secretaries of India.

### Compliance Certificate of the Auditors

Certificate from the Company's Auditors, Messrs S R B C & Co. LLP confirming compliance with conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations, is attached to this Report.

### NCD holders of the Company as on March 31, 2019

Sr. No.	Name of the Debenture holders	No. of NCDs held of face value of ₹10,00,000/- each	Coupon Rate	ISIN
1.	HDFC Credit Risk Debt Fund	350	Zero coupon with yield to maturity of 11% p. a.	INE193E08038
2.	HDFC Credit Risk Debt Fund	750		INE193E08020
3.	HDFC Credit Risk Debt Fund	750		INE193E08012

**Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity:** Not Applicable

**The Company's Share / GDRs are Listed on the following Stock Exchanges and the Listing Fees have been paid to the Stock Exchanges:**

Stock Exchange	Stock Code
BSE Limited (BSE) P.J. Towers, Dalal Street, Mumbai – 400 001	500031
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BAJAJELEC

Un-secured Redeemable Non-Convertible Debentures (NCDs) of face value of ₹10,00,000/- each are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited:

Series	Coupon Rate %	ISIN	Principal Amount (₹ in Crore)	Date of Maturity	Debenture Trustee	Credit Rating
A	NCDs with zero coupon	INE193E08038	35	February 19, 2021	Axis Trustee Services Limited	[ICRA] A+
B	at a yield to maturity of	INE193E08020	75	August 20, 2021		
C	11% p.a	INE193E08012	75	February 18, 2022		

**Contact details of Debenture Trustee:** Axis Trustee Services Limited, 2nd Floor 'E', Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Tel. No.: 022-2425 5215/5216, Fax: 022-2425 4200. Email: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com) Website: [www.axistrustee.com](http://www.axistrustee.com).

**Share Price Data**

Monthly high and low prices and trading volumes of the Company's equity shares at BSE and NSE during FY 2018-19:

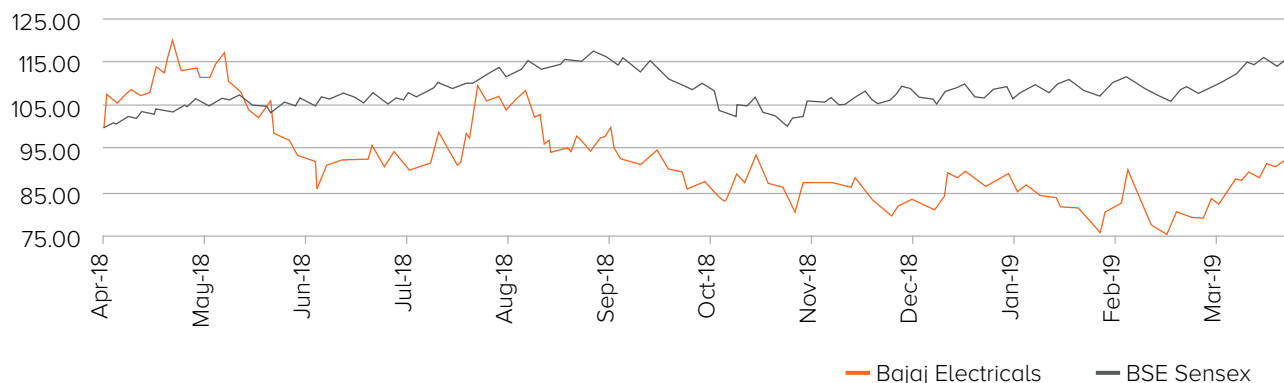
Month	BSE			NSE		
	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)	No. of shares traded
Apr 2018	706.35	569.00	1792065	705.80	565.10	208824772
May 2018	675.45	524.55	1176584	676.20	524.30	13142046
Jun 2018	559.90	461.15	1046889	554.00	515.00	11702878
Jul 2018	658.70	510.25	1630853	657.40	515.00	18834456
Aug 2018	646.00	539.00	1169955	648.00	537.05	12815995
Sep 2018	576.00	480.20	506375	576.40	478.65	4864015
Oct 2018	542.60	454.00	344231	544.00	451.95	4731894
Nov 2018	527.00	451.00	993129	523.00	450.50	6290020
Dec 2018	525.40	450.00	408802	526.50	452.00	4016774
Jan 2019	521.00	417.90	365520	521.40	416.35	2980773
Feb 2019	524.65	379.00	621412	524.80	424.20	6691480
Mar 2019	572.00	448.00	857334	571.80	449.15	6092808

(Source: BSE and NSE Websites)

Performance in comparison to BSE Sensex, NSE Nifty and BSE 500 Index

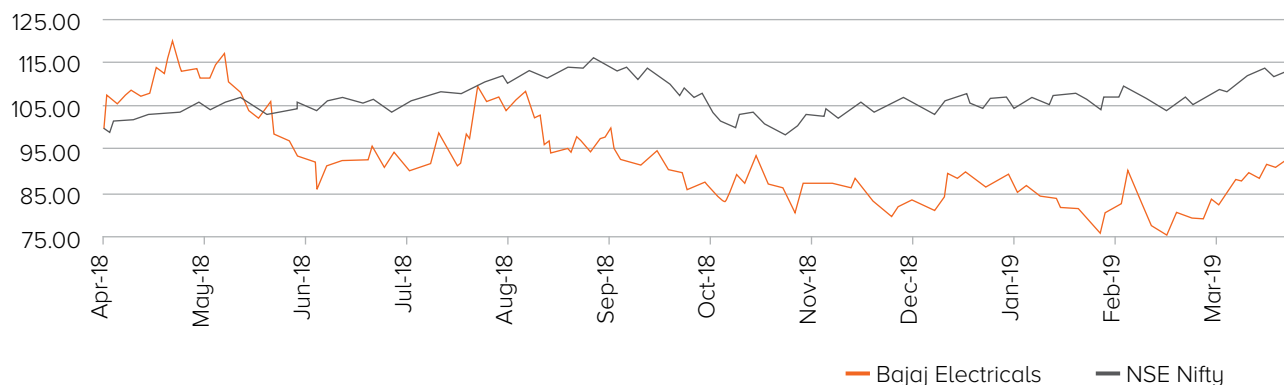
Month	The Company's Closing Price on NSE on the last trading day of month (₹)	BSE Sensex at the Close of last trading day of the month (₹)	NSE Nifty at the Close of last trading day of the month (₹)	BSE 500 Index at the Close of last trading day of the month (₹)
Apr 2018	654.85	29,918.40	656.15	12,979.20
May 2018	532.05	31,145.80	533.60	13,199.20
Jun 2018	544.05	30,921.61	543.60	13,178.50
Jul 2018	613.00	32,514.94	612.45	13,897.20
Aug 2018	564.45	31,730.49	566.70	13,762.10
Sep 2018	499.95	31,283.72	502.55	13,610.70
Oct 2018	486.50	33,213.13	484.60	14,485.60
Nov 2018	471.90	33,149.35	472.85	14,493.60
Dec 2018	503.70	34,056.83	504.50	15,002.70
Jan 2019	462.25	35,965.02	458.20	15,347.20
Feb 2019	452.20	34,184.04	453.00	14,670.50
Mar 2019	558.85	32,968.68	558.10	14,125.50

#### The Company's Share Price Performance versus BSE Sensex:



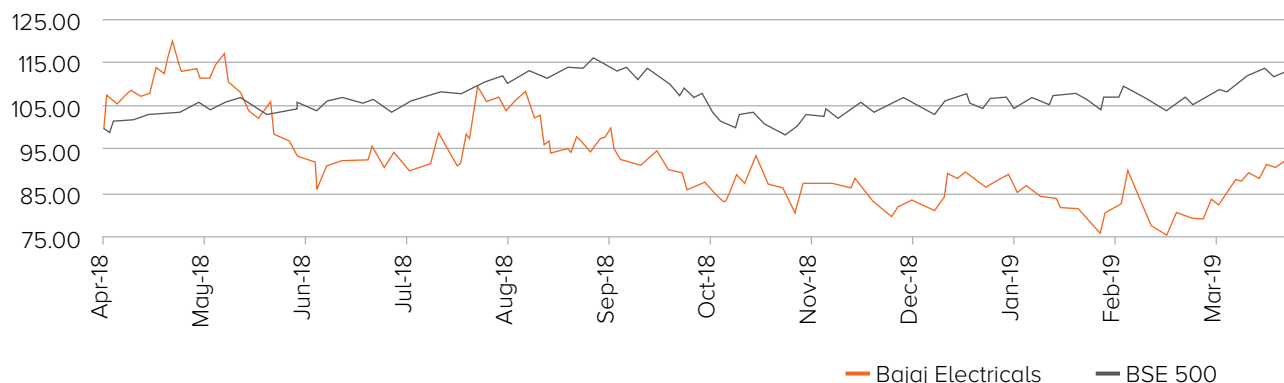
Note: Share price of the Company and BSE Sensex have been indexed to 100 on April 1, 2018.

#### The Company's Share Price Performance versus NSE Nifty:



Note: Share price of the Company and NSE Nifty have been indexed to 100 on April 1, 2018.

## The Company's Share Price Performance versus BSE 500:



Note: Share price of the Company and BSE 500 have been indexed to 100 on April 1, 2018.

## Means of Communication to Shareholders

- (i) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- (ii) The approved financial results are sent to the Stock Exchanges forthwith and published in 'Free Press Journal' (English newspaper) and 'Navshakti' (local language Marathi newspaper), within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- (iii) The Company's financial results and official press releases are displayed on the Company's Website- [www.bajajelectricals.com](http://www.bajajelectricals.com).
- (iv) Any presentations made to the institutional investors or/ and analysts are also posted on the Company's website.
- (v) Management Discussion and Analysis report forms part of the Annual Report, which is sent to the shareholders of the Company.
- (vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.
- (vii) A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly / half yearly results and other relevant information of interest to the investors / public.
- (viii) SEBI processes investor complaints in a centralised web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company uploads the action taken report on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.
- (ix) The Company has designated the email id: [legal@bajajelectricals.com](mailto:legal@bajajelectricals.com) for investor relation, and the same is prominently displayed on the Company's website [www.bajajelectricals.com](http://www.bajajelectricals.com)

## Share Transfer System

The transfer of shares in physical form is processed and completed by RTA within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of share transfer and a certificate to that effect is issued.

## Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the

registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the RTA.

### Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through ECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will

be issued to the members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

### Service of documents through electronic mode

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to RTA on their e-mail id: [rnt\\_helpdesk@linkintime.co.in](mailto:rnt_helpdesk@linkintime.co.in).

**Address for Correspondence:** All Shareholders' correspondence should be forwarded to RTA or to the Company at their following respective addresses:

Link Intime India Private Limited  
C101, 247 Park, L B S Marg,  
Vikhroli (West),  
Mumbai 400 083.  
Tel.No.: 022-4918 6000  
Fax No.: 022-4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.com](http://www.linkintime.com)

Mangesh Patil, Compliance Officer  
Legal & Secretarial Department  
Bajaj Electricals Limited  
45/47, Veer Nariman Road,  
Mumbai 400 001  
Tel.No.: 022-6110 7800 / 6149 7000  
E-mail: [legal@bajajelectricals.com](mailto:legal@bajajelectricals.com)  
Website: [www.bajajelectricals.com](http://www.bajajelectricals.com)

### Factories/Plants Location:

#### Chakan Unit

Village Mahalunge,  
Chakan,  
Chakan Talegaon Road,  
Tal: Khed, Dist: Pune,  
Maharashtra – 410 501

#### Ranjangaon Unit

MIDC – Ranjangaon  
Village : Dhoksanghavi  
Tal: Shirur, Dist: Pune  
Maharashtra – 412 210

#### Wind Farm

Village Vankusawade  
Tal: Patan  
Dist: Satara  
Maharashtra – 415 206



## Declarations

### Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Bajaj Electricals Limited Code of Business Conduct and Ethics for the year ended March 31, 2019.

For Bajaj Electricals Limited

Mumbai  
May 22, 2019

**Shekhar Bajaj**  
Chairman & Managing Director

---

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015]

To,  
The Members,  
BAJAJ ELECTRICALS LIMITED  
45/47, Veer Nariman Road,  
Mumbai – 400001

Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby certify that none of the Directors on the Board of Bajaj Electricals Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

For Anant B Khamankar & Co.  
Company Secretaries

**Anant B. Khamankar**  
Membership No.: 3198  
C P No.: 1860

Date: May 21, 2019  
Place: Mumbai

## CEO/ CFO Compliance Certificate

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Bajaj Electricals Limited (the "Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2019 and to the best of our knowledge and belief, we state that:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the said period, which are fraudulent, illegal or violative of the Company's Code of Business Conduct & Ethics.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies, in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Auditors and Audit Committee:
  - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarise and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
  - b. Any significant changes in internal controls during the said period covered by this report;
  - c. Any significant changes in accounting policies during the said period, if any, and the same have been disclosed in the notes to the financial statements; and
  - d. Any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.
- (e) We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
- (f) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Business Conduct & Ethics for the said period covered by this report.

Mumbai, dated May 22, 2019

**Shekhar Bajaj**  
Chairman & Managing Director(CEO)

**Anant M. Purandare**  
President & CFO

# Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of  
Bajaj Electricals Limited  
45/47, Veer Nariman Road,  
Mumbai, Maharashtra, India

1. The Corporate Governance Report prepared by Bajaj Electricals Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the stock exchange and to be sent to the Shareholders of the Company.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

## Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

## Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
  5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Directors Register as on March 31, 2019 and verified that atleast one women director was on the Board during the year;
  - iv. Obtained and read the minutes of the following meetings held during April 1, 2018 to March 31, 2019:
    - (a) Board of Directors meeting;
    - (b) Audit Committee;
    - (c) Annual General meeting;
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Independent Directors meeting; and
    - (g) Corporate Social Responsibility committee;
  - v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
  - vi. Performed necessary inquiries with the

management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

8. Based on the procedures performed by us as referred to in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

### Other matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta  
Partner  
Membership Number: 105938

Place of Signature: Mumbai  
Date: May 22, 2019