

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 80th Annual Report of the Company, together with the audited financial statements for the financial year ended March 31, 2019. This Report states compliance as per the requirements of the Companies Act, 2013 (the "Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules & regulations as applicable to the Company.

Financial Results

The highlights of the Standalone Financial Results are as under:

(Amount: ₹ in crore, except for EPS)

Particulars	FY 2018-19	FY 2017-18
Revenue from Operations & Other Income	6,738.57	4,769.58
Gross Profit before Finance Cost and Depreciation	413.78	346.63
Less: Finance Cost	115.88	58.86
Less: Depreciation	38.46	33.94
Profit / (Loss) before Exceptional Items and Tax	259.44	253.83
Exceptional Items	-	(89.36)
Profit / (Loss) before Taxes	259.44	164.47
Less: Provision for Tax expenses	92.37	80.85
Profit / (Loss) after Tax	167.07	83.62
Less: Other Comprehensive Income	4.29	(4.08)
Add: Balance in Profit & Loss Account	194.45	140.92
Less: Dividend including Dividend Distribution Tax paid during the year	43.10	34.18
Balance available for appropriation	314.13	194.45
Amount transferred to General Reserves	-	-
Basic EPS (₹)	16.34	8.23
Diluted EPS (₹)	16.30	8.19

The highlights of the Consolidated Financial Results are as under:

(Amount: ₹ in crore, except for EPS)

Particulars	FY 2018-19	FY 2017-18
Revenue from Operations & Other Income	6,744.36	4,769.58
Profit / (Loss) before Exceptional Items and Tax	243.51	253.83
Exceptional Items	-	78.79
Profit / (Loss) before Taxes before share of Profit / (Loss)	243.51	175.04
Share of Profit / (Loss) of subsidiaries, associates & joint ventures	(2.39)	(10.56)
Profit / (Loss) before Taxes	241.12	164.48
Less: Provision for Tax expenses	87.55	80.85
Profit / (Loss) for the period	153.58	83.63
Basic EPS (₹)	15.02	8.23
Diluted EPS (₹)	14.98	8.19

The financial results of the Company are elaborated in the Management Discussion and Analysis Report.

Return on Net Worth, Return on Capital Employed and Earnings Per Share (EPS) for the last four years and for the year ended March 31, 2019, are given below:

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Return on Net Worth (%)	15.50	8.85	12.35	12.72	N.A.
Return on Capital Employed (%)	14.13	18.81	17.54	26.89	7.79
Basic EPS (after exceptional items) (₹)	16.34	8.23	10.65	9.48	(1.39)

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relate on the date of this report.

As at March 31, 2019, the gross property, plant and equipment, investment property and other intangible assets including leased assets, stood at ₹455.86 crore and the net property, plant and equipment, investment property and other intangible assets, including leased assets at ₹322.29 crore. Capital Expenditure during the year amounted to ₹54.60 crore (₹31.52 crore in the previous year).

During the year, your Company did not accept any public deposits under Chapter V of Act.

The Company's cash and cash equivalent as at March 31, 2019 was ₹11.20 crore. Your Company manages cash and cash flow processes assiduously, involving all parts of the business. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring. Foreign Exchange transactions are partly covered. There are no materially significant uncovered exchange rate risks in the context of Company's imports and exports. The Company accounts for mark-to-market gains or losses every quarter end in line with the requirements of Ind AS 21.

During the year under review, your Company transferred a sum of ₹46.25 crore to the Debenture Redemption Reserve (Previous Year: Nil). The Company has not transferred any amount to the general reserves from retained earnings during the current financial year.

Share Capital

The Paid-up Equity Share Capital as on March 31, 2019 was ₹20.48 crore. During the year under review, there was no public issue, rights issue, bonus issue, preferential issue, etc. made by the Company. The Company has not issued shares with differential voting rights. The increase in number

of shares is on account of issue of 362100 equity shares of ₹2 each to the employees upon their exercise of stock options. These shares were included, on weighted average basis, for the computation of EPS. Details of Directors' shareholding as on March 31, 2019, are mentioned in the Annexure to this Report in 'Form MGT-9'.

No disclosure is required under Section 67(3)(c) of the Act, in respect of voting rights not exercised directly by the employees of the Company, as the provisions of the said Section are not applicable.

The equity shares of the Company continue to remain listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The listing fees for financial year 2019-20 have been paid to both the stock exchanges.

Depository System

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2019, 98.24% of the Company's total paid up capital representing 100593615 shares are in dematerialised form. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail the facility of dematerialisation from either of the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

Dividend & Dividend Distribution Policy

Your Directors are pleased to recommend a dividend of 175% (₹3.50) on 102399601 equity shares of ₹2 each for financial year 2018-19. The amount of dividend and tax thereon aggregates to ₹43.21 crore (previous year ₹43.10 crore). The dividend on equity shares, subject to the approval of the Members at the Annual General Meeting ("AGM") to be held on August 7, 2019, will be paid on or after August 14, 2019 to the Members whose names appear in the Register of Members as of the close of business hours on July 26, 2019; in respect of shares held in

dematerialised form, it will be paid to Members whose names are furnished by Depositories, as beneficial owners as of the close of business hours on that date.

Shares that may be allotted on exercise of stock options granted under the Employee Stock Option Scheme before the book closure date for payment of dividend will rank pari-passu with the existing shares and be entitled to receive the dividend.

As per Regulation 43A of the Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or for retaining profits earned by the Company. This Policy can be accessed on the Company's website: www.bajajelectricals.com.

Issue of Debentures on Private Placement Basis

During the year under review, the Company issued 1850 Unsecured Listed Redeemable Non-Convertible Debentures

(NCDs) of ₹10,00,000/- each, aggregating to ₹185 crore, on private placement basis, in 3 options, Option A of 350 NCDs, Option B of 750 NCDs and Option C of 750 NCDs, which are listed on National Stock Exchange of India Limited (NSE) under ISIN 'INE193E08038', 'INE193E08020' and 'INE193E08012', respectively. Axis Trustee Services Limited is the Debenture Trustee for the Debentureholders, whose details are provided in the corporate governance section of the Annual Report. Further, pursuant to Regulation 53 of the Listing Regulations, disclosures in compliance with the Accounting Standard on "Related Party Disclosures" are given in the notes to the financial statements annexed to this Annual Report.

State of Company Affairs / Operations

Detailed information on the operations of the different business segments of the Company and details on the state-of-affairs of the Company are covered in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Credit Rating

The below table depicts Company's credit ratings profile in a nutshell:

Instrument	Rating Agency	Rating	Outlook
Commercial Paper (CP)	ICRA Limited	ICRA A1+ (pronounced ICRA A one plus)	-
Line of Credit (LOC)	ICRA Limited	Short Term Rating - [ICRA] A1+ (pronounced ICRA A one plus)	-
		Long Term Rating - [ICRA] A+ (pronounced ICRA A plus)	Negative
Non-Convertible Debenture	ICRA Limited	[ICRA] A+ (pronounced as ICRA A plus)	Negative

Related Party Transactions

In line with the requirements of the Act and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website: www.bajajelectricals.com. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions on a yearly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. Transactions entered into pursuant to omnibus approval are

verified by the Finance Department and a statement giving details of all related party transactions is placed before the Audit Committee and the Board for review and approval on a quarterly basis.

All transactions entered with related parties for the year under review were in ordinary course of business and at arm's length basis. No material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel, which may have a potential

conflict with the interest of the Company at large. All related party transactions are mentioned in the notes to the accounts.

Your Directors draw attention of the members to Note No. 38 to the standalone financial statements which sets out related party disclosure.

Particulars of Loans and Advances, Guarantees or Investments

Pursuant to Section 186 of the Act, the particulars of the loans given, investments made or guarantees given or security provided are given in the Notes to the financial statements forming part of this Report.

The details of loans and advances which are required to be disclosed in the Annual Report of the Company pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations are as under:

Name of the Company	Category	(Amount: ₹ in crore)	
		Balance as on March 31, 2019*	Maximum outstanding during the year*
Nirlep Appliances Private Limited	Subsidiary	16.00	16.00
Hind Lamps Limited	Associate	Nil	Nil
Starlite Lighting Limited	Joint Venture	2.80	2.80

* Excluding trade advances.

Significant and Material Orders Passed by The Regulators or Courts

There are no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its operations in the future.

Corporate Social Responsibility

The Company is having a Policy on Corporate Social Responsibility ("CSR") and constituted a CSR Committee as required under the Act for implementing various CSR activities. Composition of the Committee and other details are provided in Corporate Governance Report.

The Company has implemented various CSR projects directly and / or through implementing partners and the projects undertaken by the Company are in accordance with Schedule VII of the Act.

Detailed report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure A, forming part of this Report.

Business Responsibility Report

Regulation 34(2) of the Listing Regulations, inter-alia, provides that the Annual Report of the top 500 listed entities based on market capitalisation (calculated as on March 31 of every financial year), shall include a Business Responsibility Report ("BRR").

Your Company, being one of such top 500 listed entities, has included BRR, as part of the Annual Report, describing initiatives taken from an environmental, social and governance perspective.

As a green initiative, the BRR for financial year 2018-19 has been hosted on the website of the Company: www.bajaelectricals.com. Any member interested in obtaining a copy of BRR may write to the Company Secretary.

Corporate Governance

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

A certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

Extract of Annual Return

As per provisions of Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the extract of Annual

Return in the Form MGT-9 is given in Annexure B, forming part of this Report. The same is also available on the website of the Company: www.bajajelectricals.com.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report on the operations of the Company, as required under the listing requirements is provided in a separate section and forms an integral part of this Report.

Whistle Blower Policy & Vigil Mechanism

The Company has a Whistle Blower Policy to report genuine concerns or grievances and to provide adequate safeguards against victimisation of persons who may use such mechanism. The Whistle Blower Policy has been posted on the website of the Company: www.bajajelectricals.com.

Employees Stock Option Scheme

The Company implemented the Employees Stock Option Scheme ("ESOP Scheme") in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as a measure to reward and motivate employees as also to attract and retain talent. There has been no material change in the ESOP Scheme during the year under review and the ESOP Scheme is in compliance with SEBI SBEB Regulations.

During financial year 2018-19, 467500 stock options were granted to the eligible employees at the market price prevailing on NSE as on the date of their grant. Details of the shares issued under ESOP Scheme, as also the disclosures in compliance with SEBI SBEB Regulations is uploaded on the website of the Company www.bajajelectricals.com. No employee has been issued stock options, during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant. The issuance of equity shares pursuant to exercise of stock options does not affect the profit and loss account of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus taxes as applicable.

The certificate from the Auditors of the Company which certifies that the ESOP Scheme has been implemented in accordance with SEBI SBEB Regulations and the resolutions passed by the shareholders would be placed at the AGM for the inspection by the members.

Acquisition of Shareholding of Nirlep Appliances Private Limited

During the year, the Company entered into a Share Purchase and Shareholders Agreement ("SPSHA") with Nirlep Appliances Private Limited ("Nirlep") and its shareholders for the acquisition of entire shareholding of Nirlep in two tranches for a total cash consideration of ₹38.45 crore. In terms of SPSHA, during the year under review, the Company has, in tranche one acquired 79.85% of equity share capital of Nirlep for a cash consideration of ₹30.70 crore. Subsequent to this acquisition, Nirlep has become a subsidiary of the Company. The Company has a right to exercise call option and acquire the remaining equity shares for the balance consideration.

Nirlep, launched in 1968, is the pioneer of non-stick technology in India, and is today a brand that is synonymous with non-stick cookware. Apart from being the first company to launch non-stick coated cookware, Nirlep has many firsts to its credit such as first to export professional nonstick cookware to Europe, first to manufacture induction compatible nonstick cookware in India, and first to set up a fully automatic nonstick cookware manufacturing plant in India.

Nirlep acquisition will provide a portfolio of products which complements with the offerings of the Company and is a perfect synergic blend.

Subsidiary, Joint Venture and Associate

Details of subsidiary / associate / joint ventures companies of the Company:

Name of the Company	% of shareholding of the Company as on March 31, 2019	Status
Nirlep Appliances Private Limited ("Nirlep")	79.85	Subsidiary
Starlite Lighting Limited ("Starlite")	47.00	Joint Venture
Hind Lamps Limited ("Hind Lamps")	19.00	Associate

Performance of Subsidiary, Joint Venture and Associate

Nirlep : The gross revenue of Nirlep for financial year 2018-19 stood at ₹48.83 crore (Previous Year: ₹44.99 crore). Loss for the year was at ₹21.98 crore (Previous Year Loss: ₹8.85 crore).

Starlite: The gross revenue of Starlite for financial year 2018-19 stood at ₹139.46 crore (Previous Year: ₹162.29 crore). Loss for the year was at ₹97.52 crore (Previous Year Loss: ₹109.87 crore).

Hind Lamps: The gross revenue of Hind Lamps for financial year 2018-19 stood at ₹57.71 crore (Previous Year: ₹42.18 crore). Loss for the year was at ₹12.58 crore (Previous Year Loss: ₹9.17 crore).

The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website: www.bajajelectricals.com.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of financial statements of subsidiary, associate and joint venture companies in Form AOC 1 is attached herewith as Annexure C to this Report.

In accordance with the third proviso to Section 136(1) of the Act, the Annual Report of Company, containing therein its standalone and consolidated financial statements are available on the Company's website: www.bajajelectricals.com. Further, as per fourth proviso to the said Section, the annual accounts of the subsidiary, joint venture and associate of the Company are also available on the Company's website: www.bajajelectricals.com. Any shareholder who may be interested in obtaining a copy of the aforesaid documents may write to the Company Secretary at the Company's Registered Office. Further, the said documents will be available for examination by the shareholders of the Company at its Registered Office during all working days except Saturday, Sunday, Public Holidays and National Holidays, between 11.00 a.m. to 01.00 p.m.

Consolidated Financial Statements

The directors also present the audited consolidated financial statements incorporating the duly audited/unaudited financial statements of the subsidiary, associate and joint venture prepared in compliance with the Act, applicable Accounting Standards and the Listing Regulations and they form part of this Report.

Presentation of Financial Results

The financial results of the Company for the year ended March 31, 2019 have been disclosed as per Schedule III to the Act.

Scheme of Arrangement for Demerger of Manufacturing Business of Hind Lamps Limited into the Company

In the Scheme of Arrangement for demerger of manufacturing business of Hind Lamps Limited into the Company under Sections 230-232 and other applicable provisions of the Act ("Scheme"), filed by the Company with the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") under the Company Scheme Application No. 1027 of 2018, during the year, the Hon'ble NCLT vide its Order dated November 2, 2018 had directed to convene the meetings of equity shareholders, unsecured creditors and secured creditors of the Company to seek their approval to the Scheme. Accordingly, the meetings of the equity shareholders, unsecured creditors and secured creditors were held on February 21, 2019, February 22, 2019 and March 19, 2019, respectively, and in which the equity shareholders, unsecured creditors and secured creditors had given their approval to the Scheme. Subsequently, the Company has filed a Petition with the Hon'ble NCLT on March 28, 2019. The Scheme would be given effect on receipt of requisite approvals from the applicable statutory authorities.

Directors

With deep regret, we report the sad demise of our Managing Director, Shri Anant Bajaj, on August 10, 2018. He played crucial leadership roles in the Company through-out his 19 years career with the Company, including his tenure as director on the Board of the Company since February 2006. Your Directors would like to place on record their highest gratitude and appreciation for his guidance to the Board during his tenure as a director.

The Board of Directors, on recommendation of the Nomination and Remuneration Committee appointed Shri Anuj Poddar as an additional director in the whole-time employment of the Company designated as Executive Director for a period of five (5) years with effect from November 1, 2018. He was earlier appointed as an Independent Director of the Company for a term of five (5) years, effective May 30, 2016, with the approval of the shareholders at the Annual General Meeting held on August 4, 2016. In consideration of his appointment as an Executive Director, he resigned as an Independent Director of the Company.

In terms of Section 161 of the Act, Shri Anuj Poddar holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

Accordingly, approval of shareholders is also being sought for his appointment as an Executive Director for a period of five (5) years with effect from November 1, 2018, which the Board recommends. Brief profile of Shri Anuj Poddar has been given in the Notice convening the Annual General Meeting.

Smt. Pooja Bajaj was appointed as an Additional Director in the category of Non-Executive Director with effect from November 1, 2018 and holds office upto the date of the ensuing Annual General Meeting. The Board recommends her appointment as Non-Executive Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting. Brief profile of Smt. Pooja Bajaj has been given in the Notice convening the Annual General Meeting.

Shri Munish Khetrpal was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from November 1, 2018 and holds office upto the date of the ensuing Annual General Meeting. The Board recommends his appointment as Non-Executive Independent Director of the Company, not liable to retire by rotation, at the ensuing Annual General Meeting. Brief profile of Shri Munish Khetrpal has been given in the Notice convening the Annual General Meeting.

With the approval of the shareholders by a Special Resolution passed by postal ballot on March 26, 2019, Shri Harsh Vardhan Goenka, Dr. (Smt.) Indu Shahani and Dr. Rajendra Prasad Singh were re-appointed as Independent Directors w.e.f. April 1, 2019 for a second consecutive term of five years i.e. from April 1, 2019 to March 31, 2024.

Shri Ashok Jalan, an Independent Director, who had expressed his desire to 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, ceased to be a member of the Board of Directors of the Company on the expiry of his first term. He was a member of the Board for over 30 years, since his first appointment in January 1989. Your Directors would like to place on record their highest gratitude and appreciation for the seminal contribution made by Shri Ashok Jalan to the Board during his tenure as a director.

Shri Rajiv Bajaj was appointed by the Board as an Additional Director in the category of Non-Executive Director with effect from May 22, 2019 and holds office upto the date of the ensuing Annual General Meeting. The Board recommends his appointment as Non-Executive Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting. Brief profile of Shri Rajiv Bajaj has been given in the Notice convening the Annual General Meeting.

As on the date of this Report, the Company's Board comprises of ten (10) Directors, out of which, eight (8) are Non-Executive Directors (NEDs) including two (2) Woman Directors. NEDs represent 80% of the total strength. Further, out of the said eight (8) NEDs, five (5) are independent directors representing 50% of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and also with the provisions of the Act.

Director coming up for retirement by rotation

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Shri Madhur Bajaj, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the members of the Company at the forthcoming Annual General Meeting. Brief profile of Shri Madhur Bajaj has been given in the Notice convening the Annual General Meeting.

Independent Directors

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. All Independent Directors of the Company 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 Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company: www.bajajelectricals.com.

In compliance with the requirement of Listing Regulations, the Company has put in place a familiarisation programme for the independent directors to familiarise them with their role, rights and responsibility as directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. The details of familiarisation programme are explained in the Corporate Governance Report and the same are also available on the website of the Company: www.bajajelectricals.com.

Number of Meetings of The Board

The details of the number of meetings of the Board held during the financial year 2018-19 forms part of the Corporate

Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and Listing Regulations.

Key Managerial Personnel (KMP)

Pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Rules framed thereunder, the Board has designated Shri Shekhar Bajaj, Chairman & Managing Director, Shri Anant Purandare, President & Chief Financial Officer and Shri Mangesh Patil, EVP – Legal and Company Secretary and Compliance Officer, as KMPs of the Company. None of the KMPs of the Company has resigned during the year under review.

Committees of The Board

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Finance Committee
7. Debenture Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

The manner in which the evaluation was conducted by the Company has been explained in the Corporate Governance Report, which forms part of this Annual Report.

Nomination, Remuneration and Board Diversity Policy

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company: www.bajajelectricals.com.

Risk and Internal Controls Adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Based on the report of the Statutory Auditors, the internal financial controls with reference to the standalone financial statements were adequate and operating effectively.

Compliance with Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

Reporting of Fraud

There was no instance of fraud reported during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

Risk Management

The Company has formulated a risk management policy and has in place a mechanism to inform the Board about risk assessment and minimisation procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework. These are discussed in detail in the Management Discussion and Analysis Report forming part of this Report.

Auditors

Statutory Auditors

The Members at the 78th Annual General Meeting of the Company held on August 3, 2017, had appointed Messrs S R B C & Co. LLP, Chartered Accountants (ICAI Registration No.324982E/E300003) as the Statutory Auditor of the Company to hold office for a term of five years i.e. upto the conclusion of 83rd Annual General Meeting of the Company to be held in 2022, subject to ratification of their appointment by the shareholders, every year. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. The Company has received a certificate from Messrs S R B C & Co. LLP, confirming that they are not disqualified from continuing as Statutory Auditors of the Company.

The Report given by the Auditors on the financial statements is a part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Cost Auditors

Pursuant to Section 148 of the Act read with the Rules made thereunder, the cost audit records maintained by the Company in respect of its manufacturing activities are required to be audited. Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No.000010) carried out the cost audit for applicable businesses during the year. The Board of Directors have appointed Messrs R. Nanabhoy & Co., Cost Accountants as Cost Auditors for the financial year 2019-20. As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the members in the general meeting for their ratification. Accordingly, a resolution seeking members ratification for the remuneration payable to Messrs R. Nanabhoy & Co., Cost Accountants, is included at Item No. 10 of the Notice of the ensuing Annual General Meeting.

The particulars of the Cost Auditors and cost audit conducted by them for financial year 2017-18 are furnished below:

ICWA Membership No.	7464
Registration No. of Firm	000010
Address	Jer Mansion, 70, August Kranti Marg, Mumbai 400 036
Cost Audit Report	Financial year 2017-18
Due date of filing of Report	September 30, 2018
Actual date of filing of Report	September 7, 2018

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, the Company engaged the services of Messrs Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No. FCS 3198; CP No. 1860) to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2019. The Secretarial Audit Report in Form MR-3 is given in Annexure D, forming part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Transfer to Investor Education and Protection Fund (IEPF)

a) Transfer of Unpaid/Unclaimed Dividend to IEPF:

As required under Section 124 of the Act and in terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, unpaid / unclaimed dividend of ₹13,43,633/- pertaining to the financial year ended on March 31, 2011 were transferred during the year to the IEPF.

b) Transfer of shares to Investor Education and Protection Fund Authority (IEPFA):

As required under Section 124 of the Act, 8336 equity shares of face value of ₹2 each, in respect of which dividend was not claimed by the members for seven consecutive years or more, have been transferred by the Company to IEPFA during the year. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure E to this Report.

Human Resources and Industrial Relations

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. The Company considers people as its biggest assets and hence, has put in concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that it consistently develops inspiring, strong and credible leadership. Apart from continued investment in skill and leadership development of its people, this year your Company has also focused on employee engagement initiatives and drives aimed at increasing the culture of innovation & collaboration across all strata of the workforce. These are discussed in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

The relations with the employees of the Company have continued to remain cordial.

Environment, Health and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned compliances of environmental regulations and preservation of natural resources.

Protection of Women at Workplace

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. This has been widely disseminated. An Internal Complaint Committee (ICC) has

been set up in compliance with the said Act. There were no cases of sexual harassment complaints received by the Company in financial year 2018-19.

Particulars of Employees

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 80th Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure F and forms part of this Report.

Directors' Responsibility Statement

The Directors confirm that:

- a) in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Green Initiatives

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 80th Annual General Meeting of the Company is sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

Appreciation and Acknowledgement

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment, without which your Company's achievements would not have been possible.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavour to build and nurture strong links with the trade

based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests. Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

Annexures

The following annexures form part of this report:

- a) Annual Report on CSR Activities – Annexure A;
- b) Extract of Annual Return – Annexure B;
- c) Statement containing salient features of the financial statement of subsidiaries / associate / joint ventures companies – Annexure C;
- d) Secretarial Audit Report – Annexure D;
- e) Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo – Annexure E; and
- f) Disclosures with respect to the remuneration of Directors, KMPs and employees under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – Annexure F.

For and on behalf of the Board

Shekhar Bajaj

Chairman & Managing Director
DIN: 00089358

Anuj Poddar

Executive Director
DIN: 01908009

Anant Purandare

President & CFO

Mangesh Patil

EVP - Legal and Company Secretary
FCS No.: 4752

Mumbai
May 22, 2019

Annexure A to Directors' Report

Annual Report on Corporate Social Responsibilities (CSR) Activities

1. Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

At Bajaj Electricals, CSR encompasses not only what we do with our profits, but also how we make them. CSR is a very useful platform to engage in all key spheres of influence such as market place, workplace, supply chain and society.

The four pillars of CSR:

- **Sustainability** – To ensure that the long-term business goals are aligned with sustainable development without compromising on the economic, environmental and social factors.
- **Gender Diversity** – To have a high performing inclusive work culture and commitment to attract and retain capable talent maintaining gender sensitivity and balance.
- **Employee Volunteering** – To reach out to all employees and drive the volunteering programs of the Company through collective social responsibility and strong individual commitment.
- **Community Outreach Programs** – To ensure the communities where we operate should also benefit.

Priorities under Community Outreach Programs:

- a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to Swachh Bharat Kosh set-up by the central government for the promotion of sanitation and making available safe drinking water.
 - Promoting healthcare including preventive healthcare - continued support to Anti-Tobacco Program and campaign.
- b. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
 - Support technical and vocational programs to generate employment.
 - Support social enterprises to enhance livelihoods, to reach the last mile who can have access to quality products & services.
 - Nurturing and mentoring schools and working towards their betterment.
- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the central government for rejuvenation of river Ganga).
 - Initiatives such as solar projects, off grid lighting, tree plantation and waste management.
 - Initiatives to support education and awareness on protecting the environment.
- e. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
 - Initiatives such as promotion of traditional arts & crafts & encouraging young artists.
- f. Measures for the benefit of armed forces veterans, war widows and their dependents.
- g. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- h. Contribution to Prime Minister's National Relief Fund or any other fund set up by the central government for socio economic development and relief and welfare of the schedule castes, schedule tribes other backward classes, minorities and women.

- i. Contributions to technology incubators located within academic institutions which are approved by the central government.
- j. Rural development projects
- k. Slum area development

Core CSR Programs:

- (i) Green & Clean India
- (ii) Tobacco Control Program
- (iii) Shiksha Vikas – Bridge the Gap program
- (iv) Promotion of Art & Culture

CSR Policy of the Company has been posted on the website of the Company: www.bajajelectricals.com.

2. Composition of CSR Committee:

- a. Shri Shekhar Bajaj, Chairperson – Chairman & Managing Director

- b. Dr.(Smt.) Indu Shahani, Member – Independent Director; and
- c. Shri Siddharth Mehta, Member – Independent Director.

3. Average net profit of the Company for last three financial years: ₹22,421.89 lakh

4. Prescribed CSR expenditure (2% of the average net profit of the last three financial years):

The Company, during the financial year 2018-19, was required to spend ₹448.44 lakh towards CSR.

5. Details of CSR spent during the financial year:

- a. Total amount spent for the financial year: ₹239.84 lakh
- b. Amount unspent: ₹208.60 lakh

- c. Manner in which the amount spent during the financial year is detailed below:

(₹ in lakh)

Sr. No.	Name of implementation Agency	CSR project / activity identified	Sector in which the project is covered	Location of project / programme	Amount outlay / approved	Amount spent direct / overhead during the year	Cumulative expenditure upto the reporting period
1.	Direct Implementation In Partnership with: (i) Shri Chaitanya Seva Trust; (ii) Govardhan Eco Village (GEV); (iii) National Rural Research and Development Association (NARAD); and (iv) Green Yatra, Centre for Environmental Research and Education (CERE)	Green India - Tree Plantation	Ensuring environmental sustainability and promoting its education	PAN India	119.95	31.21 36.70	31.21 36.70
2.	NARAD			Maharashtra	11.50	0.50	11.10
3.	GEV			Maharashtra	42.70	21.35	21.35

(₹ in lakh)

Sr. No.	Name of implementation Agency	CSR project / activity identified	Sector in which the project is covered	Location of project / programme	Amount outlay / approved	Amount spent direct / overhead during the year	Cumulative expenditure upto the reporting period
4.	Stree Mukti Sangathana	Waste Management	Ensuring Environmental Sustainability and promoting its education	Maharashtra	21.12	2.11	21.12
5.	Direct Implementation			Maharashtra	10.89	6.34	10.89
6.	Seva Sahayog Foundation	Shiksha Vikas- School community Development project	Promotion of Education	Maharashtra, Bihar & Punjab	38.19	36.43	36.43
7.	Direct Implementation			Maharashtra & Punjab	10.00	4.37	4.37
8.	Prafulla Dahanukar Arts Foundation	Balanand Art Program	Promotion of Art & Culture	PAN India	17.1	0.83	17.1
9.	Bajaj Electricals Foundation (BEF)	Contribution to BEF	For different project such as Tree Plantation, Shiksha Vikas, Promotion of Art, Beach clean-up, Waste Management, Solar power, Research and Tobacco Control	(i) Ensuring environmental sustainability and promoting its education; (ii) Promotion of education; (iii) Promotion of Art & Culture; and (iv) Promoting preventive healthcare	101.62	100.00	100.00
Total						239.84	

6. Reasons for not spending 2% of the average net profit of the last three financial years:

- Few programs were in a pilot phase and new implementing partners were being identified;
- Each project is implemented phase wise and funds are released post completion of each phase; and
- Unspent amount, which is being carried forward to FY 2019-20, has already been committed to various projects under implementation.

7. Responsibility Statement by the CSR Committee: The implementation and monitoring of CSR activities is in Compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Mumbai
May 22, 2019

Shekhar Bajaj
Chairperson
DIN: 00089358

Dr.(Smt.) Indu Shahani
Member
DIN: 00112289

Siddharth Mehta
Member
DIN: 03072352

Annexure B to Directors' Report

Form No. MGT-9

Extract of Annual Return

As on the Financial Year ended March 31, 2019

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. Registration & Other Details

i	Corporate Identity Number (CIN)	L31500MH1938PLC009887
ii	Registration date	July 14, 1938
iii	Name of the Company	Bajaj Electricals Limited
iv	Category / Sub-category of the Company	Public Company Limited by Shares
v	Address of the registered office & contact details	45/47, Veer Nariman Road, Mumbai – 400 001 Tel.: (022) 6149 7000 E-mail: legal@bajajelectricals.com Website: www.bajajelectricals.com
vi	Whether a listed company	Yes (listed on BSE and NSE)
vii	Name, address & contact details of the Registrar & Share Transfer Agent	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Tel No: (022) 4918 6000; Fax: (022) 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.com

II. Principal Business Activities of the Company

Sr. No.	Name and description of main products/ services	National Industrial Classification Code of the product/service	% to total turnover of the Company
i.	Consumer Products	3562, 3630, 3640, 3641, 3642, 3643, 3648, 3649, 3680	41.07
ii.	Engineering, Procurement and Construction	3402, 3450, 3630, 3680	58.92

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the company	CIN or Global Location Number	Holding / Subsidiary / Associate	% of shares held	Applicable section
i	Nirlep Appliances Private Limited Gut no. 16, Naigavahan, Khandewadi Taluka Paithan, Paithan Road, Naigavahan, Aurangabad - 431 105	U27200MH1979PTC021470	Subsidiary	79.85	
ii	Starlite Lighting Limited 6, MIDC, Satpur, Trimbak Road, Nashik – 422 007	U31300MH1995PLC090213	Joint Venture	47.00	Sections 2(87), 2(6) and 2(27) of the Act
iii	Hind Lamps Limited Shikohabad, Firozabad, Uttar Pradesh - 283 141	U27302UP1951PLC002355	Associate	19.00	

IV. Shareholding Pattern (Equity Share Capital breakup as percentage to total Equity)

i. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a) Individual / HUF	21587678	-	21587678	21.16	21287678	-	21287678	20.79	(0.37)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	40954607	-	40954607	40.14	41254607	-	41254607	40.29	0.15
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Trust	1676200	-	1676200	1.64	1676200	-	1676200	1.64	-
Total shareholding of Indian Promoters (A1)	64218485	-	64218485	62.94	64218485	-	64218485	62.71	(0.22)*
2. Foreign									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of foreign Promoters (A2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A) = (A1) + (A2)	64218485	-	64218485	62.94	64218485	-	64218485	62.71	(0.22)*
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5476013	-	5476013	5.37	8352294	-	8352294	8.16	2.79
b) Banks / FIs	34499	17220	51719	0.05	69894	17220	87114	0.09	0.03
c) Central Govt.	225680	-	225680	0.22	-	-	-	-	(0.22)
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	9763647	156000	9919647	9.72	5834717	-	5834717	5.70	(4.02)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	180000	-	180000	0.18	449405	-	449405	0.44	0.26
Sub-total (B1)	15679839	173220	15853059	15.54	14706310	17220	14723530	14.38	(1.16)
2. Non – Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	3802547	11710	3814257	3.74	2753475	11710	2765185	2.70	(1.04)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals (including HUF)	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹1 lakh	10246829	816026	11062855	10.84	13740942	694356	14435298	14.10	3.26
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	2930077	1081200	4011277	3.93	1489391	1081200	2570591	2.51	(1.42)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) Others									
Non-Resident Indians	407874	1500	409374	0.40	661151	1500	662651	0.65	0.25
Non-Resident (Non-Repatriable)	543569	-	543569	0.53	675388	-	675388	0.66	0.13
Foreign Nationals	42600	-	42600	0.04	45	-	45	0.00	(0.04)
Clearing Members	185307	-	185307	0.18	206963	-	206963	0.20	0.02
Trusts	1896718	-	1896718	1.86	1903672	-	1903672	1.86	-
IEPF	-	-	-	-	234016	-	234016	0.23	0.23
Foreign Portfolio Investor (Individual)	-	-	-	-	1200	-	1200	0.00	0.00
NBFCs registered with RBI	-	-	-	-	2577	-	2577	0.00	0.00
Sub-total (B2)	20055521	1910436	21965957	21.53	21668820	1788766	23457586	22.91	1.38
Total Public Shareholding (B) = (B1)+(B2)	35735360	2083656	37819016	37.06	36375130	1805986	38181116	37.29	0.22
C. Shares held by Custodian for GDR ADRs (C)									
Grand Total(A)+(B)+(C)	99953845	2083656	102037501	100.00	100593615	1805986	102399601	100.00	-

* The decrease in % of total shares of the Promoters from 62.94% to 62.71% is due to allotment of 362100 shares on exercise of stock options by the employees.

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares	% of shares pledged/encumbered	No. of shares	% of total shares	% of shares pledged/encumbered	
(A)	Individual/HUF							
1	Kiran Bajaj	5252819	5.15	-	5252819	5.13	-	(0.02)
2	Anant Bajaj	4981823	4.88	-	4981823	4.87	-	(0.01)
3	Shekhar Bajaj	2500735	2.45	-	2500735	2.44	-	(0.01)
4	Niraj Bajaj	2193235	2.15	-	1893235	1.85	-	(0.30)
5	Rahulkumar Bajaj	1392580	1.36	-	1392580	1.36	-	0.00
6	Sunaina Kejriwal	965325	0.95	-	965325	0.94	-	(0.01)
7	Neelima Bajaj Swamy	900000	0.88	-	900000	0.88	-	0.00
8	Madhur Bajaj	815035	0.80	-	815035	0.80	-	0.00
9	Minal Bajaj	617200	0.60	-	617200	0.60	-	0.00
10	Geetika Bajaj	608346	0.59	-	608346	0.59	-	0.00
11	Nimisha Jaipuria	558000	0.54	-	558000	0.54	-	0.00
12	Niravnayan Bajaj	251000	0.25	-	251000	0.25	-	0.00
13	Kumud Bajaj	190200	0.19	-	190200	0.19	-	0.00
14	Pooja Bajaj	130000	0.13	-	130000	0.13	-	0.00
15	Suman Jain	99645	0.10	-	99645	0.10	-	0.00
16	Kriti Bajaj	90000	0.09	-	90000	0.09	-	0.00
17	Shelfali Bajaj	30000	0.03	-	30000	0.03	-	0.00
18	Sanjivnayan Bajaj	10735	0.01	-	10735	0.01	-	0.00
19	Deepa Bajaj	1000	0.00	-	1000	0.00	-	0.00
(A)		21587678	21.16	-	21287678	20.79	-	(0.37)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares	% of shares pledged/ encumbered	No. of shares	% of total shares	% of shares pledged/ encumbered	
(B) Bodies Corporate								
1	Jamnatal Sons Pvt Ltd	19872830	19.48	-	20172830	19.70	-	0.22
2	Bajaj Holdings and Investment Ltd	16697840	16.31	-	16697840	16.31	-	0.00
3	Hind Musafir Agency Ltd	1258000	1.23	-	1258000	1.23	-	0.00
4	Bajaj International Pvt Ltd	800000	0.78	-	800000	0.78	-	0.00
5	Baroda Industries Pvt Ltd	770000	0.75	-	770000	0.75	-	0.00
6	Hercules Hoists Ltd	554937	0.54	-	554937	0.54	-	0.00
7	Shekhar Holdings Pvt Ltd	480000	0.47	-	480000	0.47	-	0.00
8	Rahul Securities Pvt Ltd	415000	0.41	-	415000	0.41	-	0.00
9	Bachhraj Factories Pvt Ltd	95000	0.09	-	95000	0.09	-	0.00
10	Bajaj Sevashram Pvt Ltd	5000	0.00	-	5000	0.00	-	0.00
11	Bachhraj And Company Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
12	Kamalnayan Investment & Trading Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
13	Madhur Securities Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
14	Niraj Holdings Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
15	Rupa Equities Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
16	Sanraj Nayan Investments Pvt Ltd	1000	0.00	-	1000	0.00	-	0.00
	(B)	40954607	40.14	-	41254607	40.29	-	0.15
(C) Trusts								
1	Kiran Bajaj (as Trustee of GEETIKA TRUST NO. 2)	1210000	1.19	-	1210000	1.18	-	(0.01)
2	Niraj Bajaj (as Trustee of NIRAVNAYAN TRUST)	466200	0.46	-	466200	0.46	-	0.00
	(C)	1676200	1.65	-	1676200	1.64	-	(0.01)
	(A)+(B)+(C)	64218485	62.94	-	64218485	62.71	-	(0.23)*

* The decrease in % of total shares of the Promoters from 62.94% to 62.71% is due to allotment of 362100 shares on exercise of stock options by the employees.

iii. Change in Promoters' Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Kiran Bajaj	5252819	5.15	No change		5252819	5.13
2	Anant Bajaj	4981823	4.88	No change		4981823	4.87
3	Shekhar Bajaj	2500735	2.45	No change		2500735	2.44
4	Niraj Bajaj	2193235	2.15				
	Inter-se Market Sale			March 7, 2019	(300000)	1893235	
	At the end of the year					1893235	1.85

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
5	Rahul Kumar Bajaj	1392580	1.36	No change		1392580	1.36
6	Sunaina Kejriwal	965325	0.95	No change		965325	0.94
7	Neelima Bajaj Swamy	900000	0.88	No change		900000	0.88
8	Madhur Bajaj	815035	0.80	No change		815035	0.80
9	Minal Bajaj	617200	0.60	No change		617200	0.60
10	Geetika Bajaj	608346	0.59	No change		608346	0.59
11	Nimisha Jaipuria	558000	0.54	No change		558000	0.54
12	Niravnayan Bajaj	251000	0.25	No change		251000	0.25
13	Kumud Bajaj	190200	0.19	No change		190200	0.19
14	Pooja Bajaj	130000	0.13	No change		130000	0.13
15	Suman Jain	99645	0.10	No change		99645	0.10
16	Kriti Bajaj	90000	0.09	No change		90000	0.09
17	Shefali Bajaj	30000	0.03	No change		30000	0.03
18	Sanjivnayan Bajaj	10735	0.01	No change		10735	0.01
19	Deepa Bajaj	1000	0.00	No change		1000	0.00
20	Jamn Lal Sons Pvt Ltd	19872830	19.48				
	Inter-se Market Purchase			March 7, 2019	300000	20172830	19.70
	At the end of the year					20172830	19.70
21	Bajaj Holdings and Investment Ltd	16697840	16.31	No change		16697840	16.31
22	Hind Musafir Agency Ltd	1258000	1.23	No change		1258000	1.23
23	Bajaj International Pvt Ltd	800000	0.78	No change		800000	0.78
24	Baroda Industries Pvt Ltd	770000	0.75	No change		770000	0.75
25	Hercules Hoists Ltd	554937	0.54	No change		554937	0.54
26	Shekhar Holdings Pvt Ltd	480000	0.47	No change		480000	0.47
27	Rahul Securities Pvt Ltd	415000	0.41	No change		415000	0.41
28	Bachhraj Factories Pvt Ltd	95000	0.09	No change		95000	0.09
29	Bajaj Sevashram Pvt Ltd	5000	0.00	No change		5000	0.00
30	Bachhraj And Company Pvt Ltd	1000	0.00	No change		1000	0.00
31	Kamalnayan Investment & Trading Pvt Ltd	1000	0.00	No change		1000	0.00
32	Madhur Securities Pvt Ltd	1000	0.00	No change		1000	0.00
33	Niraj Holdings Pvt Ltd	1000	0.00	No change		1000	0.00
34	Rupa Equities Pvt Ltd	1000	0.00	No change		1000	0.00
35	Sanraj Nayan Investments Pvt Ltd	1000	0.00	No change		1000	0.00
36	Kiran Bajaj (as Trustee of GEETIKA TRUST NO. 2)	1210000	1.19	No change		1210000	1.18
37	Niraj Bajaj (as Trustee of NIRAVNAYAN TRUST)	466200	0.46	No change		466200	0.46

iv. Shareholding pattern of Top Ten Shareholders (Other than directors, promoters and holders of GDRs and ADRs)

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Niraj Bajaj	750000	0.74	No change		750000	0.73
2.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Advantage Fund						
	Purchase			08 Jun 2018	100000	100000	0.10
	Purchase			30 Jun 2018	66500	166500	0.16
	Purchase			06 Jul 2018	32380	198880	0.19
	Purchase			07 Sep 2018	147500	346380	0.34
	Purchase			14 Sep 2018	152500	498880	0.49
	Purchase			21 Sep 2018	117000	615880	0.60
	Purchase			29 Sep 2018	133000	748880	0.73
	Purchase			02 Nov 2018	50000	798880	0.78
	Purchase			09 Nov 2018	30000	828880	0.81
	Purchase			23 Nov 2018	1272146	2101026	2.05
	Purchase			11 Jan 2019	61000	2162026	2.11
	Purchase			15 Feb 2019	157000	2319026	2.26
	Purchase			22 Feb 2019	168000	2487026	2.43
	Purchase			08 Mar 2019	26207	2513233	2.45
	Purchase			15 Mar 2019	13600	2526833	2.47
	At the end of the year					2526833	2.47
3.	Reliance Capital Trustee Co. Ltd- A/C Reliance Small Cap Fund	2078976	2.03				
	Sale			20 Apr 2018	(238000)	1840976	1.80
	Sale			27 Apr 2018	(102397)	1738579	1.70
	Sale			04 May 2018	(30740)	1707839	1.67
	Purchase			25 May 2018	50000	1757839	1.72
	Purchase			31 Aug 2018	250000	2007839	1.96
	Purchase			30 Nov 2018	44114	2051953	2.00
	Purchase			07 Dec 2018	44090	2096043	2.05
	Purchase			14 Dec 2018	144292	2240335	2.19
	Purchase			21 Dec 2018	143947	2384282	2.33
	Purchase			28 Dec 2018	15000	2399282	2.34
	Sale			18 Jan 2019	(65500)	2333782	2.28
	At the end of the year					2333782	2.28
4.	Caisse De Depot ET Placement DU Quebec-Enam Asset Management	1750000	1.71	No change		1750000	1.71

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
5.	Principal Trustee Co. Pvt. Ltd A/C - Principal Mutual Fund - Principal Hybrid Equity Fund	1310387	1.28				
	Sale			11 May 2018	(6500)	1303887	1.27
	Sale			25 May 2018	(15000)	1288887	1.26
	Sale			01 Jun 2018	(75876)	1213011	1.18
	Purchase			22 Jun 2018	751	1213762	1.19
	Sale			30 Jun 2018	(9000)	1204762	1.18
	Sale			06 Jul 2018	(9152)	1195610	1.17
	Sale			13 Jul 2018	(21950)	1173660	1.15
	Sale			20 Jul 2018	(23)	1173637	1.15
	Sale			27 Jul 2018	(27000)	1146637	1.12
	Purchase			03 Aug 2018	13	1146650	1.12
	Sale			17 Aug 2018	(221430)	925220	0.90
	Purchase			29 Sep 2018	147000	1072220	1.05
	Purchase			05 Oct 2018	47000	1119220	1.09
	Purchase			19 Oct 2018	48382	1167602	1.14
	Purchase			02 Nov 2018	75000	1242602	1.21
	Purchase			09 Nov 2018	157200	1399802	1.37
	Purchase			15 Feb 2019	67000	1466802	1.43
	Purchase			01 Mar 2019	9000	1475802	1.44
	Purchase			15 Mar 2019	2988	1478790	1.44
	Sale			22 Mar 2019	(51)	1478739	1.44
	At the end of the year					1478739	1.44
6.	Long Term India Fund	1097000	1.07	No change		1097000	1.07
7.	Bajaj Auto Employees Welfare Fund No-2	961900	0.94	No change		961900	0.94
8.	UTI- Infrastructure Fund	1110190	1.08				
	Sale			06 Apr 2018	(34510)	1075680	1.05
	Sale			13 Apr 2018	(83548)	992132	0.97
	Sale			20 Apr 2018	(81866)	910266	0.89
	Sale			25 May 2018	(18000)	892266	0.87
	Sale			08 Jun 2018	(9000)	883266	0.86
	Sale			15 Jun 2018	(9000)	874266	0.85
	Sale			22 Jun 2018	(9000)	865266	0.85
	Purchase			20 Jul 2018	14420	879686	0.86
	Sale			05 Oct 2018	(3889)	875797	0.86
	Sale			12 Oct 2018	(9000)	866797	0.85
	Sale			14 Dec 2018	(27000)	839797	0.82
	At the end of the year					839797	0.82

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
9.	HDFC Small Cap Fund	85000	0.08				
	Purchase			15 Mar 2019	42000	127000	0.12
	Purchase			22 Mar 2019	342000	469000	0.46
	Purchase			29 Mar 2019	251000	720000	0.70
	At the end of the year					720000	0.70
10.	Madhulika Agarwal	911213	0.89				
	Sale			13 Jul 2018	(21563)	889650	0.87
	Sale			20 Jul 2018	(139650)	750000	0.73
	Sale			27 Jul 2018	(50000)	700000	0.68
	At the end of the year					700000	0.68
11.	Ashish Kacholia	983445	0.96				
	Sale			11 May 2018	(91660)	891785	0.87
	Sale			18 May 2018	(253447)	638338	0.62
	Sale			25 May 2018	(104893)	533445	0.52
	Sale			13 Jul 2018	(33445)	500000	0.49
	Sale			27 Jul 2018	(50000)	450000	0.44
	Sale			30 Mar 2019	(50000)	400000	0.39
	At the end of the year					400000	0.39
12.	Aditya Birla Sun Life Insurance Company Limited	1314321	1.28				
	Sale			06 Apr 2018	(271540)	1042781	1.02
	Sale			13 Apr 2018	(113720)	929061	0.91
	Sale			20 Apr 2018	(92600)	836461	0.82
	Sale			27 Apr 2018	(31570)	804891	0.79
	Sale			25 May 2018	(194900)	609991	0.60
	Sale			01 Jun 2018	(180643)	429348	0.42
	Sale			15 Jun 2018	(12800)	416548	0.41
	Sale			06 Jul 2018	(48600)	367948	0.36
	Sale			13 Jul 2018	(25820)	342128	0.33
	Sale			27 Jul 2018	(340328)	1800	0.00
	Sale			29 Sep 2018	(1800)	0	0.00
	Purchase			15 Mar 2019	76677	76677	0.07
	Sale			22 Mar 2019	(69875)	6802	0.01
	At the end of the year					6802	0.01
13.	MSD India Fund Ltd.	1494127	1.46				
	Purchase			13 Apr 2018	32013	1526140	1.49
	Purchase			08 Jun 2018	234971	1761111	1.72
	Purchase			22 Jun 2018	32000	1793111	1.75
	Purchase			30 Jun 2018	64000	1857111	1.81
	Purchase			06 Jul 2018	33000	1890111	1.85
	Purchase			20 Jul 2018	13000	1903111	1.86

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Sale			10 Aug 2018	(110000)	1793111	1.75
	Purchase			17 Aug 2018	46850	1839961	1.80
	Purchase			24 Aug 2018	19000	1858961	1.82
	Purchase			07 Sep 2018	32500	1891461	1.85
	Sale			19 Oct 2018	(20305)	1871156	1.83
	Sale			26 Oct 2018	(209659)	1661497	1.62
	Sale			02 Nov 2018	(132022)	1529475	1.49
	Sale			09 Nov 2018	(243677)	1285798	1.26
	Sale			16 Nov 2018	(1025000)	260798	0.25
	Sale			23 Nov 2018	(260798)	0	0.00
	At the end of the year					0	0.00

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Anant Bajaj	4981823	4.88	No change		4981823	4.87
2.	Madhur Bajaj	815035	0.80	No change		815035	0.80
3.	Shekhar Bajaj	2500735	2.45	No change		2500735	2.44
4.	Pooja Bajaj	130000	0.13	No change		130000	0.13
5.	Anant Purandare (CFO)	12846	0.01				
	ESOP			30 Aug, 2018	1250	14096	0.01
	At the end of the year					14096	0.01
6.	Mangesh Patil (CS)	1967	0.00				
	ESOP			30 Aug, 2018	1250	3217	0.00
	At the end of the year					3217	0.00

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

Sr. No.	Particulars	(Amount: ₹ in lakh)			Total Indebtedness
		Secured Loans excluding deposits	Unsecured Loans	Deposits	
i	Indebtedness at the beginning of the financial year				
	(a) Principal amount	13,142.43	59,167.98	-	72,310.41
	(b) Interest due but not paid	0.17	68.75	-	68.92
	(c) Interest accrued but not due	60.88	14.63	-	75.51
	Total [(a) + (b) + (c)]	13,203.48	59,251.36	-	72,454.84
ii	Change in Indebtedness during the financial year				
	Addition	10,314.58	367,898.86	-	378,213.43
	Reduction	11,077.91	281,225.42	-	292,303.33
	Net Change	(763.33)	86,673.44	-	85,910.10
iii	Indebtedness at the end of the financial year				
	(a) Principal amount	12,379.10	145,841.42	-	158,220.52
	(b) Interest due but not paid	2.19	186.24	-	188.42
	(c) Interest accrued but not due	15.75	609.26	-	625.01
	Total [(a) + (b) + (c)]	12,397.04	146,636.92	-	159,033.96

VI. Remuneration of Directors and Key Managerial Personnel

i. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of remuneration	(Amount: ₹ in lakh)			Total
		Shekhar Bajaj (CMD)	Anant Bajaj (MD)	Anuj Poddar (ED)	
1.	Gross salary				
	(a) Salary as per the provisions contained in Section 17(1) of the Income-tax Act, 1961 ("IT Act")	228.67	541.66	124.38	894.71
	(b) Value of perquisites under Section 17(2) of IT Act	56.97	29.46	0.16	86.59
	(c) Profits in lieu of salary under Section 17(3) of IT Act	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission provided for FY 2018-19	517.04	79.77	-	596.81
	Commission as % of Profit	2.00	0.31	-	2.31
5.	Others				
	- Company Contribution to PF	22.92	8.38	3.60	34.90
	- Company Contribution to Superannuation	28.65	10.47	-	39.12
	- Gratuity	15.91	5.81	-	21.72
	Total (A)	870.16	675.55	128.14	1,673.85
	Ceiling as per the Act	₹2,585.20 lakh (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

Notes:

- Shri Anant Bajaj, Managing Director ceased to be a director of the Company on demise on August 10, 2018.
- Shri Anuj Poddar who was earlier appointed as an Independent Director of the Company on May 30, 2016 resigned as such in consideration of his appointment as an Executive Director on November 1, 2018. He is appointed as an additional director in the whole-time employment, designated as Executive Director, for a period of 5 years with effect from November 1, 2018, subject to the approval of the shareholders at the ensuing AGM.
- Commission payable to Shri Anant Bajaj is provided on pro rata basis for the period of his service during the year.

II. Remuneration to other Directors

(Amount: ₹ in lakh)					
Sr. No.	Name	Fee for attending Board/Committee Meetings	Commission provided for FY 2018-19	Others, please specify	Total
1	Independent Director(s)				
	Harsh Vardhan Goenka	6.50	6.00	-	12.50
	Ashok Jalan ¹	18.00	12.00	-	30.00
	Dr. Rajendra Prasad Singh	7.50	7.00	-	14.50
	Dr. (Smt.) Indu Shahani	16.00	12.00	-	28.00
	Anuj Poddar ²	6.00	5.00	-	11.00
	Siddharth Mehta	13.00	10.00	-	23.00
	Munish Khetrpal ³	4.50	4.00	-	8.50
	Total (B1)	71.50	56.00	-	127.50
2.	Other Non-executive Director(s)				
	Madhur Bajaj	7.00	7.00	-	14.00
	Smt. Pooja Bajaj ³	5.00	4.00	-	9.00
	Total (B2)	12.00	11.00	-	23.00
	Total (B) (B1+B2)	83.50	67.00	-	150.50
	Overall ceiling as per the Act ⁴				258.52

Notes:

- Shri Ashok Jalan ceased to be a director on expiry of his first term as Independent Director on March 31, 2019.
- Shri Anuj Poddar, who was earlier appointed as an Independent Director of the Company on May 30, 2016 resigned as such in consideration of his appointment as an Executive Director on November 1, 2018. He is appointed as an additional director in the whole time employment, designated as Executive Director, for a period of 5 years with effect from November 1, 2018 subject to the approval of the shareholders at the ensuing AGM.
- Smt. Pooja Bajaj was appointed as an Additional Director in the category of Non-Executive Director and Shri Munish Khetrpal was appointed as an Additional Director in the category of Non-Executive Independent Director for a term of 5 years with effect from November 1, 2018.
- Being 1% of the net profit of the Company calculated as per Section 198 of the Act. Pursuant to the provisions of Section 197(2) of the Act, the sitting fees paid shall not be considered while computing the said ceiling of 1%.

iii. Remuneration to Key Managerial Personnel other than MD / WTD / Manager

(Amount: ₹ in lakh)				
Sr. No.	Particulars of remuneration	Anant Purandare (CFO)	Mangesh Patil (Company Secretary)	Total
1.	Gross salary			
	(a) Salary as per the provisions contained in Section 17(1) of the IT Act	93.70	61.24	154.95
	(b) Value of perquisites under Section 17(2) of IT Act	2.32	2.07	4.39
	(c) Profits in lieu of salary under Section 17(3) of IT Act	-	-	-
2.	Stock Option	3.67	3.67	7.34
3.	Sweat Equity	-	-	-
4.	Commission provided for FY 2018-19	-	-	-
	Commission as % of Profit	-	-	-
5.	Others			
	- Company Contribution to PF	2.31	2.01	4.32
	- Company Contribution to Superannuation	2.89	2.51	5.40
	- Gratuity	0.88	0.79	1.67
	Total	105.76	72.30	178.06
	Ceiling as per the Act	-	-	-

VII. Penalties/Punishment/Compounding of Offences

During the year under review, no penalty was levied against the Company, its Directors or any of its Officers under the Companies Act, 2013 and also there was no punishment or compounding of offences against the Company, its Directors or any of its Officers under the Companies Act, 2013.

For and on behalf of the Board of Directors

Mumbai
May 22, 2019

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Annexure C to Directors' Report

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiary, associate and joint venture

Part A: Subsidiary

Sr. No.	Particulars	(₹ in lakh)	
		Nirlep Appliances Private Limited	
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable	
3	Share capital	743.56	
4	Reserves & Surplus	(2,519.83)	
5	Total Assets	3,578.85	
6	Total Liabilities	5,355.13	
7	Investments	2.29	
8	Turnover	4,883.28	
9	Profit before taxation	(2,186.28)	
10	Provision for taxation	11.59	
11	Profit after taxation	(2,197.87)	
12	Proposed dividend	Nil	
13	% of shareholding of the Company in the Subsidiary	79.85	

Names of subsidiaries which are yet to commence operations: Not applicable

Names of subsidiaries which have been liquidated or sold during the year: Not applicable

Part B: Associate and Joint Venture

Sr. No.	Particulars	Hind Lamps Limited	Starlite Lighting
		(Associate)	Limited (Joint Venture)
1	Date on which the associate or joint venture was associated or acquired	January 7, 1952	February 23, 2007
2	Latest audited Balance Sheet date	March 31, 2019	March 31, 2019
3	Shares of associate/joint venture held by the Company at the year end		
	Number of equity shares	1140000	5875000
	Amount of investment in associate / joint venture	₹684.53 lakh	Nil*
	Extent of holding %	19.00	47.00

Sr. No.	Particulars	Hind Lamps Limited (Associate)	Starlite Lighting Limited (Joint Venture)
4	Description of how there is significant influence	<p>As per Section 2(6) of the Act, “associate company”, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary of the Company having such influence and includes a joint venture company.</p> <p>For the purposes of this clause, “significant influence” means control of at least 20% of total share capital, or of business decisions under an agreement.</p> <p>Since the Company is in a position to influence the operating and financial policies of both these companies, their financial statements are consolidated with the Company’s financial statements.</p>	
5	Reason why the associate / joint venture is not consolidated	Not Applicable	Since impaired
6	Net worth attributable to Shareholding as per latest audited / unaudited Balance Sheet	₹ (1,204.33) lakh	₹ (1,878.40) lakh
7.	Profit / (Loss) for the year		
	i. Considered in Consolidation	₹ (1,257.75) lakh	-
	ii. Not Considered in Consolidation	-	₹ (9,788.98) lakh

* Since impaired

For and on behalf of the Board of Directors

Mumbai
May 22, 2019

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Annexure D to Directors' Report

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Bajaj Electricals Limited
45/47, Veer Nariman Road,
Mumbai – 400001,
Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Electricals Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

1. The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable as the Company has not invited and/ or received any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under review;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review;

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not applicable as the Company has not bought back / proposed to buyback its securities during the financial year under review; and
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Other Applicable Laws:

- i. The Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder;
- ii. Boilers Act, 1923 & Rules made thereunder;
- iii. Environment Protection Act, 1986;
- iv. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 2011;
- v. The Legal Metrology Act, 2009 read with the Legal Metrology (Packaged Commodity) Rules, 2011;
- vi. The Indian Copyright Act, 1957;
- vii. The Patents Act, 1970;
- viii. The Trade Marks Act, 1999;
- ix. The Contract Labour (Regulations and Abolition) Act, 1970 & its Central Rules / concerned State Rules;
- x. Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules / Scheme thereunder;
- xi. Employers Liability Act, 1938;
- xii. Equal Remuneration Act, 1976;
- xiii. Employees State Insurance Act, 1948 and Rules made thereunder;
- xiv. The Minimum Wages Act, 1948 & its Central Rules / concerned State Rules/ Notification of Minimum Wages applicable to various class of industries / trade;
- xv. The Payment of Wages Act, 1936 & its Central Rules / concerned State Rules, if any;
- xvi. The Payment of Bonus Act, 1965 & its Central Rules / concerned State Rules, if any;

- xvii. The Payment of Gratuity Act, 1965 & its Central Rules / concerned State Rules, if any;
- xviii. The Maternity Benefit Act, 1961 & its Rules;
- xix. The Equal Remuneration Act, 1976;
- xx. The Industrial Employment (Standing Orders) Act, 1946 & its Rules;
- xxi. The Apprentices Act, 1961 & its Rules;
- xxii. The Workmen's Compensation Act, 1923;
- xxiii. The Industrial Disputes Act, 1947;
- xxiv. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- xxv. The Information Technology Act, 2000

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other acts, laws and regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the Composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes book, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Company has allotted 362100 (Three Lakh Sixty Two Thousand One Hundred) equity shares of ₹2 each fully paid up, on the following dates, to the employees of the Company on their exercise of stock options granted to them under the Company's ESOP Schemes and vested in their favour:
 - a) On June 15, 2018 – 104155 equity shares;
 - b) On August 30, 2018 – 175270 equity shares;
 - c) On November 26, 2018 – 54650 equity shares;
 - d) On February 7, 2019 – 28025 equity shares;
2. The Board of Directors in its meeting dated June 15, 2018 approved the proposal for acquiring 100% of share capital of Nirlep Appliances Private Limited, a company engaged in the business of manufacturing of non-stick cookwear products, kitchen hobs, pressure cookers and such other products in the kitchenware segment at a consideration as may be specified in the Share Purchase and Shareholders Agreement, in one or more tranches.
3. Pursuant to the Order dated November 2, 2018 passed by the Hon'ble National Company Law Tribunal, Mumbai bench and in accordance with the provisions of Section 230 to 232 of the Companies Act, 2013 members in their meeting held on February 21, 2019 have approved the Scheme of Arrangement ("Scheme") between Hind Lamps Limited ("Transferor Company") and the Company and their respective shareholders and creditors.
4. In pursuance of Section 42 and Section 71 of the Companies Act, 2013 read with the rules made thereunder, the Board of Directors in their meeting held on January 2, 2019 had approved the issue of 2500 Zero Coupon rated, unsecured, listed, Redeemable Non-Convertible Debentures of ₹10,00,000/- each (Rupees Ten Lakh Only) aggregating to ₹250,00,00,000/- (Rupees Two Hundred and Fifty Crores Only) on a private placement basis.

Since the credit rating to the NCD issue was assigned by ICRA on February 4, 2019 the Company could not file the information of memorandum with the stock exchanges within 30 days from the date of approval of proposal in the Board meeting. Hence the Company had to withdraw the said proposal and make a fresh proposal to the Board for their approval. Accordingly, a fresh proposal was approved by the Board of Directors of the Company in its meeting held on February 07, 2019 for issue of 2000 Zero Coupon Rated, Unsecured, Listed Redeemable Non-Convertible Debentures (NCD's) of ₹10,00,000/- each (Rupees Ten Lakh Only) aggregating to ₹200,00,00,000/- (Rupees Two Hundred Crores Only) on a private placement basis.

5. The Debenture Committee of the Company on February 21, 2019 has allotted 1850 Zero Coupon Unsecured Listed Redeemable Non-Convertible Debentures (NCD's) of Face Value of ₹10,00,000/- each (Rupees Ten Lakh Only) aggregating to ₹185,00,00,000/- (Rupees One Hundred and Eighty Five Crores Only) on a private placement basis.
6. Pursuant to the provisions of Section 42 and Section 71 of the Companies Act, 2013 and the Rules made thereunder, and in addition to the issue of NCD's made earlier, the Board in its meeting dated March 28, 2019 had approved the issue of 1650 Rated, Unsecured, Listed Redeemable, Non-Convertible Debentures (NCD's) of ₹10,00,000/- (Rupees Ten Lakh Only) each, aggregating to ₹165,00,00,000 (Rupees One Hundred and Sixty Five Crores Only) on a private placement basis. However, on account of liquidity crunch in the market during the period of NCD issue, there was no subscription to the said issue and the same was withdrawn.

For Anant B Khamankar & Co.

Anant Khamankar

FCS No. – 3198

CP No. – 1860

Date : May 21, 2019

Place : Mumbai

Annexure to Secretarial Auditors' Report

To,
The Members,
Bajaj Electricals Limited
45/47, Veer Nariman Road,
Mumbai – 400 001.

Our Secretarial Audit Report for the financial year ended March 31, 2019, of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to the secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For Anant B Khamankar & Co.

Anant Khamankar

FCS No. – 3198

CP No. – 1860

Date : May 21, 2019

Place : Mumbai

Annexure E to Directors' Report

Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

1. Steps taken or impact on conservation of energy:

Ranjangaon Units:

- Unity power factor maintained throughout FY 2018-19;
- Installed 34 nos. 150 watt LED Lights, in place of 250 watt HPSV lamps, at new power transmission workshop;
- Installed 42 nos. 200 watt LED Lights, in place of 400 watt HPSV lamps, in Galvanising area;
- Street Lighting DB - Provide the astrological timer for lighting ON/OFF system. [Energy saving by 1 Hrs daily + auto ON/OFF of lighting in evening];
- 61 Nos. of 80 watt LED Lamps installed at RU2 in place of 150 watt HPSV lamps.
- Street lights RU2 -Installed 15 nos. 200 Watt LED Lights, in place of 400 watt HPSV lamps.
- RU2- Timer control circuit provided to wall-mounted fan on shop floor & hydraulic motor of straightening machine.
- For plazma cutting machine 60 Amp. & 100 Amp. Tap power source transformer installed which enables energy saving.

Chakan Unit:

Air saving unit installed in Machine Shop- In machine shop, previously continuous air supply was given to gauge for checking the bearing bore diameter. There was no provision to start & cut off air supply while checking

the bearing bore diameter leading to huge air loss when this activity was not in operation. Now air supply gets cut off immediately when sensor of this air saving unit senses metal contact and accordingly, prevents the air loss when the machine is not in use. Also, if air loss occurs more than 10 seconds then the buzzer in the machine automatically starts buzzing.

Savings:

Sr. No.	Description	Air hole size	Unit	Cost in ₹
1	Air hole size per hours cost	1.5	mm	4.42
2	One gauge having 2 hole cost	2	Nos.	8.84
3	Per day saving	21	Hrs.	185.64
4	Per year saving per gauge	-	305 days	56620
5	Saving for two gauges per yr.	-	-	113240

2. The steps taken by the Company for utilizing alternate sources of energy: Nil

3. The capital investment on energy conservation equipment:

Ranjangaon Units :

- 20 Nos. Street LED Lamp of 200 watt each provided in place of 400 watt HPSV in at RU1.
- 80 Nos. 36 watt CFL lighting replaced by 15 watt LED lights at shop floor and office in RU1;

Sr. No.	Previous Lights & Fittings			New LED Batten & Highbay Fittings			Saving			Investment (₹)
	HPSV (Qty.)	Watts	Power Consum. (Watts)	LED lamp (Qty.)	Watts	Power Consum. (Watts)	KW	KWH	₹/Year	
1	42	445	18690	42	200	8400	10.50	40824	3,67,416/-	6,72,000/-
2	34	285	9690	34	150	5100	4.59	17845.92	1,60,613/-	4,25,000/-
Total									5,28,029/-	10,97,000/-

- 18 Nos. LED Lamp of 200 watt each provided at Galvanizing in place of 400 watt HPSV at RU1.
- 65 Nos. LED Lamp of 80 watt each provided at Wing 1 & 2 in place of 150 watt HPSV at RU2.
- 05 Nos. of off-grid solar lighting street lights provided to at RU1 & RU2.

Chakan Unit:

Factory lights and fittings replaced by LED Battens, Highbays and Bulbs.

Sr. No.	Previous Lights & Fittings			New LED Batten & Highbay Fittings			Saving			Investment (₹)
	CFL / Fluorescent Qty.	Watts	Power Consum. (Watts)	LED lamp (Qty.)	Watts	Power Consum. (Watts)	KW	KWH	₹/Year	
1	9	40	360	9	20	180	0.18	549	5062	31500
2	4	40	160	4	20	80	0.08	244	2250	800
3	3	40	120	3	20	60	0.06	183	1687	600
Total							0.320	976	8999	32900

4. **Total energy consumption and energy consumption per unit of production:** Average unit per ton achieved in 2018-19 is 79.82 KWH/MT as compared to 2017-18 is 88.72 KWH/MT, at Ranjangaon Units.
5. **Impact of the energy conservation measures for reduction of energy consumption and consequent impact on the cost of production of goods:** Obtained PF Incentive of ₹11.76 lakh for Ranjangaon units.

B. Technology Absorption:

- The efforts made towards technology absorption:** Nil
- The benefits derived like product improvement, cost reduction, product development or import substitution:** Not applicable
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not applicable
- The expenditure incurred on Research and Development (R&D):**

(a) Capital	₹275.49 lakh
(b) Recurring	₹2,465.42 lakh
(c) Total	₹2,740.91 lakh
(d) Total R&D expenditure as a percentage of turnover	0.41%

C. Foreign Exchange Earnings and Outgo:

The foreign exchange earned in terms of actual inflows and the foreign exchange outgo during the year in terms of actual outflows during the year.

Foreign Exchange	(₹ In lakh) Amount
Earned (Export)	8,895.25
Used (Import)	48,050.00

For and on behalf of the Board of Directors

Annexure F to Directors' Report

Disclosures required with respect to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2018-19:

Name of the Directors	Category	Ratio to median remuneration
Shekhar Bajaj	Executive Directors	113.44 : 1
Anant Bajaj ¹		87.46 : 1
Anuj Poddar ²		17.59 : 1
Madhur Bajaj		1.77 : 1
Harsh Vardhan Goenka	Non-Executive Directors	1.58 : 1
Ashok Jalan ³		3.80 : 1
Dr. Rajendra Prasad Singh		1.83 : 1
Dr. (Smt.) Indu Shahani		3.54 : 1
Siddharth Mehta		2.91 : 1
Pooja Bajaj ⁴		1.14 : 1
Munish Khetrpal ⁴		1.10 : 1

1. Shri Anant Bajaj, Managing Director ceased to be a director of the Company on demise on August 10, 2018.
2. Shri Anuj Poddar who was earlier appointed as an Independent Director of the Company on May 30, 2016 resigned as such in consideration of his appointment as an Executive Director on November 1, 2018. He is appointed as an additional director in the whole time employment, designated as Executive Director, for a period of 5 years with effect from November 1, 2018 subject to the approval of the shareholders at the ensuing AGM.
3. Shri Ashok Jalan ceased to be director on expiry of his first year term as an Independent Director on March 31, 2019.
4. Smt. Pooja Bajaj was appointed as an Additional Director in the category of Non-Executive Director and Shri Munish Khetrpal was appointed as an Additional Director in the category of Non-Executive Independent Director for a term of 5 years with effect from November 1, 2018.

2. The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during FY 2018-19:

Name of the KMPs	Category	Percentage increase /(decrease) in Remuneration
Shekhar Bajaj	Chief Executive Officer	(5.83)
Anant Purandare	Chief Financial Officer	3.96
Mangesh Patil	Company Secretary	(5.66)

3. Percentage increase in the median remuneration of employees in the financial year: 3.42%.

4. Number of permanent employees on rolls of the Company as on March 31, 2019: 3217

5. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase made in the salaries of employees other than the managerial personnel during FY 2018-19 was around 6.65%, while the average increase in the remuneration of the managerial personnel was around 11.31% which is mainly on account of (i) payments of gratuity, leave encashment and superannuation made in respect of Late Shri Anant Bajaj and (ii) increase in the commission payable to NEDs which is linked to the number of Board/Audit Committees attended by them.

6. We affirm that the remuneration paid to Directors, KMP and employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mumbai
May 22, 2019

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358