

L/HLL-Demerger/1427/MGP

September 29, 2017

To,  
BSE Ltd. : Code No. 500031  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai 400001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC – Series: EQ  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East),  
Mumbai 400051

Dear Madam/Sir,

**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

This has a reference to our letter No.L-1/382/MGP dated November 23, 2015 informing you of the meeting of the Board of Directors (“Board”) of Bajaj Electricals Limited (the “Company” or “BEL” or “Transferee Company” or “Resulting Company”), in which the Board had approved a proposal for demerger of manufacturing business of Hind Lamps Limited (“HLL” or “Transferor Company”) into BEL, pursuant to a Scheme of Arrangement (“Scheme”) under Sections 230-232 and other applicable provisions of the Companies Act, 2013.

In terms of the Scheme, the Demerged Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) of HLL, as defined in the Scheme, shall, subject to the provisions of the Scheme in relation to the mode of transfer and vesting and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested in or deemed to have been transferred to or vested in, as a going concern, to the Company together with all the estates, assets, titles, interest and employees therein, subject however, to the provisions of the Scheme in relation to encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of the Demerged Undertaking to the Resulting Company shall be effected in the manner set out in the Scheme.

Since, the Transferor Company, was declared as a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (“SICA”) by the Board for Industrial and Financial Reconstruction (“BIFR”), the said Scheme was filed with BIFR for its approval by the Transferor Company. However, subsequently, the Central Government of India, vide Notification No. S.O. 3568 (E) dated November 25, 2016, brought the provisions of the SICA Repeal Act into force with effect from December 1, 2016 and SICA was repealed.

Section 4(b) of the SICA Repeal Act (as amended by Section 252 of the Insolvency and Bankruptcy Code, 2016) provides that any proceeding of whatever nature, pending before the BIFR shall stand abated. Accordingly, Case No.09/2002 filed by the Company stood abated as on December 1, 2016. However, the proviso to Section 4(b), entitles the Company to make a reference to the National Company Law Tribunal (“NCLT”) under the provisions of the Insolvency and Bankruptcy Code, 2016.

Accordingly, both the Transferor Company and Transferee Company are now required to file petitions before the NCLT, Allahabad Bench and Mumbai Bench, having their respective



jurisdictions, for approval of Scheme under the applicable provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

Pursuant to the provisions of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("**Listing Regulations**") the listed entity desirous of undertaking a scheme of arrangement or involved in a scheme of arrangement, shall file the draft scheme of arrangement, proposed to be filed before any Court or Tribunal under sections 391-394 and 101 of the Companies Act, 1956 or under Sections 230-234 and Section 66 of Companies Act, 2013, whichever applicable, along with a non-refundable fee as specified in Schedule XI, with the stock exchange(s) for obtaining Observation Letter or No-objection letter, before filing such scheme with any Court or Tribunal, in terms of requirements specified by the Board or stock exchange(s) from time to time.

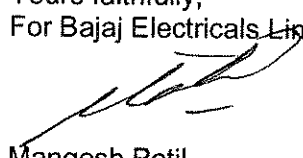
In accordance with the said provisions of Regulation 37 of the Listing Regulations, we hereby provide the required documents/information, as more particularly mentioned/referred in the 'Index of Documents Submitted' enclosed herewith.

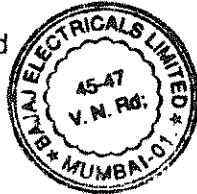
Should you require any further information/clarification on the Scheme, we shall be glad to provide the same.

We would be obliged if you could grant your approval to the scheme at your earliest convenience.

Thanking you,

Yours faithfully,  
For Bajaj Electricals Limited

  
Mangesh Patil  
EVP – Legal & Taxation and Company Secretary



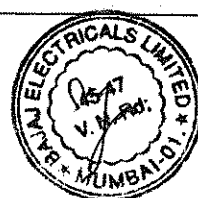
Encl.: as above.



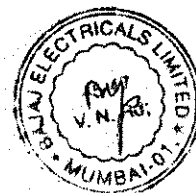
## INDEX OF DOCUMENTS SUBMITTED

(Documents submitted along with application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015)

Sr.	Particulars	Page Nos.
1.	<p><b><u>Certified true copy of the resolution:</u></b></p> <p>A certified true copy of resolution passed by the Board of the Company at its meeting held on November 23, 2015 is enclosed herewith as <b>Annexure 1.</b></p>	1 to 2
2.	<p><b><u>Certified copy of the draft Scheme of Arrangement proposed to be filed before the NCLT:</u></b></p> <p>A certified copy of the Scheme of Arrangement ("Scheme") is enclosed herewith as <b>Annexure 2.</b></p>	3 to 24
3.	<p><b><u>Valuation report from Independent Chartered Accountant:</u></b></p> <p>The copies of valuation reports dated July 31, 2017, along with valuation report dated November 22, 2015 as its annexure, issued by S.R.Batilboi &amp; Co. LLP, Chartered Accountants, recommending the Share Entitlement Ratio ("<b>Valuation Report</b>") pursuant to Para I(A)(4) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India ("<b>SEBI Circular</b>"), is enclosed herewith as <b>Annexure 3.</b></p>	25 to 38
4.	<p><b><u>Report from the Audit Committee:</u></b></p> <p>A certified true copy of the report from the Audit Committee of the Company dated November 23, 2015, recommending the Scheme, taking into consideration, inter-alia, the Valuation Report is enclosed herewith as <b>Annexure 4.</b></p>	39 to 40
5.	<p><b><u>Fairness opinion by Merchant Banker:</u></b></p> <p>A copy of Report on Fairness Opinion dated November 22, 2015 given by SPA Capital Advisory Limited, Merchant Banker, on the Share Entitlement Ratio as recommended by S.R. Batliboi &amp; Co. LLP is enclosed herewith as <b>Annexure 5.</b></p>	41 to 46
6.	<p><b><u>Shareholding Patterns:</u></b></p> <p>The shareholding patterns of both, Transferee Company and Transferor Company, prior to and post demerger, as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, are enclosed herewith as under :</p> <ul style="list-style-type: none"><li>a. For Transferee Company - <b>Annexure 6A</b></li><li>b. For Transferor Company - <b>Annexure 6B.</b></li></ul>	47 to 58 59 to 68



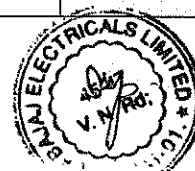
7.	<p><b><u>Audited financials of the Transferee / Resulting and Transferor / Demerged companies for the last 3 financial years:</u></b></p> <p>a. Audited financials of the Company as per the prescribed format for the financial years ending on March 31, 2015, March 31, 2016 and March 31, 2017 along with unaudited financials of the Company for the quarter ended on June 30, 2017 together with Limited Review Report from the Auditors of the Company, are enclosed herewith collectively as <b>Annexure 7A</b>; and</p> <p>b. Audited financials of Hind Lamps Limited as per the prescribed format for the financial years ending on March 31, 2015, March 31, 2016 and March 31, 2017 are enclosed herewith collectively as <b>Annexure 7B</b>.</p>	<p><b>69 to 70</b></p> <p><b>71</b></p>
8.	<p><b><u>Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc.:</u></b></p> <p>A certified copy of certificate dated July 5, 2017 issued by M/s. Dalal &amp; Shah LLP, confirming the compliance of the accounting treatment etc. as specified in Para (I)(A) (5)(a) of Annexure I of the SEBI Circular, as per the format given in Annexure II of the said SEBI Circular, is enclosed herewith as <b>Annexure 8</b>.</p>	<p><b>72 to 73</b></p>
9.	<p><b><u>Compliance Report as per SEBI Circular:</u></b></p> <p>A Compliance Report as per the format specified in Annexure IV of the aforesaid SEBI Circular, duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards is enclosed herewith as <b>Annexure 9</b>.</p>	<p><b>74</b></p>
10.	<p><b><u>Documents regarding non-applicability of Para (I)(A)(9)(a) of Annexure I of SEBI Circular:</u></b></p> <p>An undertaking certified by the auditor stating the reasons for non-applicability of Para (I)(A)(9)(a) of Annexure I of SEBI Circular is not applicable as the approval from the Public shareholders through postal ballot and e-voting as per Para (I)(A)(9)(b) of Annexure I of SEBI Circular is applicable.</p>	<p>-</p>
11.	<p><b><u>Pricing Certificate:</u></b></p> <p>Application seeking waiver from adherence to the pricing provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, along with its enclosures, is enclosed herewith as <b>Annexure 10</b>.</p>	<p><b>75 to 105</b></p>



12.	<p><b><u>Information pertaining to the unlisted entity:</u></b></p> <p>a) Information pertaining to the Transferor Company in the format specified for abridged prospectus in Part D of Schedule VIII of the ICDR Regulations is enclosed herewith as <b>Annexure 11A.</b></p> <p>b) A certificate dated September 28, 2017 given by SPA Capital Advisory Limited, Merchant Banker, confirming the adequacy and accuracy of the information contained in above abridged prospectus, in terms of Para 3(a) of Part I (A) of the SEBI circular dated March 10, 2017, is enclosed herewith as <b>Annexure 11B.</b></p>	<p>106 to 116</p> <p>117 to 118</p>
13.	<p><b><u>Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI:</u></b></p> <p>The Board of the Company has nominated the National Stock Exchange of India Limited (NSE) as the Designated Stock Exchange (DSE). A certified true copy of the resolution passed by the Board in its meeting held on August 3, 2017 is enclosed herewith as <b>Annexure 12.</b></p>	119
14.	<p><b><u>Brief details of the companies involved in the Scheme containing <i>inter-alia</i> the rationale behind the scheme of arrangement and businesses of the companies:</u></b></p> <p>Brief details of the Transferee Company and Transferor Company as per prescribed format, containing <i>inter-alia</i> the rationale behind the scheme of arrangement and businesses of the companies, are given in the <b>Annexure 13</b> enclosed herewith.</p>	120 to 127
15.	<p><b><u>Net worth certificate and related workings:</u></b></p> <p>A copy of the net worth certificate dated September 28, 2017, issued by S R B C &amp; Co LLP, Statutory Auditors of the Company, together with related workings, prior to and after giving effect to the Scheme, for the Transferee Company is enclosed herewith as <b>Annexure 14.</b></p>	128 to 129(a)
16.	<p><b><u>Capital Evolution:</u></b></p> <p>a. Capital evolution details as per the prescribed form for the Company is enclosed herewith as <b>Annexure 15A.</b></p> <p>b. Capital evolution details as per the prescribed form for HLL is enclosed herewith as <b>Annexure 15A.</b></p>	<p>130 to 132</p> <p>133</p>
17.	<p><b><u>Confirmation by the Company Secretary:</u></b></p> <p>A confirmation issued by the Company, as per prescribed form, is enclosed herewith as <b>Annexure 16.</b></p>	134 to 135



18.	<p><b><u>Undertakings:</u></b></p> <p>An Undertaking issued by the Company that:</p> <p>a. the Scheme does not, in any way, violate, override or limit the provisions of securities laws or requirements of the stock exchange(s), is enclosed herewith as <b>Annexure 17A.</b></p> <p>b. the draft Scheme under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 is in Compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, is enclosed herewith as <b>Annexure 17B.</b></p>	<p>136</p> <p>137</p>
19.	<p><b><u>Confirmation in view of RBI Circular No. RBI/2015-16/100 DBR.No.CID.BC.22/ 20.16.003/2015-16 dated July 1, 2015:</u></b></p> <p>Confirmation from</p> <p>a. the Transferee Company that, the Transferee Company, its directors and promoters have never categorized as wilful defaulter, is enclosed herewith as <b>Annexure 18A.</b></p> <p>b. the Transferor Company, that, the Transferor Company, its directors and promoters have never categorized as wilful defaulter, is enclosed herewith as <b>Annexure 18B</b></p>	<p>138</p> <p>139</p>
20.	<p><b><u>Corporate Governance Report:</u></b></p> <p>Corporate Governance Report of the Transferee Company, as per Regulation 27 (2) (a) of the SEBI (LODR) Regulations, 2015, for the quarter ended June 30, 2017, is enclosed herewith as <b>Annexure 19.</b></p>	<p>140 to 142</p>
21.	<p><b><u>Rational behind the scheme of arrangement:</u></b></p> <p>The certified copy of the rationale behind the Scheme is enclosed herewith as <b>Annexure 20.</b></p>	<p>143 to 144</p>
22.	<p><b><u>Annual Reports:</u></b></p> <p>a. Copy of Annual Report of the Transferee Company for the financial year 2016-17, is enclosed herewith as <b>Annexure 21A;</b> and</p> <p>b. Audited financials of the Transferor Company for the financial year 2016-17 are enclosed herewith as <b>Annexure 21B.</b></p>	
23.	<p><b><u>Complaint Report:</u></b></p> <p>The Company undertakes to submit a Complaint Report, as per the form prescribed in Annexure III to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, within 7 days of expiry of 21 days from the date of filing of Draft Scheme with Stock Exchanges.</p>	



24.	<p><b><u>Processing Fees:</u></b></p> <p>The processing fee is being paid simultaneously with the filing of this application.</p>	
25.	<p><b><u>Website link of the Company where the draft Scheme and other required documents shall be uploaded:</u></b></p> <p>The draft Scheme and other relevant documents shall be uploaded on the Company website at: <a href="http://www.bajaelectricals.com/investors-updates">http://www.bajaelectricals.com/investors-updates</a></p>	
26.	<p><b><u>Details of Contact Person:</u></b></p> <p>The contact person will be <b>Mr. Mangesh Patil</b>. His details are as under:</p> <p>Designation: EVP – Legal &amp; Taxation and Company Secretary  Telephone Number (<i>Landline</i>): +(91) 022- 022-6149 7007 / 7000  Telephone Number (<i>Mobile</i>): +(91) 9821937534  Email Address: <a href="mailto:mangeshp@bajaelectricals.com">mangeshp@bajaelectricals.com</a>  Alternate Email Address: <a href="mailto:legal@bajaelectricals.com">legal@bajaelectricals.com</a></p>	



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## Annexure 1

### Certified True Copy of a Resolution passed by the Board of Directors of the Company in its meeting held on 23rd November, 2015:

#### 3. Approval of Scheme of Arrangement to acquire manufacturing business of Hind Lamps Limited (HLL):

"RESOLVED THAT pursuant to the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") and applicable provisions, if any, of the Companies Act, 1956 / Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof), Section 2(19AA) and other applicable provisions, if any, of the Income-tax Act, 1961 and Clause (e) of the Objects Clause of the Memorandum of Association of Bajaj Electricals Limited ("BEL" or "the Company" or "the Resulting Company") and subject to the requisite approval of the shareholders, creditors of the Company, if required, and the Board for Industrial and Financial Reconstruction ("BIFR") or the National Company Law Tribunal ("NCLT"), as the case may be, and such other statutory / regulatory authority(ies), as may be necessary or as may be directed by the BIFR and subject to the sanction / confirmation by the BIFR or such other competent authority(ies), as may be applicable, the Scheme of Arrangement between Hind Lamps Limited ("HLL" or "the Demerged Company") and BEL and their respective shareholders and creditors (hereinafter referred to as the "Scheme") providing for the demerger of Manufacturing Business of HLL into BEL, with effect from 31 March 2014 ("the Appointed Date") as per the terms and conditions mentioned in the Scheme as placed before the Board be and is hereby approved.

RESOLVED FURTHER THAT the Scheme as placed before the Board and initialed by Chairman for the purposes of identification be and is hereby approved.

RESOLVED FURTHER THAT the Valuation Report dated 22 November 2015 submitted by the independent valuation firm S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai on the Share Entitlement Ratio as set out in the Scheme, placed before the Board, be and is hereby approved and adopted.

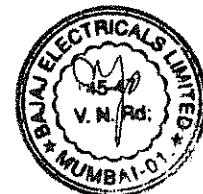
RESOLVED FURTHER THAT the Share Entitlement Ratio of 109 equity shares of the Company, of Rs.2 each, fully paid up, to be issued and allotted to the equity shareholders of HLL, except the Company, for every 1000 equity shares of Rs.25 each, fully paid up, held by them in HLL as set out in the Scheme, placed before the Board, be and is hereby approved.

RESOLVED FURTHER THAT the fairness opinion dated 23 November 2015 provided by SPA Capital Advisors Limited, Merchant Bankers, as placed before the Board and initialed by the Chairman for the purpose of identification, be accepted and noted.

RESOLVED FURTHER THAT that the report from the Audit Committee dated 23 November 2015, duly signed by the Chairman of the Audit committee, recommending the Scheme, taking into consideration, inter alia, the fairness opinion as placed before Board be and is hereby accepted and noted.

RESOLVED FURTHER THAT Shri Shekhar Bajaj, Chairman & Managing Director, Shri Anant Bajaj, Joint Managing Director, Shri Anant Purandare, Executive Vice President & Chief Financial Officer and Shri Mangesh Patil, Vice President – Legal & Company Secretary, be and are hereby authorised to take all the necessary steps, either jointly or severally, for:

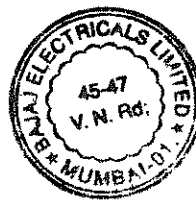
- (a) filing the Scheme and / or any other information / details with the concerned Stock Exchanges, SEBI or any other regulatory authorities for approval in terms of the provisions of the Listing Agreement/SEBI Regulations, if applicable;



- (b) filing of applications, if required, with the BIFR or such other competent authority(ies) to give effect to the Scheme;
- (c) engaging and instructing advocates/counselors and if considered necessary, other concerned authority(ies), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- (d) obtaining approval from and represent before BIFR and such other authorities and parties including the shareholders, Bankers, financial institution(s), etc. as may be considered necessary;
- (e) settling any questions or doubts or any difficulties that may arise with regard to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;
- (f) making any alterations or modifications or amendments to the Scheme to comply with any conditions or limitations as per the BIFR or any other statutory authority(ies) may deem fit and direct or impose or for any other reason which may otherwise be considered necessary, desirable or appropriate including solving all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect or make any modifications / amendments to the Scheme in pursuance of change in law or otherwise, provided that no alteration which amounts to a material change shall be made to the substance of the Scheme except with the prior approval of the Board of Directors;
- (g) accepting services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to the parties or persons concerned;
- (h) producing all documents, matters or other evidences in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- (i) signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, documents etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions (including but not limited to from the BIFR) and for this purpose, to appear in person and/or represent the Company before the BIFR or any other authorities;
- (j) taking all procedural steps for having the Scheme sanctioned by the BIFR including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and
- (k) doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this Resolution, the Scheme and for the matters connected therewith or incidental thereto."

**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**



**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

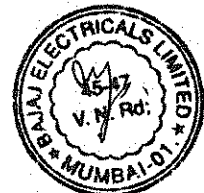


**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**HIND LAMPS LIMITED**  
**("DEMERGED COMPANY")**  
**AND**  
**BAJAJ ELECTRICALS LIMITED**  
**("RESULTING COMPANY")**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**PREAMBLE**

**A. BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THIS SCHEME**

- 1) Hind Lamps Limited is an existing public limited company, incorporated on 30th April 1951, under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Shikohabad, Firozabad, Uttar Pradesh (hereinafter referred to as the "**Demerged Company**" or "**HLL**").
- 2) The Demerged Company is primarily engaged in the business of manufacturing of GLS bulbs, HID bulbs and aluminium caps and was declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board for Industrial and Financial Reconstruction ("BIFR") in year 2002. The equity shares of the Demerged Company are not listed on any stock exchange.
- 3) Bajaj Electricals Limited is an existing public limited company incorporated on 14th July 1938 under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at 45/47, Veer Nariman Road, Mumbai-400 001, Maharashtra (hereinafter referred to as the "**Resulting Company**" or as "**BEL**").
- 4) The Resulting Company offers a diverse range of products and services including sales, distribution and marketing of electrical appliances, manufacture of fans and high masts, poles and towers and products relating to industrial, commercial, and domestic lighting, undertaking turnkey, commercial and rural lighting projects, design, manufacture, erection and commissioning



of high masts, poles and towers. The equity shares of the Resulting Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

**B. PURPOSE AND RATIONALE OF THIS SCHEME**

- (a) This scheme of arrangement (hereinafter referred to as the "Scheme") is presented pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 as may be applicable for the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company in the manner provided for in the Scheme.
- (b) The Board of Directors of the Demerged Company and the Resulting Company are of the view that the transfer and vesting of the Manufacturing Business (as defined hereinafter) of the Demerged Company to the Resulting Company will enable both the Demerged Company and the Resulting Company to achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders. The Resulting Company's existing management expertise and quality systems & controls will enhance the performance of the business of the Demerged Undertaking.
- (c) The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company and the Resulting Company and to facilitate the revival of the Manufacturing Business of the Demerged Company upon its consolidation with the Resulting Company.
- (d) As per the modified draft rehabilitation scheme ("MDRS") filed with the BIFR (as defined hereinafter) for the revival of the Demerged Company, the net worth of the Demerged Company was expected to turn positive by 31st March 2014. The Demerged Company couldn't achieve the aforesaid objective and accordingly the management of the Demerged Company decided to make an attempt to achieve positive net worth by 31st March 2015. However, as on 31st March 2015, the Demerged Company could not achieve positive net worth and accordingly, it has been proposed to demerge the Manufacturing Business of the Demerged Company with the Resulting Company with effect from the appointed date of 31st March 2014.
- (e) The Scheme has been approved by the Board of Directors of the Demerged Company and the Resulting Company in their respective meetings held on 23rd November, 2015.
- (f) This Scheme has been drawn up so that the Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company is compliant with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961 ("Income Tax Act").

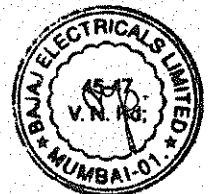
**C. PARTS OF THIS SCHEME**

This Scheme is divided into the following parts:

**Part A:** Definitions and Share Capital;

**Part B:** Demerger of Manufacturing Business of the Demerged Company and transfer and vesting thereof into the Resulting Company including consequential or related matters integrally connected therewith; and

**Part C:** Other terms and conditions.



## PART A

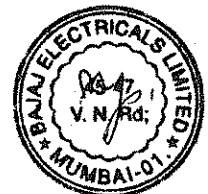
### DEFINITIONS AND SHARE CAPITAL

#### 1. DEFINITIONS & INTERPRETATION

##### A. DEFINITIONS

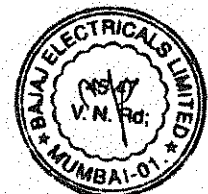
In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- a) **“Act”** means the Companies Act, 2013 and/or the Companies Act, 1956 (as the case may be and to the extent applicable), the rules and regulations made thereunder and will include any statutory modifications, re-enactments and / or amendments thereof;
- b) **“Appointed Date”** means date for all tax and other regulatory purposes i.e. 31<sup>st</sup> day of March 2014;
- c) **“Acquisition Date”** means the date on which the NCLT approves the scheme of arrangement;
- d) **“BIFR”** means the Board for Industrial and Financial Reconstruction constituted under Section 4 of the Sick Industrial Companies (Special Provisions) Act, 1985 and/or any other statutory authority constituted in this regard;
- e) **“Board of Directors”** or **“Board”** shall mean the respective board of directors of the Demerged Company and the Resulting Company and shall, unless repugnant to the context, include a committee of directors or any other person authorized by the board of directors or such committee of directors;
- f) **“Demerger”** means the transfer by way of demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company;
- g) **“Demerged Company”** or **“Transferor Company”** or **“HLL”** means Hind Lamps Limited, a company incorporated under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, and having its Registered Office at Shikohabad, Firozabad, Uttar Pradesh;
- h) **“Demerged Undertaking”** means the Demerged Company’s Manufacturing Business comprising of the GLS and Aluminium Caps manufacturing unit of HLL located at Shikohabad, Dist. Firozabad, Uttar Pradesh and HID Lamps manufacturing unit located at Parwanoo, Himachal Pradesh as a going concern, including the entire business of such undertaking of the Demerged Company as on the Appointed Date, including in particular the following, but without in any manner whatsoever limiting the scope thereof :
  - i) The assets, wherever situated, whether moveable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including land, buildings, residential or commercial properties, offices, plant and machinery, warehouses, godowns, depots, vehicles, other fixed assets, brands,



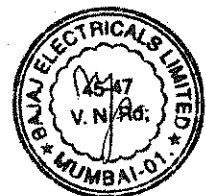
trademarks, patents, copyrights, or any other right of a similar nature and other intellectual property rights, domain names, URLs, investments, leases, leasehold and other tenancy rights, premises, hire purchase and lease arrangements, rights under business arrangements / agreements / contracts, computers, office equipment, furniture, telephones, telexes, facsimile connections, communication facilities, electrical and other installations, current assets including sundry debtors, deposits, receivables, funds, cash, bank balances, accounts, claims, sales tax, service tax and other taxes, duties, cess, levies etc. paid regularly or in advance, wherever required by law or otherwise and all other rights, benefits of all agreements, subsidies, grants, taxes, tax credits, various exemptions/ incentives granted under different schemes of the Central/ State Governments including carried forward losses and unabsorbed depreciation of all types under the Income Tax Act and other industrial and intellectual property, import quotas, import entitlements, right to use and avail of telephones, telex, facsimile and other communication facilities and all other interests, rights and power of every kind, nature and description, whatsoever, privileges, liberties, advantages, benefits, consents, sanctions and approvals (including but not limited to credits in respect of sales tax, value added tax, turnover tax, minimum alternate tax, service tax, etc), bills of exchange, letters of intent and loans and advances whether or not appearing in the books of accounts pertaining to the Demerged Undertaking;

- ii) All records, files, papers, computer programs, software, manuals, data whether in physical or electronic form in connection with or pertaining to the Demerged Undertaking;
- iii) All earnest moneys and/or security deposits, if any, paid or received by the Demerged Company in connection with or pertaining to the Demerged Undertaking;
- iv) All debts, duties & liabilities, present & future and the specified contingent liabilities pertaining to the Demerged Undertaking;
- v) The liabilities, which arise out of the activities or operations of the Demerged Undertaking;
- vi) Specific loans and borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
- vii) Liabilities other than those specified in sub-Clauses (iv), (v), and (vi) above, being the amounts of general or multipurpose borrowings of the Demerged Company allocated to the Demerged Undertaking in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of the Demerged Company immediately before giving effect to the Scheme;
- viii) Employees of the Demerged Company employed solely for the Manufacturing Business, as identified by the Board of Directors of the Demerged Company, as on the Effective Date;
- ix) Without prejudice to the generality of the provisions of sub clauses (i), (ii), and (iii) above, the Demerged Undertaking shall include all of the Demerged Undertaking's rights and licenses, all assignments and grants thereof, benefits of agreements, contracts and arrangements, powers, authorities, municipal permissions, registrations, engagements,



quotas, permits, allotments, approvals, export licenses, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, benefits, entitlements and incentives of any nature whatsoever including sales tax remissions and custom duty exemption certificates, consents, privileges, liberties, advantages, easements pertaining to the Demerged Undertaking and all the rights, title, interest, goodwill, benefits, entitlements and advantages pertaining to the Demerged Undertaking and all other rights and claims of whatsoever nature, howsoever described, and wheresoever situated which pertain to the Demerged Undertaking;

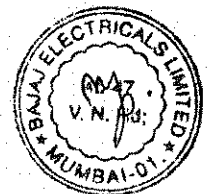
- x) It is intended that the definition of Demerged Undertaking under this sub-clause would enable the transfer of all properties (movable or immovable), assets, liabilities, rights, obligations, entitlements and benefits including under Income Tax Act, service tax laws, sales-tax laws, etc. to which the Demerged Undertaking is entitled to in terms of the various statutes / schemes, etc. and accumulated losses and allowance for unabsorbed depreciation, as per the provisions of Section 72A(4) and other applicable provisions of the Income Tax Act and the Employees of the Demerged Undertaking to the Resulting Company pursuant to this Scheme, without any further act or deed; and
- xi) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether or not it arises out of the activities would be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.
- i) **“Effective Date”** means the last of the dates on which the certified copies of the orders of the respective NCLTs are filed with the Registrar of Companies at Mumbai and Kanpur. Any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall be a reference to the “Effective Date”;
- j) **“Employees”** mean employees of the Demerged Company employed/engaged for the Demerged Undertaking as may be identified by the Board of Directors of the Demerged Company, as on the Effective Date;
- k) **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever; and the term “Encumbered” shall be construed accordingly;
- l) **“Funds”** shall have the meaning ascribed to it in Clause 8.2;
- m) **“Income Tax Act”** means the Income Tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- n) **“Intellectual Property”** means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, trade secrets, copyrights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) pertaining to the Demerged Undertaking, in each case whether registered or unregistered, including applications for the registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world;



- o) “NCLT” means National Company Law Tribunal, Mumbai Bench, Maharashtra and National Company Law Tribunal, Allahabad Bench, Uttar Pradesh constituted under the Companies Act, 2013;
- p) “Record Date” shall have the meaning ascribed to it in Clause 11.2 of this Scheme;
- q) “Registrar of Companies” or the “ROC” means the Registrar of Companies, Kanpur, Uttar Pradesh, and Registrar of Companies, Mumbai, Maharashtra, as applicable;
- r) “Remaining Business” means all the undertakings, businesses, activities (including trading activities and support services to other undertakings), employees and operations of the Demerged Company other than those comprised in the Demerged Undertaking;
- s) “Resulting Company” or “Transferee Company” or “BEL” means Bajaj Electrical Limited, an existing public limited company incorporated under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013 and having its registered office at 45/47, Veer Nariman Road, Mumbai 400001, Maharashtra;
- t) “Scheme of Arrangement” or “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Arrangement in its present form submitted to the NCLT or any statutory forum for sanction including / with any modifications / amendments thereto / therein made under Clause 14 of the Scheme;
- u) “SEBI” means the Securities and Exchange Board of India;
- v) “Share Allotment Ratio” means the ratio in which Equity Shares of BEL are to be issued and allotted to the shareholders of HLL under Clause 11.3 of the Scheme;
- w) “SICA” means Sick Industrial Companies (Special Provisions) Act, 1985 or any statutory modification, re-enactment or amendment thereof; and  
(As per the Ministry of Finance circular dated 28.11.2016, the SICA Repeal Act, 2003 has been notified and the effective date for implementation of its provisions is 01.12.2016. With the said amendment, the SICA shall be read with its revised constitution later to the effective date of its implementation)
- x) “Transferred Liabilities” shall have the meaning ascribed to it in Clause 4.10 of this Scheme.
- y) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act, or failing which, respectively and in that order, under the Income Tax Act, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Sick Industrial Companies (Special Provisions) Act, 1985, The SICA Repeal Act, 2003 and other applicable laws, rules, regulations, bye-laws, as the case may be or including any statutory amendments / modifications or re-enactments thereof from time to time as the case may be and as the context may demand

## B. INTERPRETATIONS

- i) References to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of this Scheme.



- ii) The headings herein shall not affect the construction of this Scheme.
- iii) The singular shall include the plural and vice versa; and references to one gender include all genders.
- iv) Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- v) References to person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- vi) The Schedules to this Scheme form an integral and inseparable part of this Scheme.

**2. DATE OF TAKING EFFECT**

The Scheme shall be deemed to be effective from the Appointed Date, but shall be operative from the Effective Date.

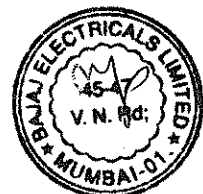
**3. SHARE CAPITAL**

**Demerged Company:** The share capital of the Demerged Company as on 31st March 2017 was as under :

<b><u>Authorised Capital</u></b>	<b>(Amount in Rs.)</b>
64,00,000 Equity shares of Rs. 25/- each	16,00,00,000/-
4,00,000 9% Cumulative redeemable preference shares of Rs. 25/- each	1,00,00,000/-
32,00,000 0% Cumulative redeemable preference shares of Rs. 25/- each	8,00,00,000/-
<b>Total</b>	<b>25,00,00,000/-</b>
<b><u>Issued, Subscribed and Paid-up Capital</u></b>	
60,00,000 Equity shares of Rs.25/- each (fully paid-up)	15,00,00,000/-
<b>Total</b>	<b>15,00,00,000/-</b>

**Resulting Company:** The share capital of the Resulting Company as on 31<sup>st</sup> March 2017 was as under;

<b><u>Authorised Capital</u></b>	<b>(Amount in Rs.)</b>
20,00,00,000 Equity shares of Rs.2/- each	40,00,00,000/-
<b>Total</b>	<b>40,00,00,000/-</b>



<b><u>Issued, Subscribed and Paid-up Capital</u></b>	
10,12,90,176 Equity shares of Rs.2/- each fully paid up	20,25,80,352/-
<b>Total</b>	<b>20,25,80,352/-</b>

Subsequent to 31st March 2017, the issued, subscribed and paid up share capital of BEL has increased to 10,15,25,351 equity shares of Rs. 2/- each on account of issue of equity shares on exercise of stock option by the option grantee employees.

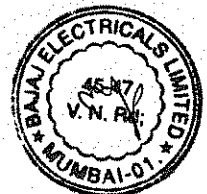
## PART B

### **DEMERGER OF THE DEMERGED UNDERTAKING (MANUFACTURING BUSINESS) FROM THE DEMERGED COMPANY AND TRANSFER AND VESTING THEREOF INTO THE RESULTING COMPANY INCLUDING CONSEQUENTIAL OR RELATED MATTERS INTEGRALLY CONNECTED THEREWITH.**

#### **4. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING**

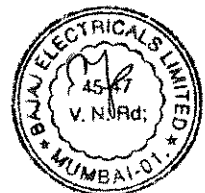
Upon this Scheme coming into effect and with effect from the Appointed Date, the Demerged Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) of the Demerged Company shall, subject to the provisions of this Clause in relation to the mode of transfer and vesting and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested in or deemed to have been transferred to or vested in, as a going concern, to the Resulting Company together with all the estates, assets, titles, interest and Employees therein, subject however, to the provisions of this Scheme in relation to Encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of the Demerged Undertaking to the Resulting Company shall be effected in the manner set out below.

- 4.1. Whole of the Demerged Undertaking shall without further act or deed, matter of thing, stand transferred to and vested in the Resulting Company so as to vest in Resulting Company all the rights, title, interest pertaining to the Demerged Undertaking.
- 4.2. All immovable properties (including land together with the building and structures standing thereon) of the Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Resulting Company, subject to applicable law, without any act or deed required by either the Demerged Company or the Resulting Company. Upon this scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall be entitled to exercise any and all rights and privileges and shall be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Resulting Company (if any) shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme in accordance with the terms hereof without any requirement of a further act or deed on part of the Resulting Company.



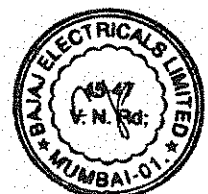


- 4.3. All the moveable assets including cash in hand of the Demerged Undertaking capable of being passed by manual delivery or by endorsement shall be physically handed over by manual delivery or endorsement and delivery, to the end and intent that the ownership and property therein passes to the Resulting Company on such handing over (as an integral part of the Demerged Undertaking) without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of Resulting Company and the Demerged Company within 30 days from the Effective Date.
- 4.4. In respect of any assets belonging to the Demerged Undertaking, other than those referred to in sub-Clause 4.2 or 4.3 above, the same shall without any further act, instrument, deed, matter or thing be transferred to and vested in and / or deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from Appointed Date.
- 4.5. Further, for assets belonging to the Demerged Undertaking including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the following modus operandi for intimating to third parties shall, to the extent possible, be followed:
- a) The Resulting Company shall give notice in such form as it may deem fit and proper to each party, debtor or depositor of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances, deposit etc. be paid or made good or held on account of the Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such rights to recover or realize the same shall vest in the Resulting Company.
  - b) The Demerged Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme coming into effect, the said person, debtor or depositor should pay the debt, loan, advance or deposit, or make good the same or hold the same to the account of the Resulting Company and that the right of the Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.
- 4.6. Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, duties or obligations of any kind, nature or description (including contingent liabilities) pertaining to the Demerged Undertaking (as on the Appointed Date) shall, without any further act or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same and further that it shall not be necessary to separately obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of any of the liabilities which have arisen in order to give effect to the provisions of this Clause.
- 4.7. Where any of the debts, liabilities, loans and obligations incurred, and duties and obligations undertaken pertaining to the Demerged Undertaking as on the Appointed Date deemed to be transferred to and vested in the Resulting Company have been discharged by the Demerged



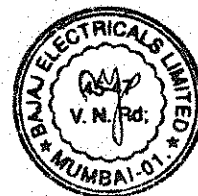
Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.

- 4.8. Upon the coming into effect of the Scheme, all debts, liabilities, loans and obligations incurred, and duties and obligations undertaken pertaining to the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company in which the Demerged Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company and shall become the debts, liabilities, loans, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same.
- 4.9. The Demerger and the transfer and vesting of the assets comprised in the Demerged Undertaking to and in the Resulting Company under this Scheme shall be subject to all Encumbrances, if any, affecting the same as hereinafter provided.
- 4.10. In so far as the existing Encumbrance in respect of the loans, borrowings, debts, liabilities (“**Transferred Liabilities**”) is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been Encumbered in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 4.11. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance over such assets relating to the Transferred Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and discharged from the obligations and Encumbrance relating to the same. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or debentures or other debts or debt securities which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company), shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 4.12. Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.
- 4.13. All Encumbrances or those, if any, created by the Demerged Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Demerged Undertaking or any part thereof transferred to the Resulting Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they were related or



attached prior to the Effective Date and are transferred to the Resulting Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Demerged Company which shall vest in the Resulting Company by virtue of the Demerger and the Resulting Company shall not be obliged to create any further or additional security therefor after the Demerger has become effective or otherwise.

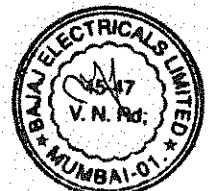
- 4.14. Without prejudice to the above and upon this Scheme coming into effect, the Demerged Company and the Resulting Company shall execute any instruments or documents and do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the relevant ROC and other authorities under the Act to give formal effect to the above provisions, if required.
- 4.15. It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Transferred Liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 4.16. Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of the above sub-clauses shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 4.17. With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to the Intellectual Property, premises, brands, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto.
- 4.18. With effect from the Appointed Date, any and all statutory licenses, permissions, approvals and/or consents held by the Demerged Company pertaining to the Demerged Undertaking, required to carry on its business and operations shall stand vested in or deemed to be transferred to the Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favor of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Company shall vest in and become available to the Resulting Company pursuant to the Scheme coming into effect.
- 4.19. The entitlement to various benefits under incentive schemes and policies in relation to the Demerged Undertaking shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Resulting Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other incentives in relation to the Demerged Undertaking to be claimed by the Resulting Company with effect from the Appointed Date as if the Resulting Company was originally entitled to all such benefits under such incentive schemes and/or policies, subject to continued compliance by the Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company.



- 4.20. Since each of the permissions, approvals, consents, sanctions, remissions (including remissions under income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs), special reservations, sales tax remissions, holidays, incentives, concessions and other authorizations relating to the Demerged Undertaking and any other benefit not mentioned above, shall stand transferred under this Scheme to the Resulting Company, the Resulting Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file, pursuant to the Scheme coming into effect.
- 4.21. It is clarified that all the taxes including withholding taxes and duties paid or payable by the Demerged Company in relation to Demerged Undertaking, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax and/or duty liabilities or refunds and claims of the Resulting Company. It is also clarified that withholding taxes deducted on behalf of Demerged Company in relation to Demerged Undertaking, from the Appointed Date onwards, shall be treated as withholding taxes deducted on behalf of the Resulting Company and the credit of the same shall be available to the Resulting Company. Accordingly, upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Demerged Company and the Resulting Company are expressly permitted to file their respective income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and any other return(s) (including revised returns) to claim advance tax, withholding tax, refunds / credits. Notwithstanding the above tax compliances (including payment of taxes, maintenance of records, payments, returns, etc.) carried out by the Demerged Company in respect of the Demerged Undertaking from the Appointed Date up to the Effective Date should be considered as adequate compliance by the Resulting Company and the Resulting Company should be considered to have met its obligations under the respective tax legislations.
- 4.22. Upon coming into effect of this Scheme, to the extent that there are intercompany transactions or balances including purchase, sale, loans, advances, debtors/ receivables, creditors/ payables, deposits, balances or other obligations, if any, in relation to the Demerged Undertaking, as on or from the Appointed Date, between the Demerged Company, and the Resulting Company, the obligations in respect thereof shall come to an end.
- 4.23. Further, if any taxes are deducted at source by the Demerged Company or the Resulting Company as the case may be on any payments or credit of any sum in the books (from Appointed Date to the Effective Date) and payable to the Resulting Company or Demerged Company as the case may be, but on account of Clause 4.22 the said transaction needs to be cancelled in the books of the Demerged Company or the Resulting Company, as the case may be, such taxes shall be deemed to be taxes paid by the Demerged Company or the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 4.24. Since this Demerger involves transfer of the Demerged Undertaking, the approval granted by the members of the Demerged Company to the Scheme shall be deemed to include the approval under section 180(1)(a) of the Companies Act, 2013.

## **5. CONTINUATION OF LEGAL PROCEEDINGS**

- 5.1. Upon the Scheme becoming effective, all legal proceedings, suits, claims, actions before any statutory or quasi-judicial authority or tribunal of whatsoever nature, pertaining to the Demerged Undertaking, by or against the Demerged Company arising after the Appointed Date, shall be continued and enforced by or against the Demerged Company only until the Effective Date. On

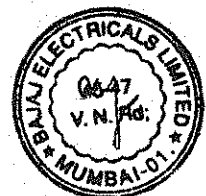


and from the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the relevant matters pertaining to the Demerged Undertaking in the same manner and to the same extent as would or might have been initiated by the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings against the Resulting Company. The Resulting Company shall be replaced/ added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in co-operation with the Demerged Company.

- 5.2. The Resulting Company undertakes to have all legal proceedings initiated by or against the Demerged Company referred to in sub-Clause 5.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both the Demerged Company and the Resulting Company shall make relevant applications in that behalf.
- 5.3. If any suit, appeal or other proceedings relating to the Demerged Undertaking, of whatever nature by or against the Demerged Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the demerger of the Demerged Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if this Scheme had not been made.

## **6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

- 6.1. Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking and to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 6.2. Without prejudice to the other provisions of this Scheme and notwithstanding that the demerger and subsequent vesting of the Demerged Undertaking from the Demerged Company to the Resulting Company occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmation or other writings or arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.



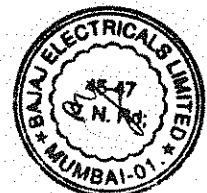
- 6.3. Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licenses, certificates, insurance covers, clearances, authorities, powers of attorney in relation to the Demerged Undertaking given by, issued to or executed in favour of the Demerged Company shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.
- 6.4. Even after this Scheme becomes effective, the Resulting Company shall, in its own rights, be entitled to realize all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Company, in so far as may be necessary.
- 6.5. Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.

#### **7. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the properties, liabilities and obligations pertaining to the Demerged Undertaking pursuant to this Scheme shall not affect any transactions or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company and pertaining to the Demerged Undertaking which shall vest in the Resulting Company in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.

#### **8. EMPLOYEES**

- 8.1. Permanent employees pertaining to the Demerged Undertaking, in service on the Effective Date shall be deemed to have become the employees of the Resulting Company with effect from the Effective Date without any interruption or break in their service as a result of the transfer and vesting of the Demerged Undertaking to the Resulting Company. The terms and conditions of their employment with the Resulting Company with effect from the Effective Date shall not be less favourable than those applicable to them with reference to the Demerged Company on the Effective Date.
- 8.2. The existing provident fund, gratuity fund, superannuation fund, trusts, retirement fund or benefits and any other Funds or benefits created by the Demerged Company inter alia for the Employees (collectively referred to as the "Funds") in terms of this Scheme shall be continued for the benefit of such Employees on the same terms and conditions in the Resulting Company. With effect from the Effective Date, the Resulting Company shall make the necessary contribution for such Employees taken over. Upon the Scheme being effective, the Resulting Company shall, to the extent pertaining to the Demerged Undertaking, stand substituted for the

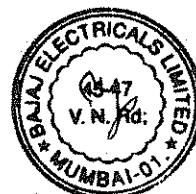


Demerged Company for all purposes whatsoever related to the administration or operation of such Fund or in relation to the obligations to make a contribution to the said Funds in accordance with the provisions of the Fund or according to the terms provided in the respective Fund deeds or other documents or, in the alternative, create / establish / setup / provide the facility of one or more alternative trusts being not less favourable than the existing Fund in the Demerged Company of which such Employees were members in the Demerged Company. The Resulting Company undertakes and assumes all the duties and obligations and takes over and assumes all the rights and powers of the Demerged Company upon the Scheme being effective, in relation to aforesaid Funds of the Demerged Company. The services of the Employees of the Demerged Company will be treated as having been continuous for the purposes of availing the benefits of the aforesaid funds or provisions of any Funds for Employees.

- 8.3. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- 8.4. In so far as the existing benefits or funds created by the Demerged Company for the Employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such funds and trusts in accordance with the provisions thereof, and such funds and trusts, if any, shall be held inter alia for the benefit of the Employees of the Remaining Business.

9. **CONDUCT OF BUSINESS FROM APPOINTED DATE TILL EFFECTIVE DATE**

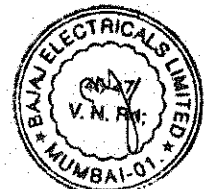
- 9.1. With effect from the Appointed Date and up to and including the Effective Date:
- a) The Demerged Company shall carry on and be deemed to have carried on its business and activities pertaining to the Demerged Undertaking and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest, authorities contracts, investments and strategic decisions of the Demerged Undertaking for and on account of and in trust for the Resulting Company.
- b) Any income or profit accruing or arising to the Demerged Company from the Demerged Undertaking and all costs, charges, expenses, losses arising or incurred by the Demerged Company pertaining to the Demerged Undertaking for the period commencing from the Appointed Date shall for all purposes be treated as the income, profits, costs, charges, expenses, losses and payments, as the case may be, of the Resulting Company including accumulated losses and unabsorbed depreciation, if any.
- c) The Demerged Company shall not utilize the profits or income, if any, in respect of the period from and after the Appointed Date and up to the Effective Date for the purpose of declaring or paying any dividend or for any other purpose without the prior written consent of the Resulting Company.
- d) The Demerged Company shall not, without the prior written consent of the Resulting Company, Encumber or otherwise deal with or dispose off the Demerged Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date.



- e) As between the Appointed Date and the Effective Date, the Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and prudence, in the ordinary course of business, the Demerged Company shall not, in any material respect, alter or expand the business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liability or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Demerged Undertaking, save and except, in each case, in the following circumstances:
- (i) if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT; or
  - (ii) if the same is expressly permitted by this Scheme; or
  - (iii) if the written consent of the Resulting Company has been obtained; or
  - (iv) if any pre-existing obligations are undertaken by the Demerged Company prior to the Appointed Date.
- f) The Demerged Company shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment of any of its employees.
- g) The Resulting Company shall be entitled, pending the sanction of the Scheme by the NCLT, to apply to the Central Government, BSE, NSE, the Securities and Exchange Board of India ("SEBI") and all other agencies, regulators, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to own and carry on the business of the Demerged Undertaking.

## 10. REMAINING BUSINESS

- 10.1. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company, subject only to the provisions of this Scheme in relation to Encumbrances in favour of banks, financial institutions and trustees for the debenture-holders and lenders.
- 10.2. All legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Demerged Company, which relates to the Remaining Business.
- 10.3. If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-Clause 10.2 above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify





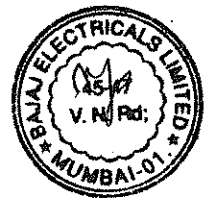
the Resulting Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

10.4. With effect from the Appointed Date and up to and including the Effective Date:

- a) the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company;
- c) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company; and
- d) all assets acquired and all liabilities incurred by the Demerged Company after the Appointed Date but prior to the Effective Date for operation of and in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in or to be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of the Scheme, subject to the provisions of this Scheme in relation to Encumbrances in favour of lenders, banks and/or financial institutions and trustees for the debenture-holders.

## 11. CONSIDERATION

- 11.1. Upon this Scheme coming into effect and in consideration of the transfer of and vesting of the Demerged Undertaking in the Resulting Company in terms of the Scheme, the paid up share capital of the Resulting Company shall be increased in the manner set out below.
- 11.2. Upon this Scheme coming into effect, the Board of BEL shall determine a record date, being a date on or subsequent to the effective date ("**Record Date**") for the allotment of fully paid up equity shares in accordance with sub-clause 11.3 below. On determination of the Record Date, HLL shall provide to BEL, the list of shareholders of HLL as on the Record Date who are entitled to receive fully paid-up shares of BEL in terms of this Scheme in order to enable BEL to issue and allot such fully paid-up shares of BEL in terms of this Scheme.
- 11.3. BEL shall, without any further application or deed, issue and allot to every shareholder of HLL, holding fully paid-up equity shares in HLL and whose names appear in the register of shareholders of HLL, except BEL on the Record Date, his/her/its heirs, executors, administrators or the successors in title as the case may be, in respect of every 1,000 equity shares of the face value of Rs 25/- each fully paid-up held by the shareholders in HLL, 109 equity share of the face value of Rs 2/- each fully paid up of BEL (hereinafter called the "**New Equity Shares**"), credited as fully paid-up.
- 11.4. No equity or preference shares of BEL shall be required to be issued in lieu of shares (both Equity and Preference) of HLL held by BEL on the Record Date.



- 11.5. The New Equity Shares in BEL to be issued to the shareholders of HLL above shall be subject to the Memorandum and Articles of Association of BEL and shall rank pari passu in all respects, including dividend, with the existing equity shares of BEL.
- 11.6. The New Equity Shares of BEL will be issued in dematerialised form to the shareholders holding shares of HLL in physical / dematerialized form. Shares allotted by BEL pursuant to the Scheme and issued in dematerialised form shall be credited to the depository accounts of the shareholders and shall be subject to all requirements of the BSE and NSE including listing and trading approvals.
- 11.7. In the event, the aforesaid allotment of new equity shares of BEL to the equity shareholders of HLL result in fractional entitlements, the same shall be rounded off to the nearest whole number.
- 11.8. The issue and allotment of New Equity Shares in the Resulting Company to the shareholders of the Demerged Company as provided in the Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 62 and any other applicable provisions of the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and all other relevant Rules, Regulations and Laws for the time being in force were duly complied with.
- 11.9. The New Equity Shares of BEL issued above shall, subject to applicable regulations, be listed and/or admitted to trading on the BSE and NSE where the existing equity shares of the Resulting Company are listed and/or admitted to trading.
- 11.10. In the event that BEL restructures its Equity Share Capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the Share Allotment Ratio shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 11.11. The Board of BEL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of the shareholders of HLL as shareholders in BEL.

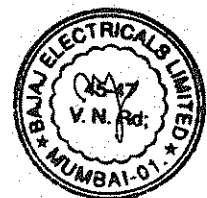
## 12. Accounting Treatment

### 12.1. Treatment in the accounting books of the Resulting Company

The Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015 is applicable to the Resulting Company from the year ended March 31, 2017 with transition date of 1st April, 2015.

In the statutory books of account of the Resulting Company, the scheme will be accounted from effective date in accordance with the Indian Accounting Standard (IND AS) 103 – Business Combination.

Hence, on the Scheme becoming effective, the Resulting Company shall account for the Scheme and its effects in its books of account as under :



- (a) The Resulting Company shall, upon the Scheme coming into effect, record all the identifiable assets acquired and liabilities assumed pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at their acquisition date fair values

Accordingly, if the fair values of identifiable assets acquired, separately from goodwill, are less than the fair values of liabilities assumed and the consideration issued as per Clause 11 on account of demerger of Demerged Undertaking, then as per Ind AS 103, the Resulting Company shall on the acquisition date recognise the identifiable assets acquired and the liabilities assumed at their acquisition date fair values and accordingly determine the difference as goodwill.

Conversely, if the fair values of identifiable assets acquired are more than the fair values of liabilities assumed and the consideration issued as per Clause 11 on account of demerger of Demerged Undertaking, then as per Ind AS 103, the Resulting Company shall on the acquisition date determine the difference as capital reserve in accordance to the treatment to be given for bargain purchase in business combination (para 34 of Ind AS 103 – Business Combinations) and shall credit the same in other comprehensive income on the acquisition date and accumulate the same in equity.

- (b) BEL shall credit its share capital account with the aggregate face value of shares issued by it to the shareholders of HLL pursuant to Clause 11 of the Scheme.

Any matter not dealt with in this Scheme or hereinabove shall be dealt with in accordance with the applicable Accounting Standards prescribed.

#### 12.2. Accounting treatment in the books of the Demerged Company

- (a) Upon the scheme coming into effect; the assets and the liabilities of the Demerged Company being transferred to the Resulting Company shall be transferred at values appearing in the books of account (ignoring revaluation) of the Demerged Company;
- (b) The net difference between the liabilities and assets as transferred under sub-clause (a) above shall be adjusted to capital reserve.

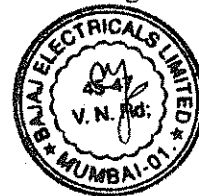
Any matter not dealt with in this Scheme or hereinabove shall be dealt with in accordance with the applicable Accounting Standards prescribed.

- 12.3. The mere adoption of the accounting treatment in the books of Resulting Company as per Ind AS 103 pursuant to the aforesaid Clause 12.1 of the Scheme shall not in any manner affect the vesting of the Demerged Undertaking from the Appointed Date for tax and other regulatory purposes

#### 12.4. Accounting Treatment for Tax Purposes

The Scheme set out herein in its present form duly approved by the NCLT shall be effective from the Appointed Date, including for regulatory & tax purposes. Accordingly, the Resulting Company and the Demerged Company shall, for tax and other regulatory purposes, account for the Scheme and all its effects with effect from the Appointed Date viz. 31<sup>st</sup> March, 2014 as under:-

- a. The Resulting Company will record all assets, liabilities and reserves pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at the respective book values thereof (ignoring revaluation) and in the same form as appearing in the books of the Demerged Company at the Appointed Date.



- b. The Resulting Company shall credit its share capital account with the aggregate face value of shares issued by it to the shareholders of HLL pursuant to Clause 11 of the Scheme.
- c. The difference between the net assets of the Demerged Undertaking under sub-clause (a) above and the consideration issued as per Clause 11 on account of demerger shall be adjusted to the reserves in the books of the Resulting Company.
- d. The assets and liabilities of the Demerged Company being transferred to the Resulting Company shall be transferred at values appearing in the books of account (ignoring revaluation) of the Demerged Company at the Appointed Date;
- e. The net difference between the assets and liabilities as transferred under sub-clause (d) above shall be adjusted to capital reserve in the books of the Demerged Company.

Aforementioned accounting treatment will be incorporated in the books and in the financials drawn up therefrom for tax and regulatory purposes and related compliances. These shall be approved by the Board of Directors of BEL and HLL and furnished to the authorities as may be applicable upon audit thereof from the tax auditors of both the Companies. The drawn up financials will be furnished along with the returns/ filings to be made with the tax authorities and will form the basis of tax assessments and tax compliances.

## PART C

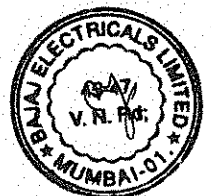
### OTHER TERMS AND CONDITIONS

#### 13. APPLICATION TO THE NCLT

The Demerged Company and the Resulting Company shall separately make the requisite company applications/ petitions under Section 230-232 and other applicable provisions of the Act to the respective NCLT for seeking the sanction of this Scheme.

#### 14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 14.1. Both the Demerged Company and the Resulting Company (acting through their Board of Directors, Committee thereof or any director or any other person authorised by the Board of Directors, Committee thereof to this effect) may assent to any modifications or amendments to this Scheme, including pursuant to the orders of the NCLT and/or any other authorities as they may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme. Each of the Demerged Company and the Resulting Company (acting through their Board of Directors, Committee thereof or any director or any other person authorised by the Board of Directors, Committee thereof to this effect) shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directions given by any other appropriate authorities or for any reason otherwise arising out of this Scheme and/or any matters concerning or connected herewith.
- 14.2. If any part of this Scheme is held to be invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or



future laws, then it is the intention of the Demerged Company and the Resulting Company that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this scheme to become materially adverse to either the Demerged Company or the Resulting Company in which case they shall attempt to bring about a modification in this Scheme, as will best preserve for the Demerged Company and the Resulting Company the benefits and obligations of this Scheme, including but not limited to such part.

## **15. CONDITIONALITY OF SCHEME**

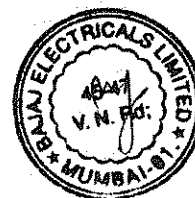
15.1. This Scheme shall be conditional upon the following:

- a) Obtaining observation letter or no-objection letter from the Stock Exchanges by the Resulting Company in respect of the Scheme, pursuant to Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant SEBI Circulars, subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time;
- b) Approval and agreement by the public shareholders of the Resulting Company through resolution passed through postal ballot and e-voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), and the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with the SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March 2017, subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time. For the purpose of this clause, the term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;
- c) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Demerged Company and Resulting Company, as prescribed under the Act;
- d) The Scheme being approved by the NCLT whether with any modifications or amendments as the NCLT may deem fit or otherwise; and
- e) The certified copies of the Orders of the NCLT being filed with the Registrar of Companies.

## **16. REVOCATION AND SEVERABILITY**

16.1. In the event of any of the sanctions and approvals referred to in this Scheme not being obtained and/or this Scheme not being sanctioned by the NCLT or such other appropriate authority and/or order or orders not being passed as aforesaid, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of BEL and HLL shall mutually waive/incorporate such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void, and each company herein shall bear its respective cost, charges and expenses in connection with this Scheme unless otherwise mutually agreed.

16.2. Notwithstanding anything to the contrary contained in this Scheme, if any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the

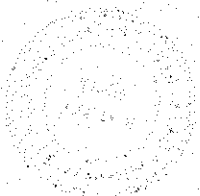
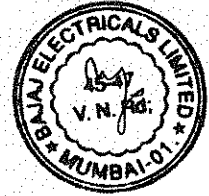


decision of HLL and BEL, affect the validity or implementation of the other provisions of this Scheme.

**17. COSTS, CHARGES AND EXPENSES**

Subject to clause 16 above, all costs, charges and expenses, in relation to or in connection with negotiations leading up to this Scheme and of carrying out and implementing the terms and provisions of this Scheme shall be borne and paid by the Resulting Company.

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To

31 July 2017

<p><b>The Board of Directors</b></p> <p><b>Bajaj Electricals Limited</b> 45-47, Veer Nariman Road, Mumbai – 400001</p>	<p><b>The Board of Directors</b></p> <p><b>Hind Lamps Limited</b> Shikohabad, Firozabad, Uttar Pradesh- 283141</p>
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Sub: Recommendation of fair entitlement ratio of equity shares of Bajaj Electricals Limited to be issued to the shareholders of Hind Lamps Limited for the proposed demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited

This is with reference to our report dated 22 November 2015 on "Recommendation of fair entitlement ratio of equity shares of Bajaj Electricals Limited to be issued to the shareholders of Hind Lamps Limited for the proposed demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited" provided on 22 November 2015.

As required by circular no LIST/COMP/02/2017-18 dated 29 May 2017 issued by the Bombay Stock Exchange of India Limited and Circular No. Ref No: NSE/CML/2017/12 dated 1 June 2017 issued by the National Exchange of India Limited (hereinafter referred to as "Circular"), we hereby present the requisite information in the format prescribed to us as given below.

**Computation of Fair Entitlement Ratios:**

Currency (INR)	Bajaj Electrical Limited		Manufacturing Business of Hind Lamps Limited	
	Value per Share	Weight (%)	Value per Share	Weight (%)
Asset Approach	n/a	-	0.0*	20
Income Approach	n/a	-	31.7	80
Market Approach	232.7	100	n/a	-
Relative Value per Share	232.7		25.4	
<b>Share Entitlement Ratio (rounded off)</b>				<b>0.109</b>

\*Considered Nil, since net asset value is negative and Company is a limited liability entity

**Ratio:**

Fair entitlement ratio of the equity shares for the proposed demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited should be a ratio of 109 equity shares of Bajaj Electricals Limited of INR 2/- each fully paid up for every 1000 equity shares of Hind Lamps Limited of INR 25/- each fully paid up.



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**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**

*Mangesh Patil*  
Mangesh Patil  
EVP-Legal & Taxation and Company Secretary

# S.R. BATLIBOI & Co. LLP

Chartered Accountants

The above should be read in conjunction with our report dated 22 November 2015 (which is annexed herewith) and is subjected to scope limitations enunciated in the report. Further, this document has been prepared solely as prescribed by the Circular and does not take account of any other (a) factors, events or circumstances arising after 22 November 2015 or (b) circulars, directions, rules, regulations issued by any authorities after 22 November 2015.

Respectfully Submitted,

S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Ravi Bansal

Partner

Membership No: 49365

Place: Mumbai

Date: 31 July 2017



Annexure:

- 1) Signed valuation report dated 22 November 2015



22 November 2015

To,

**The Board of Directors**  
**Bajaj Electricals Limited**  
45-47, Veer Nariman Road,  
Mumbai – 400001

**The Board of Directors**  
**Hind Lamps Limited**  
Shikohabad,  
Firozabad,  
Uttar Pradesh – 283141

Sub: Recommendation of fair entitlement ratio of equity shares of Bajaj Electricals Limited to be issued to the shareholders of Hind Lamps Limited for the proposed demerger of manufacturing business of Hind Lamps Limited (“HLL”) into Bajaj Electricals Limited (“BEL”)

Dear Sirs/Madams,

We refer to the engagement letter dated 12 October 2015 and addendum letter dated 9 November 2015 with S.R. Batliboi & Co. LLP (hereinafter referred to as “we” or “SRBC” or “us”) wherein Bajaj Electricals Limited (“BEL”) and Hind Lamps Limited (“HLL”) have requested us to recommend a fair entitlement ratio as at 20 November 2015 (“Valuation Date”), based on the balance sheet as at 30 September 2015, of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of the manufacturing business of HLL into BEL (“Fair Entitlement Ratio”).



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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## SCOPE AND PURPOSE OF THIS REPORT

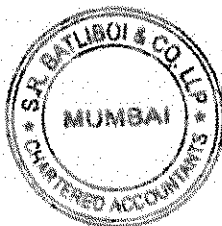
Bajaj Electricals Limited was incorporated in India on 14 July 1938. The business of BEL is bifurcated into two major segments -- the Engineering procurement and construction segment and the Consumer Durables and Lighting Segment. BEL is engaged in the business of sales, distribution and marketing of consumer appliances, fans, lighting & luminaries, high masts, poles and towers and products relating to industrial, commercial, and domestic lighting. BEL also undertakes turnkey, commercial and rural lighting projects; designs, manufactures erects and commissions high masts, poles and towers. BEL's registered office is at 45/47, Veer Nariman road, Fort, Mumbai - 400 001, Maharashtra, India. Its equity shares are listed on Bombay Stock Exchange ("BSE"), National Stock Exchange ("NSE") and Delhi Stock Exchange.

Hind Lamps Limited was founded on 30 April 1951. Its registered office is at Shikohabad, Firozabad, Uttar Pradesh India. HLL is engaged in manufacturing of glass bulbs, high intensity discharge (HID) bulbs and aluminum caps. Its manufacturing unit is located at Shikohabad, Uttar Pradesh and Parwanoo, Himachal Pradesh. The manufacturing activity of HLL is hereinafter referred to as 'the Undertaking'. HLL also has a trading unit which is engaged in the business of selling these units to the end consumer. HLL has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board for Industrial and Financial Reconstruction ("BIFR").

BEL and Undertaking of HLL are hereinafter collectively referred to as "Valuation Subjects".

BEL and HLL are hereinafter collectively referred to as "Companies".

We understand that Managements of the Companies ("Management") are evaluating a demerger of the Undertaking into BEL on a going concern basis under a Scheme of Arrangement under the provisions of Section 18 of the SICA (hereinafter referred to as "the Demerger Scheme" or "Proposed Demerger"). We understand that as consideration, HLL shareholders (except BEL) would be issued equity shares of BEL, in proportion to their shareholding in HLL, for demerging the Undertaking into BEL. The Fair Entitlement Ratio would be determined based on the value of each equity share of BEL and the equity value of the Undertaking per equity share of HLL.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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For the aforesaid purpose, BEL and HLL have appointed us to recommend a Fair Entitlement Ratio for distribution of BEL shares to the shareholders of HLL.

The scope of our services is to conduct relative (and not absolute) valuation of equity shares of BEL and the Undertaking of HLL in order to recommend a Fair Entitlement Ratio for the Proposed Demerger.

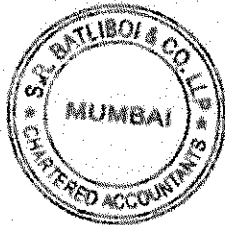
We have considered financial information of BEL and the Undertaking of HLL upto 30 September 2015 in our valuation and made adjustments for facts made known to us till the date of our report. The Management has informed us that they do not expect any events which are unusual or are not in normal course of business till the demerger is effective. The Management has further informed us that:

- (a) there would not be any substantial capital variation in either of the Companies till the demerger becomes effective without approval of the shareholders other than on account of existing ESOP Schemes in BEL.
- (b) neither Companies would declare any special dividend till the date the shares of BEL are issued under the Demerger Scheme.

We have relied on the above while arriving at the Fair Entitlement Ratio for the Proposed Demerger.

This report is our deliverable in respect of our recommendation of Fair Entitlement Ratio as at 20 November 2015 for the Proposed Demerger of the Undertaking of HLL into BEL.

This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

## **SOURCES OF INFORMATION**

In connection with this exercise, we have received the following information from the respective Management and/or gathered from public domain:

- Annual reports of BEL for FY13, FY14 and FY15
- Unaudited financials of BEL for half year ended 30 September 2014 and 30 September 2015
- Audited financials of HLL for FY13, FY14 and FY15 and management certified provisional financials of HLL for half year ended 30 September 2015
- HLL Management certified carved-out financials of the Undertaking for FY13, FY14 and FY15 and provisional financials for half year ended 30 September 2015
- Projected financials of BEL from 1 October 2015 to 31 March 2021
- Projected profit and loss account till Earning Before Interest, Tax, Depreciation and Amortization ("EBITDA"), working capital and capital expenditure of the Undertaking from 1 October 2015 to 31 March 2021
- Details of ESOPs outstanding as on 20 November 2015 of BEL

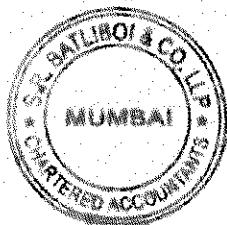
During the discussions with the Management of both Companies, we have also obtained explanations and information considered reasonably necessary for our exercise. The Companies have been provided with the opportunity to review the draft report (excluding the recommended exchange ratio) as part of our standard practice to make sure those factual inaccuracies / omissions are avoided in our final report.

## **SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this report (iii) are based on the unaudited balance sheets as at 30 September 2015 of BEL and the Undertaking.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other condition in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

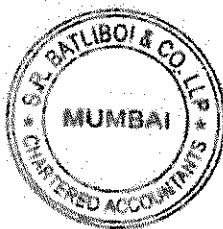
The Management has represented that the business activities of BEL and HLL have been carried out in the normal and ordinary course between 30 September 2015 and the report date and that no material adverse change has occurred in their respective operations and financial position between 30 September 2015 and the report date.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

This report was prepared for the purpose of recommendation of Fair Entitlement Ratio as at 30 September 2015 for the proposed demerger of the Undertaking into BEL for the consideration of the Boards of BEL and HLL only. Its suitability and applicability for any other use has not been checked by us. Neither the valuation report nor its contents may be disclosed to any third party or referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, any public communication, loan agreement or other agreement or document given to third parties without our prior written consent except to the extent as required by the applicable law to consummate the Proposed Demerger. We retain the right to deny permission for the same.

We have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. We have assumed that the information provided to us presents a fair image of BEL / the Undertaking and the assets being valued at the Valuation Date.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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The report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Valuation Subjects. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the valuation report date.

This report does not look into the business/ commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

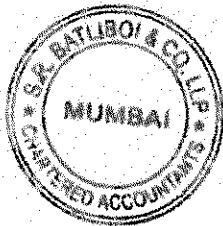
The valuation and result are governed by concept of materiality. The financial forecasts used in the preparation of the report reflects Management's judgment, based on present circumstances, as to the most likely set of conditions and the course of action it is most likely to take. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period will almost always differ from the forecasts and as such differences may be material.

The fee for the report is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of BEL and HLL that have retained us and nobody else. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

We do not accept any liability to any third party in relation to the issue of this report.

This report is subject to the laws of India.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

### SHARE CAPITAL DETAILS OF THE COMPANIES

#### Bajaj Electricals Limited

The issued, subscribed and paid-up equity share capital of BEL as at 30 September 2015 is ₹ 201.80 million consisting of 100,902,426 equity shares of ₹ 2/- each fully paid up.

Shareholding pattern as at 30 September 2015:

Shareholder	No. of shares	% shareholding
Promoter and Promoter group	64,218,485	63.64
Financial Institutional Investors	11,669,961	11.57
Domestic Institutional Investors	4,857,371	4.82
Public	20,156,609	19.97
<b>Total</b>	<b>100,902,426</b>	<b>100.00</b>

Source: BSE filing (As at 30 September 2015)

As at 20 November 2015, total number of employee stock options outstanding are 2,734,039 out of which 1,464,350 stock options are 'in the money' considering their exercise price as compared to average of daily weighted average price for 2 weeks ended 18 November 2015 of BEL. Dilution on account of 'in the money stock options' has been considered for the purpose of valuation of BEL.

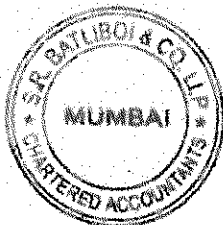
#### Hind Lamps Limited

The issued, subscribed and paid-up equity share capital of HLL as at 30 September 2015 is ₹ 150 million consisting of 6,000,000 equity shares of ₹ 25/- each fully paid up.

Shareholding pattern as at 30 September 2015:

Shareholders	No. of shares	% shareholding
Bajaj Electricals Ltd.	1,140,000	19.00%
Jamnalal Sons Pvt. Ltd.	495,000	8.25%
Baroda Industries Pvt. Ltd.	1,170,000	19.50%
Bajaj International Pvt. Ltd.	180,000	3.00%
Smt. Kiran Bajaj	1,170,000	19.50%
Ms. Geetika Bajaj	1,170,000	19.50%
Bachhraj & Company Pvt.Ltd.	675,000	11.25%
<b>TOTAL</b>	<b>6,000,000</b>	<b>100.00%</b>

Source: Management of HLL



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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### **APPROACH - BASIS OF DEMERGER**

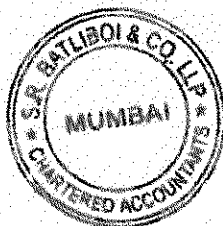
The Proposed Demerger scheme contemplates the demerger of Undertaking into BEL pursuant to the Demerger Scheme under the provisions of Section 18 of the SICA. Arriving at the Fair Entitlement Ratio of equity shares for the Proposed Demerger of the Undertaking into BEL would require determining the relative values of the Undertaking in terms of BEL. These values are to be determined independently but on a relative basis and without considering the effect of the current demerger transaction.

There are several commonly used and accepted methods for valuation of companies/businesses to determine the fair entitlement ratio for a demerger, which have been considered in the present case, to the extent relevant and applicable, including:

- Market Price method
- Comparable Companies' Multiples (CCM) method / Comparable Transactions Multiple (CTM) method
- Discounted Cash Flows method
- Net Asset Value method

It should be understood that the valuation of any company/businesses or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our valuation, we made numerous assumptions with respect to industry performance and general business and economic condition, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market condition, the condition and prospects, financial and otherwise of the companies, and other factors which generally influence the valuation of the companies / businesses and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.





Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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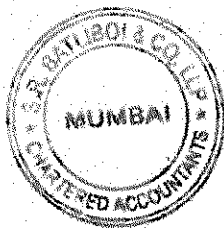
### **Market Price Method**

The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a demerger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

In the present case, the shares of BEL are listed on recognized stock exchanges like BSE, NSE and Delhi Stock Exchange and there are regular transactions in its equity shares with adequate volumes on BSE and NSE. In these circumstances, the share price observed on NSE for BEL over a reasonable period have been considered for determining the value of BEL under the market price methodology. The Undertaking is a part of HLL and HLL's shares are not listed on any recognized stock exchange.

### **Comparable Companies' Multiple (CCM) method / Comparable Transactions Multiple (CTM) method**

Under this method, value of the equity shares of a company / business is arrived at by using multiples derived from valuations of comparable companies or comparable transactions, as manifest through stock market valuations of listed companies and the transaction valuation. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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In the present case, there are no listed Indian comparable companies having business similar to the Undertaking and since we have considered Market Price Method for valuation of BEL, we have not considered market based multiples method for the purpose of this exercise.

#### **Discounted Cash Flows (DCF) Method**

Under the DCF method, the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF method involves determining the following:

##### *Estimating future free cash flows:*

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.

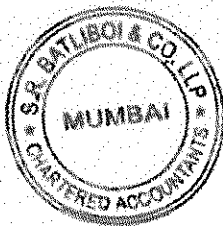
##### *Appropriate discount rate to be applied to cash flows i.e. the cost of capital:*

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Value arrived above under DCF method is adjusted for the value of loans, cash, non-operating assets/liabilities as deemed appropriate.

Considering that the market price method is the best indicator of the value of a company, we have worked out value of BEL as per the DCF method, by using the business plan provided to us by the BEL Management, only for benchmarking purpose.

We have used the DCF method for our valuation of the Undertaking by using the business plan provided to us by the HLL Management.



Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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### **Net Asset Value (NAV) Methodology**

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. A Scheme of Arrangement would normally be proceeded with, on the assumption that the demerged business will continue on a going concern basis and an actual realization of the operating assets is not contemplated. In such a going concern scenario the relative earning power is of importance, with the values arrived at on the net asset basis being of limited relevance.

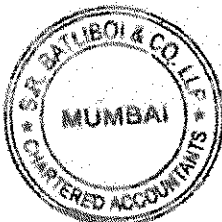
Considering the nature of the business of BEL and the Undertaking, we feel it is appropriate to give no weightage to this method for BEL and lower weightage for the Undertaking for valuation.

### **Recommendation of Fair Entitlement Ratio for Equity Shares**

The fair basis of valuation would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. For the purposes of recommending a Fair Entitlement Ratio of equity shares it is necessary to arrive at a single value for the Undertaking and the equity shares of BEL. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity value of the Valuation Subjects but at their relative values to facilitate the determination of a Fair Entitlement Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the Management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we consider that the Fair Entitlement Ratio of equity shares for the proposed demerger of the Undertaking into BEL should be a ratio of 109 equity shares of BEL of ₹ 2/- each fully paid up for every 1,000 equity shares of HLL of ₹25/- each fully paid up.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Recommendation of fair entitlement ratio of equity shares of BEL to be issued to the shareholders of HLL for the proposed demerger of manufacturing business of HLL into BEL

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We have examined only the fair and equitable basis of the Fair Entitlement Ratio for the shareholders and not examined any other matter including accounting and tax matters involved in the Proposed Demerger exercise.

Respectfully submitted,

S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E



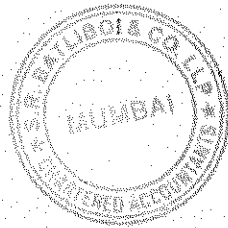
Per Ravi Bansal

Partner

Membership No: 49365

Place: Mumbai

Date: 22 November 2015



## REPORT OF THE AUDIT COMMITTEE OF BAJAJ ELECTRICALS LIMITED

### Members Present:

Mr. V.B. Haribhakti, Director  
Mr. Ashok Jalan, Director  
Dr. (Mrs.) Indu Shahani, Director

### In Attendance:

Mr. Mangesh Patil, Vice President – Legal & Company Secretary

### By Invitation:

Mr. Shekhar Bajaj, Chairman & Managing Director  
Mr. Anant Bajaj, Joint Managing Director  
Mr. H.V. Goenka, Director  
Mr. R. P. Singh, Director  
Mr. Anant Purandare, Executive Vice President & CFO

### Representatives from S.R. Batliboi & Co. LLP, Chartered Accountants:

Mr. Jayesh Agharkar, Ms. Jyoti P Bhatia and Ms. Ritu Saxena

1. A meeting of the Audit Committee of Bajaj Electricals Limited ('BEL' or 'the Company' or 'the Resulting Company') was held on Monday, 23 November 2015 to consider and recommend to the Board of Directors the proposed demerger of Manufacturing Business of Hind Lamps Limited ('HLL' or 'the Demerged Company') into the Company with appointed date from 31 March 2014, to be implemented in terms of draft Scheme of Arrangement, entered into between the Company, HLL and their respective Shareholders and Creditors.
2. The Audit Committee has considered the following documents:
  - a. Draft Scheme of Arrangement ('Scheme');
  - b. Valuation Report dated 22 November 2015 by S.R. Batliboi & Co. LLP, Chartered Accountants, recommending the Share Entitlement Ratio ('Valuation Report');
  - c. Fairness Opinion dated 22 November 2015 by SPA Capital Advisors Limited, Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio as recommended by S.R. Batliboi & Co. LLP, Chartered Accountants ('Fairness Opinion'); and
  - d. Minutes of the meeting with the Senior Counsel Mr. Percy Pardiwala in connection with tax implications on demerger of Manufacturing Business of HLL into BEL.
3. Mr. Jayesh Agharkar/Ms. Jyoti P Bhatia/Ms. Ritu Saxena, representative of S.R. Batliboi & Co. LLP, Chartered Accountants made a presentation to the Committee explaining implications of the Scheme.

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For and on behalf of  
**Bajaj Electricals Limited**

  
**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

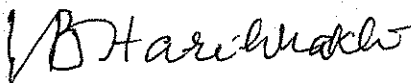
4. The Audit Committee has noted that:

- a. Company presently holds 19% paid-up equity capital of HLL. Further, other promoters and promoter group companies of the Company holds remaining 81% of the paid-up equity capital of HLL.
- b. HLL is primarily engaged in the business of manufacturing of glass bulbs, HID bulbs and aluminium caps and has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 by the Board of Industrial and Financial Reconstruction.
- c. Demerger of Manufacturing Business of HLL into the Company would inter alia have the following benefits:
  - The transfer and vesting of the Manufacturing Business of the HLL with the Company will enable both the companies to achieve and fulfill their objectives more efficiently and economically and the same is also in the interest of all the stakeholders. The Company's existing management expertise and quality system & controls will enhance the performance of this business.
  - The Scheme is expected to contribute in furthering and fulfilling the objects of both the companies and facilitate revival of the Manufacturing Business upon its consolidation with the Company.
- d. The Audit Committee reviewed the Valuation Report and noted that the said Report recommended that shareholders of HLL would be issued 109 fully paid equity shares of the Company of face value of Rs.2 (Rupees Two Only) each for every 1000 fully paid equity shares held in HLL of face value of Rs.25 (Rupees Twenty Five Only) each, as the Share Entitlement Ratio.
- e. Further, the Fairness Opinion confirmed that the Share Entitlement Ratio as recommended in the Valuation Report is fair to the shareholders of the Company.
- f. The equity shares to be issued by the Company to the shareholders of HLL are proposed to be listed on BSE Limited, National Stock Exchange of India Limited and Delhi Stock Exchange Limited.

5. In light of the foregoing, the Audit Committee recommends the draft Scheme for favourable consideration by the Board of Directors.

By Order of the Audit Committee

For and on Behalf of  
Bajaj Electricals Limited



V. B. Haribhakti  
Chairman, Audit Committee

Place: Mumbai

Date: 23 November 2015

Submitted to

**Bajaj Electricals Limited**

**FAIRNESS OPINION REPORT**

**On valuation Report for share entitlement ratio on Proposed Scheme of demerger  
of Manufacturing Business of Hind Lamps Limited (HLL) into Bajaj Electricals  
Limited (BEL)**

From S.R. Batliboi & Co. LLP

BY

**M/s SPA CAPITAL ADVISORS LTD.**

25, C-Block, Community Centre,

Janak Puri, New Delhi.


Tel: 25558601/25517371/25515086

Fax: 25572763

Website: [www.spacapital.com](http://www.spacapital.com)

**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**

  
**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

"Everything we hear is an opinion, not a fact. Everything we see is a perspective, not  
the truth."

November 23, 2015

Board of Directors

Date: November 23, 2015

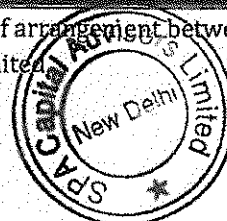
Bajaj Electricals Limited  
45-47, Veer Nariman Road,  
Mumbai-400001

**RE: Fairness Opinion on valuation Report by S.R. Batliboi & Co. LLP for share entitlement ratio on Proposed Scheme of demerger of Manufacturing Business of Hind Lamps Limited (HLL) into Bajaj Electricals Limited (BEL)**

### BACKGROUND

We understand that Bajaj Electricals Limited was incorporated in India on 14 July 1938. The business of BEL is bifurcated into three major segments – the Engineering & Projects Segment, Consumer Durables Segment and Lighting Segment. BEL is engaged in the business of sales, distribution and marketing of consumer appliances, fans, lighting & luminaries, high masts, poles and towers and products relating to industrial, commercial, and domestic lighting. BEL also undertakes turnkey, commercial and rural lighting projects; designs, manufactures erects and commissions high masts, poles and towers. BEL's registered office is at 45/47, Veer Nariman Road, Fort, Mumbai – 400 001. Maharashtra, India. Its equity shares are listed and traded on Bombay Stock Exchange ("BSE"), National Stock Exchange ("NSE") and Delhi stock Exchange Ltd. ("DSE").

Hind Lamps Limited was founded on 30 April 1951. Its registered office is at Shikohabad, Dist. Firozabad, Uttar Pradesh India. HLL is engaged in manufacturing of glass bulbs, high intensity discharge (HID) bulbs and aluminum caps. Its manufacturing units are located at Shikohabad, Uttar Pradesh and Parwanoo, Himachal Pradesh. The manufacturing activity of HLL is hereinafter referred to as 'the Undertaking'. HLL also has a trading unit which is engaged in the business of





selling lighting and consumer durable products to the end consumer. HLL has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board for Industrial and Financial Reconstruction ("BIFR").

#### PURPOSE

We understand that Managements of the Companies ("Management") are evaluating a demerger of the manufacturing business of HLL into BEL on a going concern basis under a Scheme of Arrangement under the provisions of Section 18 of the SICA (hereinafter referred to as "the Demerger Scheme" or "Proposed Demerger"). We understand that as consideration, HLL shareholders (except BEL) would be issued equity shares of BEL, in proportion to their shareholding in HLL, for demerging the Undertaking into BEL. The Fair Entitlement Ratio would be determined based on the value of each equity share of BEL and the equity value of the Manufacturing business per equity share of HLL.

We have been engaged to give fairness opinion on Valuation Report dated November 22, 2015 issued by S.R. Batliboi & Co. LLP.

#### INFORMATION RELIED UPON

- ⊕ Draft Scheme of Demerger
- ⊕ Report of valuation done by S.R. Batliboi & Co. LLP
- ⊕ Information and explanations given by management of BEL as used for valuation.

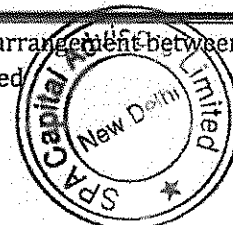
**Statement of Limiting Conditions:** The Final Report has been prepared for the internal and exclusive use of the Board of Directors of BEL (the "Board of Directors") in support of the decisions to be taken by them. Therefore, the Final Report may not be disclosed, in whole or in part, to any third party or used for any purpose whatsoever other than those indicated in the Engagement and in the Final Report

itself, provided that the Final Report may be transmitted to the experts appointed in compliance with the law and its content may be disclosed publicly where required by regulations of the Indian authorities. Any other use, in whole or in part, of the Final Report will have to be previously agreed and authorised in writing by SPA Capital Advisors Limited (SPA). In preparing the Final Report, SPA has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by BEL. SPA has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Final Report has also been used. Therefore the Final Report is based on: (i) our interpretation of the information which BEL, as well as their representatives and advisers, have supplied to us to date; (ii) our understanding of the terms upon which BEL intends to consummate the Transaction; and (iii) the assumption that the Transaction will be consummated in accordance with the expected terms and within the expected time periods. In the execution of the Engagement, SPA has elaborated its own analyses based on the methodologies illustrated below, reaching the conclusions contained in the final paragraph of this Final Report.

The Final Report and the Opinion concern exclusively for the purpose of proposed demerger and do not constitute an opinion by SPA as to the absolute value of the shares of BEL. The conclusions contained in this Final Report are based on the whole of the valuations contained herein and therefore no part of the Final Report may be used apart from the document in its entirety.

The Final Report and the Opinion are necessarily based on economic, market and other conditions as on the date of valuation i.e. 20<sup>th</sup> November, 2015, and the written and oral information made available to us until 21<sup>st</sup> November, 2015. It is understood that subsequent developments may affect the conclusions of the Final Report and of the Opinion and that, in addition, SPA has no obligation to update, revise, or reaffirm the Opinion.

In addition, SPA is expressing no opinion as to the price at which any securities of BEL will trade on the stock market at any time. Other factors after the date hereof may affect the value of the businesses of BEL either before or after completion of the event. No opinion is expressed by SPA whether any alternative transaction might have been more beneficial to BEL. It is understood that SPA or certain SPA affiliates,



in the ordinary course of their activities, may actively trade, for their own account or for the account of customers, the equity and debt securities of BEL or companies directly or indirectly controlled by, affiliated with BEL or in which BEL holds securities, and, accordingly, may at any time hold long or short positions in such securities. It also remains understood that SPA or certain SPA affiliates may currently have and may in the future have commercial banking, investment banking, trust and other relationships and/or engagements with, Counterparties which may have interests with respect to BEL, or companies directly or indirectly, controlled by, affiliated with BEL or in which BEL holds securities. Finally, it remains understood that SPA or certain SPA affiliates may have fiduciary or other relationships and engagements whereby SPA or certain SPA affiliates may exercise voting power over securities of various persons, which securities may from time to time include securities of BEL, or companies directly or indirectly controlled by, affiliated with BEL, or in which BEL holds securities, or other parties with an interest in the Transaction.

**SUMMARY OF VALUATION PERFORMED BY S.R. BATLIBOI & CO. LLP**

For valuation working of BEL, S.R. Batliboi & Co. LLP has considered Market Price Method and for the valuation working of the HLL, they have considered DCF Method and Net Asset Value Method ("NAV") and assigned 80% weightage to DCF Method and 20% weightage to NAV Method.

**1. Market Value Approach**

Valuation of BEL is derived based on average of weighted average market price of 2 weeks.

**Hind Lamps Ltd. (HLL)**

**1. Net Asset Value Method**

Valuation of HLL is derived on the basis of book value of assets and liabilities, which is negative and hence considered as NIL while giving weightage of 20%.

## 2. Discounted Cash Flow Method

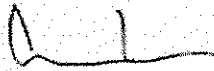
The value of HLL has been calculated after discounting free cash flows to firm projections for five years. After that Terminal Value has been calculated on replacement cost basis and then weightage of 80% is given

The entitlement ratio as recommended by S.R. Batliboi & Co. LLP is in a ratio of 109 equity shares of BEL of Rs. 2/- each fully paid up for every 1,000 equity shares of HLL of Rs.25/- each fully paid up.

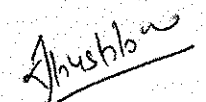
### CONCLUSION

Subject to the assumptions presented herein, in our opinion the valuation done and share entitlement ratio suggested by S.R. Batliboi & Co. LLP is fair considering circumstances and purpose of valuation.

For SPA Capital Advisors Limited.



(Sourabh Garg)  
Vice President



(Khushboo Tanwar)  
Manager

**Annexure 6A**  
**Pre-Scheme of Arrangement**

**Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

1.	Name of Listed Entity: <b>Bajaj Electricals Limited</b>
2.	Scrip Code/Name of Scrip/Class of Security: <b>500031</b>
3.	Share Holding Pattern Filed under: <b>Reg. 31(1)(b)</b>
	a. If under 31(1)(b) then indicate the report for Quarter ending: <b>30/06/2017**</b>
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: <b>The Listed entity is required to submit the following declaration to the extent of submission of information</b>

Particulars		Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

\*\* Pre/post scheme shareholding patterns are based on the shareholding pattern filed by the Transferee Company with stock exchanges for quarter ended June 30, 2017. Post this quarter, on 11 August 2017, the Transferee Company has allotted 114675 equity shares on exercise of options under ESOP whereby the Issued, Subscribed and Paid-up Capital of the Transferee Company increased to 101525351 equity shares of Rs.2 each fully paid up.



**Bajaj Electricals Limited**

**Table I - Summary Statement holding of specified securities**

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			No. of Shares Underlying convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	38	64218485	0	0	64218485	63.3252	0	0	0	0	0.0000	0	0.0000	0	0	0	
(B)	Public	31524	37197191	0	0	37197191	36.6748	0	0	0	0	0.0000	0	0.0000	0	0	0	
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0	0	0.0000	0	0.0000	0	0	0	
(G1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0	0.0000	0	0.0000	0	0	0	
(G2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0	0.0000	0	0.0000	0	0	0	
	<b>Total</b>	<b>31592</b>	<b>101410676</b>	<b>0</b>	<b>0</b>	<b>101410676</b>	<b>100.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# Ms. Suman Jain, from Promoter and Promoter Group shareholder, holding equity shares of Bajaj Electricals Ltd. under two different folios. To meet the requirements of "Table I - Statement showing shareholding pattern of the Promoter Group" the said folios have been clubbed together as one single shareholder/folio on the basis of her PAN. This caused a difference of one shareholder in the total number of shareholders as per Benpo Data received from the Registrar & Transfer Agent (31593) and a number given in the shareholding pattern (31592).



**Bajaj Electricals Limited**

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights	Class eg. X	Class eg. Y			Total	No. (a)	As a % of total Shares held(b)	No. (a)		As a % of total Shares held(b)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)				(x)	(xi) = (vii)+(x) As a % of (A+B+C2)	(xii)	(xiii)	(xiv)		
1. Indian																		
(a) Individuals / Hindu Undivided Family																		
Shekhar Bajaj	ACIP85315N	19	19050878	0	0	19050878	18.79	19050878	0	18.7859	0	18.7859	0	0	0	0	19050878	
Anant Bajaj	ABUP2298E	1	4680735	0	0	4680735	4.62	4680735	0	4.6156	0	4.6156	0	0	0	0	4680735	
Kiran Bajaj	ACJP8507N	1	4531823	0	0	4531823	4.47	4531823	0	4.4688	0	4.4688	0	0	0	0	4531823	
Machhar Bajaj	ACIP8501L	1	3086419	0	0	3086419	3.04	3086419	0	3.0435	0	3.0435	0	0	0	0	3086419	
Niraj Bajaj	ACIP8503K	1	2125035	0	0	2125035	2.10	2125035	0	2.0955	0	2.0955	0	0	0	0	2125035	
Sunaina Kejriwal	ADWPK2432P	1	1711235	0	0	1711235	1.69	1711235	0	1.6874	0	1.6874	0	0	0	0	1711235	
Kumud Bajaj	ACIP8504R	1	965325	0	0	965325	0.95	965325	0	0.9519	0	0.9519	0	0	0	0	965325	
Minal Bajaj	ABUP2299D	1	638200	0	0	638200	0.63	638200	0	0.6293	0	0.6293	0	0	0	0	638200	
Niravaran Bajaj	ACIP8505T	1	367200	0	0	367200	0.36	367200	0	0.3621	0	0.3621	0	0	0	0	367200	
Pooli Baji	ACIP8506U	1	251000	0	0	251000	0.25	251000	0	0.2475	0	0.2475	0	0	0	0	251000	
Ranul Kumar Bajaj	ACIP8507V	1	130000	0	0	130000	0.13	130000	0	0.1282	0	0.1282	0	0	0	0	130000	
Neselima Bajaj Swamy	AA8P84242J	1	124180	0	0	124180	0.12	124180	0	0.1225	0	0.1225	0	0	0	0	124180	
Suman Jain #	ABVP907ZH	1	110000	0	0	110000	0.11	110000	0	0.1093	0	0.1093	0	0	0	0	110000	
Kirti Bajaj	AUP88461F	1	99645	0	0	99645	0.10	99645	0	0.0983	0	0.0983	0	0	0	0	99645	
Nimisha Jaisuria	AACP89478L	1	90000	0	0	90000	0.09	90000	0	0.0887	0	0.0887	0	0	0	0	90000	
Shiraj Bajaj	AEGP89057C	1	30000	0	0	30000	0.03	30000	0	0.0296	0	0.0296	0	0	0	0	30000	
Shri Sanjivnaran Bajaj	ACIP8506P	1	10735	0	0	10735	0.01	10735	0	0.0106	0	0.0106	0	0	0	0	10735	
Geetika Bajaj	AACP85077E	1	8346	0	0	8346	0.01	8346	0	0.0082	0	0.0082	0	0	0	0	8346	
Deepa Bajaj	AFAP85650G	1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
(b) Central Government / State Government(s)																		
(c) Financial Institutions / Banks																		
(d) Any Other (Specify)																		
Bodies Corporate																		
Jamaal Sons Private Limited	AAAC13176H	19	45167607	0	0	45167607	44.54	45167607	0	44.5393018	0	44.53930176	0	0	0	0	45167607	
Bajaj Holdings And Investment Ltd	AAAC3370K	16	40954607	0	0	40954607	40.38	40954607	0	40.38490681	0	40.38490681	0	0	0	0	40954607	
Hind Musafir Agency Ltd	AAAC11250Q	1	19872830	0	0	19872830	19.60	19872830	0	19.5964	0	19.5964	0	0	0	0	19872830	
Bajaj International Private Limited	AAACB0478J	1	1258000	0	0	1258000	12.42	1258000	0	12.4056	0	12.4056	0	0	0	0	1258000	
Baroda Industries Private Limited	AAACB2428A	1	800000	0	0	800000	0.79	800000	0	0.7888	0	0.7888	0	0	0	0	800000	
Hercules Hoists Limited	AAACB2706D	1	770000	0	0	770000	0.76	770000	0	0.7593	0	0.7593	0	0	0	0	770000	
Shekhar Holdings Pvt Ltd	AAAC85871J	1	554937	0	0	554937	0.55	554937	0	0.54937	0	0.54937	0	0	0	0	554937	
Rahul Securities Pvt Ltd	AAACR3945E	1	480000	0	0	480000	0.47	480000	0	0.4733	0	0.4733	0	0	0	0	480000	
Bachraj Factories Private Limited	AAACB4654N	1	415000	0	0	415000	0.41	415000	0	0.4092	0	0.4092	0	0	0	0	415000	
Bajaj Sevastaram Private Ltd	AAACB2301D	1	95000	0	0	95000	0.09	95000	0	0.0937	0	0.0937	0	0	0	0	95000	
Bachraj And Company Pvt Limited	AAACB5589N	1	5000	0	0	5000	0.00	5000	0	0.0049	0	0.0049	0	0	0	0	5000	
Kamalnayan Investment & Trading Pvt Ltd	AAACM3719R	1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
Machhar Securities Pvt Ltd	AAACN5095P	1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
Niraj Holdings Pvt Ltd	AAACS7520E	1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
Rupa Equities Private Limited	AAACS1380A	1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
Sanraj Nayan Investments Pvt Ltd		1	1000	0	0	1000	0.00	1000	0	0.0010	0	0.0010	0	0	0	0	1000	
Trusts		2	1676200	0	0	1676200	1.63	1676200	0	1.6329	0	1.6329	0	0	0	0	1676200	
Kiran Bajaj (as Trustee of GEETIKA TRUST NO. 2)	AA8TG7469A	1	1210000	0	0	1210000	1.19	1210000	0	1.1932	0	1.1932	0	0	0	0	1210000	
Niraj Bajaj (as Trustee of NIRAVNAYAN TRUST)	AAATN1019L	1	466200	0	0	466200	0.46	466200	0	0.4597	0	0.4597	0	0	0	0	466200	
Partnership Firms		1	2536800	0	0	2536800	2.50	2536800	0	2.5013	0	2.5013	0	0	0	0	2536800	
Shekhar Bajaj (held on account of BAJAJ TRADING CO.)	AA8FB9490L	1	2536800	0	0	2536800	2.50	2536800	0	2.5015	0	2.5015	0	0	0	0	2536800	
Sub Total (A)(1)		38	64218485	0	0	64218485	63.33	64218485	0	63.3252	0	63.3252	0	0	0	0	64218485	



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Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
								No. of Voting Rights	Class eg: x	Class eg: y					
1															
(a) Institutions	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
Mutual Fund															
Reliance Capital Trustee Co. Ltd-A/C-RelianceSmall Cap Fund	AAATR0050R	28	5264774	0	0	5264774	5.1915	5264774	0	5264774	5.1915	0	0	0	5259774
Venture Capital Funds															
Alternate Investment Funds		0	1209744	0	0	1209744	1.1929	1209744	0	1209744	1.1929	0	0	0	1209744
Foreign Venture Capital Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
Foreign Portfolio Investor		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
Caixa De Depoat Et Placement Du Quebec-Enam Asset Management		72	9400074	0	0	9400074	9.2693	9400074	0	9400074	9.2693	0	0	0	9244074
Long Term India Fund			1500000	0	0	1500000	1.4791	1500000	0	1500000	1.4791	0	0	0	1049000
Msd India Fund Ltd			1097000	0	0	1097000	1.0817	1097000	0	1097000	1.0817	0	0	0	1097000
Financial Institutions / Banks			1033664	0	0	1033664	1.0193	1033664	0	1033664	1.0193	0	0	0	1033664
Insurance Companies		28	59412	0	0	59412	0.0586	59412	0	59412	0.0586	0	0	0	42192
Provident Funds/ Pension Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
Any Other (Specify)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
(h) Sub Total (B)(1)		128	14724260	0	0	14724260	14.5194	14724260	0	14724260	14.5194	0	0	0	14546040
2 Central Government/ State Government(s)/ President of India															
(i) Sub Total (B)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
3 Non-Institutions															
(a) Individuals															
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		29271	11829585	0	0	11829585	11.6650	11829585	0	11829585	11.6650	0	0	0	116650
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		12	3669248	0	0	3669248	3.6182	3669248	0	3669248	3.6182	0	0	0	3669248
(b) NBFCs registered with RBI		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
(c) Employee Trusts		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
(d) Overseas Depositors(holding DRs) (balancing figure)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0
(e) Any Other (Specify)		243	6969098	0	0	6969098	6.8722	6969098	0	6969098	6.8722	0	0	0	6969098
Trusts		7	1895505	0	0	1895505	1.8691	1895505	0	1895505	1.8691	0	0	0	1895505
Foreign Nationals		3	42600	0	0	42600	0.0420	42600	0	42600	0.0420	0	0	0	42600
Hindu Undivided Family		602	267102	0	0	267102	2.6344	267102	0	267102	2.6344	0	0	0	267102
Non Resident Indians (Non Repat)		250	530971	0	0	530971	5.2366	530971	0	530971	5.2366	0	0	0	530971
Non Resident Indians (Repatriation)		593	344555	0	0	344555	3.4455	344555	0	344555	3.4455	0	0	0	344555
Clearing Member		223	264683	0	0	264683	2.6468	264683	0	264683	2.6468	0	0	0	264683
Bodies Corporate		467	3623682	0	0	3623682	3.5733	3623682	0	3623682	3.5733	0	0	0	3623682
Birla Sun Life Insurance Company Limited	AAACB4623J		1217084	0	0	1217084	1.2002	1217084	0	1217084	1.2002	0	0	0	1217084
(i) Sub Total (B)(3)		31426	22467931	0	0	22467931	22.1554	22467931	0	22467931	22.1554	0	0	0	221554
Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		31554	37192191	0	0	37192191	36.6748	37192191	0	37192191	36.6748	0	0	0	366748

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):  
 Details of Shares which remain unclaimed may be given bear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.  
 No. of shareholders

No. of Shares

Note:  
 (1) PAN would not be displayed on website of Stock Exchange(s).  
 (2) The above format needs to be disclosed along with the name of following persons: institutions/Non institutions holding more than 1% of total number of shares  
 (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

**Bajaj Electricals Limited**

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholders (i)	PAN	(ii)	(iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Shareholding % as per SCRR, 1957 As a % of (A+B+C2) (viii) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (ix)			Shares Underlying Outstanding convertible securities (including securities) (x) (xi) = (vi)+(v)+(vii)+(x)	ing, as a % assuming full conversion of convertible securities (xii) = (xi) / (x) As a % of (A+B+C2)	Number of Locked In shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (xiv)
								Class eg: X	Class eg: Y	Total (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
1 Custodian/DR Holder			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Promoter- Non Public Shareholding (C)= (C1)+(C2)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Note:**

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to disclose name of all holders holding more than 1% of total number of shares
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available



## Post-Scheme of Arrangement

## Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: <b>Bajaj Electricals Limited</b>
2.	Scrp Code/Name of Scrip/Class of Security: <b>500031</b>
3.	Share Holding Pattern Filed under: <b>Reg. 31(1)(b)</b>
	a. If under 31(1)(b) then indicate the report for Quarter ending: <b>30/06/2017**</b>
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: <b>The Listed entity is required to submit the following declaration to the extent of submission of information</b>

Particulars	Yes*	No*
1 Whether the Listed Entity has issued any partly paid up shares?		No
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3 Whether the Listed Entity has any shares against which depository receipts are issued?		No
4 Whether the Listed Entity has any shares in locked-in?		No
5 Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

\*\* Pre/post scheme shareholding patterns are based on the shareholding pattern filed by the Transferee Company with stock exchanges for quarter ended June 30, 2017. Post this quarter, on 11 August 2017, the Transferee Company has allotted 114675 equity shares on exercise of options under ESOP whereby the Issued, Subscribed and Paid-up Capital of the Transferee Company increased to 101525351 equity shares of Rs.2 each fully paid up.



**Bajaj Electricals Limited**

**Table I - Summary Statement holding of specified securities**

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			No. of Shares Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held(b)	No. (a)		As a % of total Shares held(b)
								Class eq: X	Class eq: Y	Total								
(A)	Promoter & Promoter Group	(B)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a %	(IX)	(X)	(XI) = (X)/(X) As a	(XII)	(XIII)	(XIV)					
(B)	Public	38	64748225	0	0	64748225	63.5158	0	64748225	63.5158	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	64748225	
(C)	Non Promoter - Non Public	31592	37192191	0	0	37192191	36.4842	0	37192191	36.4842	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	34837410	
(D)	Shares Underlying DRS	0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0	0	0	
(E)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0	0	0	
(F)	Total	31592	101940416	0	0	101940416	100.0000	0	101940416	100.0000	0	0	0	0	0	0	99595635	

# Ms. Suman Jain, from Promoter and Promoter Group shareholder, holding equity shares of Bajaj Electricals Ltd. under two different folios. To meet the requirement of "Table II - Statement showing shareholding pattern of the Promoter Group" the said folios have been clubbed together as one single shareholder/folio on the basis of her PAN. This caused a difference of one shareholder in the total number of shareholders as per Benpo Data received from the Registrar & Transfer Agent (31593) and a number given in the shareholding pattern (31592).



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**Bajaj Electricals Limited**

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
								No of Voting Rights	Total as a % of (A+B+C)			(XII)	(XIII)		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix) Class eg: X	(ix) Total	(x)	(xi) = (vii)+(x)+(x2)	(xii)	(xiii)	(xiv)	
1. Indian															
(a) Individuals / Hindu Undivided Family															
Shekhar Bajaj	ACJP8315N	19	19305938	0	0	19305938	18.9885	19305938	0	18.9885	0	0	0	0	19305938
Anant Bajaj	ARUP2986F	1	4680735	0	0	4680735	4.5916	4680735	0	4.5916	0	0	0	0	4680735
Kiran Bajaj	ACJP6507N	1	4531823	0	0	4531823	4.4456	4531823	0	4.4456	0	0	0	0	4531823
Madhur Bajaj	ACJP6507N	1	3213949	0	0	3213949	3.1528	3213949	0	3.1528	0	0	0	0	3213949
Niraj Bajaj	ACJP6507K	1	2125035	0	0	2125035	2.0846	2125035	0	2.0846	0	0	0	0	2125035
Sumanja Kejriwal	ADWPK243P	1	1711235	0	0	1711235	1.6787	1711235	0	1.6787	0	0	0	0	1711235
Kumud Bajaj	ACJP6304R	1	965325	0	0	965325	0.9470	965325	0	0.9470	0	0	0	0	965325
Mihal Bajaj	ARUP2990D	1	638200	0	0	638200	0.6261	638200	0	0.6261	0	0	0	0	638200
Niravayan Bajaj	AOWPB1365F	1	367200	0	0	367200	0.3602	367200	0	0.3602	0	0	0	0	367200
Pooja Bajaj	AENPA7886D	1	251000	0	0	251000	0.2462	251000	0	0.2462	0	0	0	0	251000
Rahul Kumar Bajaj	AASP0424J	1	130000	0	0	130000	0.1275	130000	0	0.1275	0	0	0	0	130000
Neelima Bajaj Swamy	ABVPE907B	1	124180	0	0	124180	0.1218	124180	0	0.1218	0	0	0	0	124180
Suman Jain #	1100000	1	110000	0	0	110000	0.1079	110000	0	0.1079	0	0	0	0	110000
KRIL Bajaj	996645	1	996645	0	0	996645	0.9877	996645	0	0.9877	0	0	0	0	996645
Nimisha Lapuria	AEDP8947L	1	90000	0	0	90000	0.0883	90000	0	0.0883	0	0	0	0	90000
Shazia Bajaj	AEGP9057C	1	30000	0	0	30000	0.294	30000	0	0.294	0	0	0	0	30000
Smt. Shilpavayan Bajaj	ACJP8308P	1	10735	0	0	10735	0.105	10735	0	0.105	0	0	0	0	10735
Geetika Bajaj	AEGP9477E	1	135876	0	0	135876	1.333	135876	0	1.333	0	0	0	0	135876
Deepa Bajaj	AFAP86660G	1	1000	0	0	1000	0.010	1000	0	0.010	0	0	0	0	1000
(b) Central Government / State Government(s)															
(c) Financial Institutions / Banks															
(d) Any Other (Specify)															
Bodies Corporate															
Jamnal Sons Private Limited	AAAC13176H	19	45442287	0	0	45442287	44.5773	45442287	0	44.5773	0	0	0	0	45442287
Bajaj Holdings And Investment Ltd	AAACB3370K	16	4129287	0	0	4129287	40.4445	4129287	0	40.4445	0	0	0	0	4129287
Hind Musafir Agency Ltd	AAACH1250Q	1	19926785	0	0	19926785	19.5475	19926785	0	19.5475	0	0	0	0	19926785
Bajaj International Private Limited	AAACB0478J	1	16697840	0	0	16697840	16.3800	16697840	0	16.3800	0	0	0	0	16697840
Baroda Industries Private Limited	AAACB2428A	1	1258000	0	0	1258000	1.2341	1258000	0	1.2341	0	0	0	0	1258000
Shekhar Holdings Pvt Ltd	AAACH2706D	1	819620	0	0	819620	0.8040	819620	0	0.8040	0	0	0	0	819620
Hercules Hoists Limited	AAACB3945E	1	897530	0	0	897530	0.8804	897530	0	0.8804	0	0	0	0	897530
Bajaj Securities Pvt Ltd	AAAC58871I	1	554937	0	0	554937	0.5444	554937	0	0.5444	0	0	0	0	554937
Bachraj Factories Private Limited	AAACR3945E	1	480000	0	0	480000	0.4709	480000	0	0.4709	0	0	0	0	480000
Bajaj Sevashram Private Ltd	AAACR4654N	1	415000	0	0	415000	0.4071	415000	0	0.4071	0	0	0	0	415000
Bachhraj And Company Pvt Limited	AADC82301D	1	95000	0	0	95000	0.0932	95000	0	0.0932	0	0	0	0	95000
Kamalnayan Investment & Trading Pvt Ltd	AAACB5589N	1	5000	0	0	5000	0.0049	5000	0	0.0049	0	0	0	0	5000
Madhur Securities Pvt Ltd	AAACR2177P	1	74575	0	0	74575	0.0732	74575	0	0.0732	0	0	0	0	74575
Niraj Holdings Pvt Ltd	AAACM3719R	1	1000	0	0	1000	0.010	1000	0	0.010	0	0	0	0	1000
Rupa Equities Private Limited	AAACN5095P	1	1000	0	0	1000	0.010	1000	0	0.010	0	0	0	0	1000
Sanraj Navan Investments Pvt Ltd	AAACS750E	1	1000	0	0	1000	0.010	1000	0	0.010	0	0	0	0	1000
Trusts	AAACS1380A	1	1000	0	0	1000	0.010	1000	0	0.010	0	0	0	0	1000
Kiran Bajaj (as Trustee of SHEETIKA TRUST NO. 2)	AABTG7469A	2	1676200	0	0	1676200	1.6443	1676200	0	1.6443	0	0	0	0	1676200
Niraj Bajaj (as Trustee of NIRAVAYAN TRUST)	AAATN1019L	1	1210000	0	0	1210000	1.1870	1210000	0	1.1870	0	0	0	0	1210000
Partnership Firms															
Shekhar Bajaj (held on account of BAJAJ TRADING CO.)	AAABF8490L	1	2536800	0	0	2536800	2.4885	2536800	0	2.4885	0	0	0	0	2536800
Sub Total (A11)		38	64748225	0	0	64748225	63.5158	64748225	0	63.5158	0	0	0	0	64748225



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Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII) = (VI)+(V)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C)	Number of Voting Rights held in each class of securities			No. of Shares Underlying convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
								No of Voting Rights	Class eg: X	Class eg: Y			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (vi)+(v)	(viii) As a % of (A+B+C)	(ix)			(x)	(xi) = (viii)/(ix) As a % of	(xii)	(xiii)	(xiv)	(xv)		
1 Institutions																		
(a) Mutual Fund																		
Reliance Capital Trustee Co. Ltd-4/C, Reliance Small Cap Fund	AAATR0090B	28	5264774	0	0	5264774	5.1646	5264774	0	5264774	0	5.1646	0	0	0	0	0	5264774
Venture Capital Funds																		
Alternate Investment Funds																		
Foreign Venture Capital Investors																		
Foreign Portfolio Investor																		
Caiss Du Depot Et Placement Du Quebec-Enam Asset Management	AAOCC1811B	72	9400074	0	0	9400074	9.2211	9400074	0	9400074	0	9.2211	0	0	0	0	0	9400074
Long Term India Fund																		
Msd India Fund Ltd	AAABL9763H		1500000	0	0	1500000	1.4714	1500000	0	1500000	0	1.4714	0	0	0	0	0	1500000
Financial Institutions / Banks																		
Insurance Companies																		
Provident Funds/ Pension Funds																		
Any Other (Specify)																		
Central Government/ States Governments/ President of India																		
Sub Total (B)(2)		128	14724260	0	0	14724260	14.4440	14724260	0	14724260	0	14.4440	0	0	0	0	0	14546040
3 Non-institutions																		
(a) Individuals																		
i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.																		
Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		28271	11829585	0	0	11829585	11.6044	11829585	0	11829585	0	11.6044	0	0	0	0	0	10751324
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.																		
NBFCs registered with RBI																		
Employee Trusts																		
Overseas Depositories (holding DRs) (balancing figure)																		
Any Other (Specify)																		
Trusts																		
Foreign Nationals																		
Hindu Undivided Family																		
Non Resident Indians (Non Repat)																		
Non Resident Indians (Repatriation)																		
Clearing Member																		
Bodies Corporate																		
Birla Sun Life Insurance Company Limited	AAACB4623J	467	3623683	0	0	3623683	3.5547	3623683	0	3623683	0	3.5547	0	0	0	0	0	3623683
Sub Total (B)(3)		31426	22467931	0	0	22467931	22.0403	22467931	0	22467931	0	22.0403	0	0	0	0	0	2217084
Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		31554	37192191	0	0	37192191	36.4842	37192191	0	37192191	0	36.4842	0	0	0	0	0	20291370

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):  
 Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.  
 No. of shareholders

No. of Shares

Note:  
 (1) PAN would not be displayed on website of Stock Exchange(s).  
 (2) The above format needs to be disclosed along with the name of following persons: institutions/Non institutions holding more than 1% of total number of shares  
 (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

**Bajaj Electricals Limited**

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholders (i)	PAN	(ii)	(iii)	(iv)	(v)	No. of shares underlying Depository Receipts	Shareholding % as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Shares Underlying Outstanding convertible securities (including securities (X))	ing, as a % assuming full conversion of convertible securities (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (XIV)		
								No of Voting Rights	Class eg: X	Class eg: Y			Total (A+B+C)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		No. (a)	As a % of total Shares held (b)
1 Custodian/DR Holder Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2 Total Non-Promoter- Non Public Shareholding (C)= (C1)+(C2)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

**Note:**

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to disclose name of all holders holding more than 1% of total number of shares
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available





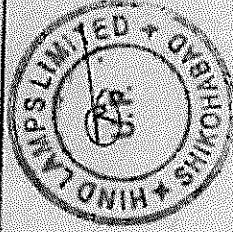
Pre-Scheme of Arrangement

Shareholding Pattern

1.	Name of the Entity: Hind Lamps Limited
2.	Scrp Code/Name of Scrip/Class of Security: N.A.
3.	Share Holding Pattern Filed under: N.A. a. If under 31(1)(b) then indicate the report for Quarter ending: N.A. b. If under 31(1)(c) then indicate date of allotment/extinguishment: N.A.
4.	Declaration: N.A.

Particulars	Yes*	No*
1. Whether the Entity has issued any partly paid up shares?		No
2. Whether the Entity has issued any Convertible Securities or Warrants?		No
3. Whether the Entity has any shares against which depository receipts are issued?		No
4. Whether the Entity has any shares in locked-in?		No
5. Whether any shares held by promoters are pledged or otherwise encumbered?		No

\* If the Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

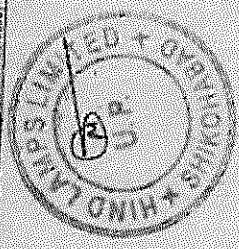




**Hind Lamps Limited**

**Table 1 - Summary Statement holding of specified securities**

Category	Name of shareholder	No. of fully paid up equity shares held	No. of equity shares held partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % of total no. of shares (rounded to two decimal places)	Number of Voting Rights held in each class of securities			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. (A)	As a % of total shares held (B)	No. (A)	As a % of total shares held (C)	Number of Shares held by other parties (including pledging)	As a % of total shares held (D)	Number of equity shares held in dematerialized form
							No. of Voting Rights	Class per V	Total								
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	
(A)	Manager & Director Group	100	0	0	100	0.00%	0	0	0	0	0	0	0	0	0	0	0
(A)	Public	500000	0	0	500000	100.00%	500000	0	500000	100.00%	500000	0	0	0	0	0	0
(A)	Non Promoter Shareholder	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0	0	0	0
(A)	Shares Underlying DRs	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0	0	0	0
(A)	Shares held by (A) to (D)	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0	0	0	0
(A)	Total	100	0	0	100	100.00%	500000	0	500000	100.00%	500000	0	0	0	0	0	0





**Hind Lamps Limited**

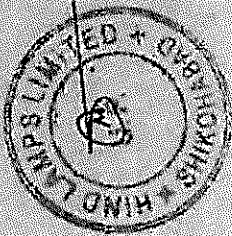
**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category & Name of the Shareholder	PAN	Nos. of shares held	No. of fully paid up equity shares held	Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (incl. of shares held by SCOP, SEEP, AEP & C2)	Number of Voting Rights held for each class of Securities		No. of Shares Underlying Outstanding convertible securities (including warrants)	State holding as a % of voting rights convertible securities less percentage of diluted share capital	No. of Locked in shares	Number of Shares pledged or otherwise encumbered		Number of equity shares held in demerit list form	
								Class No. X	Class No. Y				No. (a)	As a % of total shares held (b)		No. (c)
		(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)	(XVIII)	(XIX)	
1. Individual																
(a) Individuals / Hindu Undivided Family																
Geeta Bala		2	24,00,000	0	0	24,00,000	38.00%	0	0	0	0	0	0	0	0	0
Chand Bala		1	11,20,000	0	0	11,20,000	17.00%	0	0	0	0	0	0	0	0	0
(b) Central Government / State Government(s)		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(c) Financial Institution / Bank		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(d) Any Other Entity		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
Burns Corporate		0	3,60,000	0	0	3,60,000	5.50%	0	0	0	0	0	0	0	0	0
Baroda Infrastructure Finance Limited		0	3,60,000	0	0	3,60,000	5.50%	0	0	0	0	0	0	0	0	0
Bajaj Finserv Limited		0	11,20,000	0	0	11,20,000	17.00%	0	0	0	0	0	0	0	0	0
Bank of India Finance Limited		0	11,20,000	0	0	11,20,000	17.00%	0	0	0	0	0	0	0	0	0
Bank of Maharashtra Finance Limited		0	6,72,000	0	0	6,72,000	10.20%	0	0	0	0	0	0	0	0	0
Bank of Baroda Finance Limited		0	4,20,000	0	0	4,20,000	6.40%	0	0	0	0	0	0	0	0	0
Bank of India Finance Limited		0	1,80,000	0	0	1,80,000	2.70%	0	0	0	0	0	0	0	0	0
Bank of Maharashtra Finance Limited		0	6,00,000	0	0	6,00,000	9.00%	0	0	0	0	0	0	0	0	0
2. Foreign		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(a) Individuals (non-resident individuals / Foreign Corporations)		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(b) Government		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(c) Institutions		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(d) Foreign Portfolio Investors		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(e) Any Other Entity		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
(f) Sub Total (2)(b)		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter and Promoter Group (a) + (2)(f)		0	60,00,000	0	0	60,00,000	90.00%	0	0	0	0	0	0	0	0	0
Total (1) + (2)		0	60,00,000	0	0	60,00,000	100.00%	0	0	0	0	0	0	0	0	0

Details of shares which remain unclaimed are given here along with details such as number of shareholders, outstanding shares held in demerit/underlying suspense account, voting rights which are frozen etc.

Note: (1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term 'Government' has the same meaning as assigned under regulation 20(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.





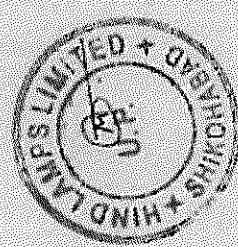
**Hind Lamps Limited**

**Table II - Statement Showing Shareholding pattern of the Public Shareholder**

Category & Name of the Shareholder	No. of Shares	No. of Fully paid up equity shares held	No. of underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR 1957 as % of (A+B+C)	Number of Voting Rights held in each class of		No. of Shares Underlying Outstanding convertible securities (including Warrants)	No. of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form				
						No. of Voting Rights	Class of Shares					No. (A)	No. (B)	No. (C)	No. (D)
1. Institutions															
(a) Mutual Fund															
(b) Venture Capital Fund															
(c) Alternative Investment Funds															
(d) Foreign Venture Capital Investors															
(e) Foreign Portfolio Investor															
(f) Foreign Institutional Investors / Banks															
(g) Insurance Companies															
(h) Provident Funds / Pension Funds															
(i) Any Other Entity															
2. Central Government / State Government / President of India															
3. Non-Institutions															
(a) Individuals															
(b) Individual shareholder holding amount of share capital up to Rs. 2 lakh.															
(c) Individual shareholder holding amount of share capital in excess of Rs. 2 lakh.															
(d) NRFCs registered with RBI															
(e) Employee Trusts															
(f) Dividend Obligation (Debt) (DRO) (Banking Type)															
(g) Any Other Entity															
(h) Trusts															
(i) Foreign Investor															
(j) Hindu Undivided Family															
(k) Non Resident Indian (NRI)															
(l) Non Resident Indian (NRI) (Banking Type)															
(m) Clearing Member															
(n) Depository															
(o) Total Public Shareholding (B+C+D+E+F+G+H+I+J+K+L+M+N)															

Details of the shareholder acting as proxy in Class-I including their shareholding (Nos. and %) details of shares with amount outstanding may be given here along with details such as number of shareholders, outstanding shares held in demat/holdings suspense account, voting rights which are frozen etc. Sub: Shareholding

Note: (1) PAI need not be disclosed on behalf of Stock Exchanges.  
(2) The above format needs to be filled along with the name of following persons/individuals/Non-Resident Indian/Foreign Investor holding more than 1% of total number of shares.  
(3) If the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by institution.





**Hind Lamps Limited**

**Table IV - Statement showing shareholding pattern of the Non Promoter, Non Public shareholder**

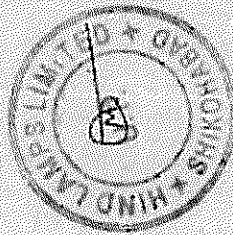
Category & Name of the shareholders (1)	PAN (2)	Nos. of sharehold-ers (3)	No. of fully paid up equity shares held (4)	No. of partly paid-up equity shares held (5)	Nos. of Depository Receipts (6)	Total nos. (VII) = (IV)+(V)+(VI) (VII) As a % of (A+B+C2) (A+B+C2)	Sharehold- ing % as per SCRR, 1957 As a % of (A+B+C2) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Shares Underlying Outstanding convertible securities (including securities convertible in of convertible securities) (IX) (IX) = (VII)/(B) As a % of (A+B+C2)	Number of Locked in shares (X) (X) = (XI) - (XII)	Number of Shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)
								No. of Voting Rights Class-eg: Total (IX)	Total as a % of (A+B+C2) (X)				
1 Custodian/DRI holder Employee Benefit Trust (under SEBI (Share Based Employee Benefit) Regulations, 2024) Total Non-Promoter- Non Public Shareholding (C) (C1)+(C2)		0	0	0	0	0	0	0	0	0	0	0	0
2		0	0	0	0	0	0	0	0	0	0	0	0

Note:

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares.

(3) Where the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.





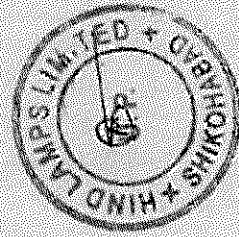
Post-Scheme of Arrangement

Shareholding Pattern

1.	Name of the Entity: Hind Lamps Limited
2.	Scrp Code/Name of Scrip/Class of Security: N.A.
3.	Share Holding Pattern Filed under: N.A.
	a. If under 31(1)(b) then indicate the report for Quarter ending: N.A.
	b. If under 31(1)(c) then indicate date of allotment/extinguishment: N.A.
4.	Declaration: N.A.

Particulars		Yes*	No*
1	Whether the Entity has issued any partly paid up shares?		No
2	Whether the Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Entity has any shares against which depository receipts are issued?		No
4	Whether the Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.









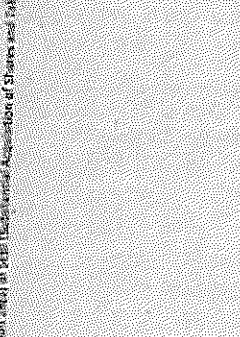
**Hind Lamps Limited**

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category & Name of the Shareholders	PAN	Nos. of shareholders	Nos. of fully paid up equity shares held	Partly paid up equity shares held	Nos. of shares underlying Secondary Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C)	Number of Voting Rights			No. of Shares Outstanding (including Depository Receipts)	Shareholding % of (A+B+C) as a % of (A+B+C)	No. (a)	As a % of total Shares held (a)	No. (b)	As a % of total Shares held (b)	No. of equity shares held to dematerialize
								No. of Voting Rights	Class eq. X	Class eq. Y							
Total																	
<b>1. India</b>																	
(a) Individuals / Hindu Undivided Family																	
(b) Central Government / State Government(s)																	
(c) Financial Institutions / Banks																	
(d) Any Other Entity																	
(e) Foreign																	
(f) Government																	
(g) Institutions																	
(h) Foreign Portfolio Investor																	
(i) Any Other Entity																	
(j) Total Shareholding of Promoter and Promoter Group (A)																	
(k) Total (A+B+C)																	

Details of shares which remain unencumbered may be given here along with details such as number of shares/underlying securities account, outstanding shares held in demat/underlying securities account, voting rights which are frozen etc.

Note: (1) PAN need not be disclosed for holder of Block Exchange (1). (2) The term 'Individuality' has the same meaning as assigned under regulation 2(27) of SEBI (Disclosure Acquisition of Shares and Takeovers) Regulations, 2011.





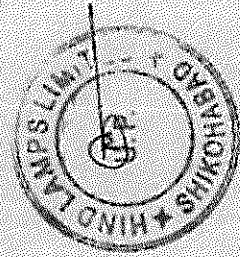
**Hind Lamps Limited**

**Table III - Statement Showing Shareholding pattern of the Public shareholder**

Category & Name of the shareholder	PAN	Nos. of Shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of Shares underlying Depository Receipts	Total Int. Shares held	Shareholding % calculated as per SCRR, 1957 (A & C)	Number of Voting Rights			No. of Shares (including convertible securities)	No. of Shares (including convertible securities) as a % of Total Shares	Number of Shares held in identified or un-identified dematerialized form	Number of Equity Shares held in dematerialized form
								No. of Voting Rights		No. of Shares (including convertible securities)				
								Category	Trust					
1. Institutions		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	
(A) Mutual Fund														
(B) Welfare Capital Fund														
(C) Alternative Investment Funds														
(D) Foreign Venture Capital Investors														
(E) Foreign Portfolio Investor														
(F) Financial Institutions / Banks														
(G) Insurance Companies														
(H) Pension Fund / Provident Funds														
(I) Non Char. (Society)														
(J) Sub Total (1) to (I)														
2. Central Government / State Government (of / President of India)														
3. Non-institutional individuals														
(a) Individual shareholders holding reserved share (as in Pt. 2 Para. 1)														
(b) Individual shareholder holding normal share (as in Pt. 2 Para. 1)														
(c) NEFTs registered with RBI														
(d) Depository Trusts														
(e) Overseas Depository Receipt Issuing (ODRI) Issuing Agent														
(f) Any Other Entity														
From														
Foreign Institutions														
Foreign Institutional Investor (FIIs) (as per Schedule III)														
Non Resident Indians (NRIs) Resident														
Non Resident Indians (NRIs) Non Resident														
Clearing Member														
Securities Depository														
Sub Total (1) to (f)														
Total Public Shareholding (1) to (1) to (f)														

Details of the shareholders acting as persons in Control (including their shareholding (no. and % of Shares) which control exercised may be given year along with details such as number of shareholders, outstanding shares held or demat/unlisted suspense account, voting rights which are frozen etc.

Note: (1) PAN would not be disclosed on website of Stock Exchange(s). (2) The shares to must assist to be disclosed along with the name of following persons: Institutions/Non Institutions holding more than 1% of total number of shares (3) W.I.S. the information pertaining to Depository Receipts, if any, is not to be disclosed in the respective column to the extent information available and this balance to be disclosed as held by custodian.





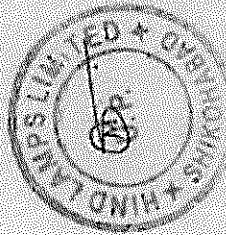
**Hind Lamps Limited**

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholder (1)	Nos. of sharehold-ers (2)	Nos. of fully paid up equity shares held (3)	Nos. of partly paid up equity shares held (4)	No. of Depository Receipts (5)	Total nos. shares held (VI) = (3)+(4)+(5)	Sharehold- ing % calculated as per SCRR, 1957 As a % of (A+B+C) (VII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (VIII)		Total as a % of securities (A+B+C) (IX)	Shares Underlyin- g Outstanding convertible securities (including securities No. (X)) (X)	ing, as a % assuming full conversion of convertible securities (XI) = (X)/(A+B+C2) (XII) As a % of (A+B+C2)	Number of Locked in shares (XIII)	Number of Shares pledged or otherwise encumbered (XIV)	Number of equity shares held in dematerialised form (XV)
							No. of Voting Rights Class (X)	Class (X)						
							(a)	(b)						
Custodian/DR Holder		0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Benefit Trust (under SEBI (Share Based Employee Benefit) Regulations, 2004)		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Promoter- Non Public Shareholding (C) = (C1)+(C2)		0	0	0	0	0	0	0	0	0	0	0	0	0

Note:

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to disclose name of all holders holding more than 1% of total number of shares
- (3) In case the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available



Financial details of the Transferee/Resulting Company for the previous 3 years as per the audited statement of accounts

Name of the Company: **BAJAJ ELECTRICALS LIMITED**

(Rs.in Crores except EPS and Book Value)

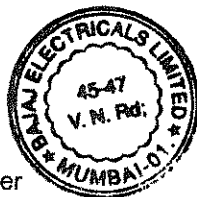
	Unaudited Financial Results for Q1 ended 30 June 2017  (As per IndAS) (Standalone)	Audited Financial Year 2016-17  (As per IndAS) (Consolidated)	Audited Financial Year 2015-16  (As per IGAAP) (Consolidated)	Audited Financial Year 2014-15  (As per IGAAP) (Standalone)
Equity Paid up Capital	20.28	20.26	20.19	20.15
Reserves and surplus	874.17	842.85	730.74	666.83
Carry forward losses	-	-	-	-
Net Worth	886.27	854.92	742.97	678.80
Miscellaneous Expenditure	-	-	-	-
Secured Loans	124.40	164.75	207.05	306.65
Unsecured Loans	579.58	459.49	67.46	102.33
Fixed Assets	324.27	317.91	299.60	280.84
Income from Operations	1,029.41	4,298.26	4,591.74	4,237.48
Total Income	1,039.90	4,333.85	4,634.80	4,282.40
Total Expenditure	1,007.15	4,165.81	4,481.21	4,303.22
Profit/(Loss) before Tax	32.75	168.04	153.58	(20.82)
Profit/(Loss) after Tax	**19.92	**99.63	95.45	(13.95)
Cash Profit/(Loss)	28.47	132.04	122.69	15.08
EPS (Basic) – in Rupees	2.02	10.10	9.46	(1.39)
Book Value per share – in Rupees	88.20	85.21	73.61	67.38

Notes:

1. Secured Loans includes Current Maturities of Long Term Debts;;
  2. Unsecured loan include Current Maturities of Sales Tax Deferral;
  3. Net worth is calculated as per the Companies Act, 2013. (Equity Capital + Reserves & Surplus excluding revaluation reserves – Carry forward losses – Miscellaneous Expenditure to the extent not written off);
  4. Fixed Assets includes Capital Work in Progress and Other Intangible Assets;
  5. Total Expenditure includes Finance Costs, Depreciation & Amortization;
  6. Cash Profits/(Loss)=Profit/Loss after Tax + Depreciation & Amortization;
  7. Book Value=(Total Assets – Total Liabilities) / Total No. of shares outstanding.
- \*\*Total comprehensive income for the period

For Bajaj Electricals Limited

Anant Purandare  
President & Chief Financial Officer



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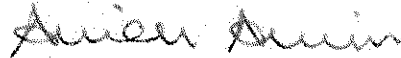
## Dalal & Shah LLP

Chartered Accountants

The Board of Directors  
Bajaj Electricals Limited  
45-47, Veer Nariman Road,  
Mumbai - 400 001.

1. We have reviewed the unaudited financial results of Bajaj Electricals Limited (the "Company") for the quarter ended June 30, 2017 which are included in the accompanying 'Unaudited Financial Results for the Quarter Ended June 30, 2017' together with notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants




Anish P Amin  
Partner  
Membership Number: 40451

August 3, 2017  
Mumbai

**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**



**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

Dalal & Shah LLP, 253, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office : 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai 400028

Dalal & Shah (a Partnership Firm) converted into Dalal & Shah LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAF-3566) with effect from December 21, 2015. Post its conversion to Dalal & Shah LLP, its ICAI registration number is 102021W/W100110 (ICAI registration number before conversion was 102021W).

**Annexure 7B**

Financial details of the Transferor/Demerged Company for the previous 3 years as per the audited statement of accounts

Name of the Company: HIND LAMPS LIMITED

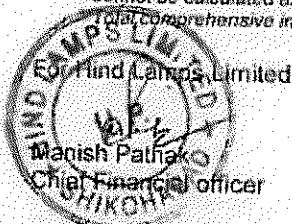
(Rs. in Crores except EPS and Book Value)

	Audited Financial Year 2016-17  (As per IndAS) (Standalone)	Audited Financial Year 2015-16  (As per IGAAP) (Standalone)	Audited Financial Year 2014-15  (As per IGAAP) (Standalone)
Equity Paid up Capital	15.00	15.00	15.00
Reserves and Surplus	(71.43)	(61.43)	(53.55)
Carry forward losses	(81.50)	(72.01)	(65.39)
Net Worth	(60.49)	(51.50)	(44.96)
Miscellaneous Expenditure	-	-	-
Secured Loans	5.21	4.81	6.53
Unsecured Loans	38.90	39.63	34.55
Fixed Assets	9.23	8.59	10.48
Income from Operations	43.45	45.72	58.76
Total Income	44.16	48.79	59.80
Total Expenditure	53.54	59.53	67.10
Profit/(Loss) before Tax	(9.37)	(10.74)	(7.29)
Profit/(Loss) after Tax	** (9.30)	(6.62)	(18.73)
Cash Profit/(Loss)	(7.72)	(6.13)	(17.92)
EPS (Basic) – in Rupees	(13.41)	(11.04)	(31.22)
Book Value per share – in Rupees	*	*	*

**Notes:**

1. Net worth is calculated as per the Companies Act, 2013. (Equity Capital + Reserves & Surplus, excluding revaluation reserves - Miscellaneous Expenditure to the extent not written off).
2. Fixed Assets includes Capital Work in Progress and Other Intangible Assets.
3. Reserves and Surplus includes Carry Forward Losses.
4. Total Expenditure includes Finance Costs, Depreciation & Amortization, Exceptional Items.
5. Cash Profit/(Loss) = Profit/Loss after Tax + Depreciation & Amortization.
6. Book Value = (Total Assets - Total Liabilities) / Total No. of shares outstanding.
7. Unsecured loan includes current maturities of deferred trade tax, loan from Bajaj Electricals Limited and preference shares.

\* Cannot be calculated as it is negative.  
Total comprehensive income for the period



Date: September 28, 2017  
Place: Shikohabad

**Dalal & Shah LLP**

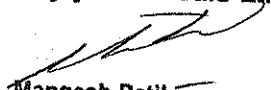
Chartered Accountants

**Auditors' Certificate**

**CERTIFIED TRUE COPY**

The Board of Directors,  
Bajaj Electricals Limited  
45-47, Veer Nariman Road,  
Mumbai - 400 001.

For and on behalf of  
**Bajaj Electricals Limited**

  
**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

- 1) This certificate is issued in accordance with the terms of our agreement dated April 6, 2017.
- 2) We, the statutory auditors of Bajaj Electricals Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 12.1 of the Draft Scheme of Arrangement between Hind Lamps Limited and Bajaj Electricals Limited, as approved by the Board of Directors in their meeting held on November 23, 2015, in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 (the "2013 Act") [the Draft Scheme] with reference to its compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act 2013 (the '2013 Act'), read with Companies (Indian Accounting Standards) Rules 2015 (the 'applicable Accounting Standards') and other generally accepted accounting principles.

**Management's Responsibility**

- 3) The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Companies involved.

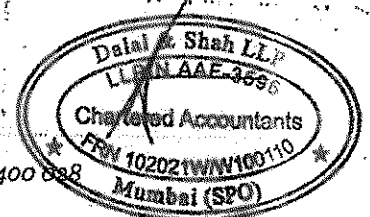
**Auditors' Responsibility**

- 4) Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and other generally accepted accounting principles.
- 5) We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Conclusion**

- 7) Based on our examination and according to the information and explanations given to us, pursuant to the requirements of paragraph 5 of circular no. CIR/DIL3/CIR/2017/21 dated March 10, 2017 issued under Regulation 37(4) of SEBI (Listing Obligations and Disclosure Requirements) we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with all the applicable Accounting Standards specified under Section 133 of the 2013 Act, read with Companies (Indian Accounting Standards) Rules 2015 and other generally accepted accounting principles.

Dalal & Shah LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07



Registered office and Head office : 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai 400028

Dalal & Shah (a Partnership Firm) converted into Dalal & Shah LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAF-3596) with effect from December 21, 2015. Post its conversion to Dalal & Shah LLP, its ICAI registration number is 102021WW100110 (ICAI registration number before conversion was 102021W)



## Dalal & Shah LLP

Chartered Accountants

### Restriction on Use

- 8) Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
- 9) This Certificate is issued at the request of Company pursuant to the requirements of circulars issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchanges ("NSE"). This Certificate should not be used for any other purpose without our prior written consent.

For Dalal & Shah LLP  
Firm Registration Number: 102021W/W100110)  
Chartered Accountants



Anish P Amin  
Partner  
Membership Number: 40451

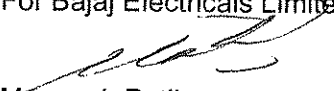
Place: Mumbai  
Date: 5-Jul-17

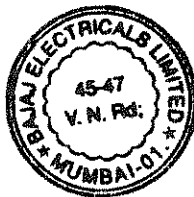
**COMPLIANCE REPORT**

It is hereby certified that the draft scheme of arrangement involving demerger of manufacturing business of Hind Lamps Limited ("Transferor Company") into Bajaj Electricals Limited (the "Company" / "Transferee Company") does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI circular"), including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of SEBI circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

For Bajaj Electricals Limited

  
Mangesh Patil  
EVP-Legal & Taxation and  
Company Secretary



For Bajaj Electricals Limited

  
Shekhar Bajaj  
Chairman & Managing Director

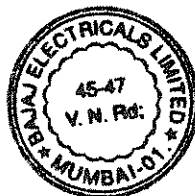
Place: Mumbai

Date: September 28, 2017

Certified that the transactions/accounting treatments provided in the draft Scheme are in compliance with all the Accounting Standards applicable to a listed entity.

For Bajaj Electricals Limited

  
Anant Purandare  
President & Chief Financial Officer



For Bajaj Electricals Limited

  
Shekhar Bajaj  
Chairman & Managing Director

Place: Mumbai

Date: September 28, 2017



**Annexure 10**

September 29, 2017

To,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai 400001

**Code No. 500031**

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051

**Symbol: BAJAJELEC**

Dear Madam/Sir,

**Sub.: Application seeking waiver from adherence to the pricing provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009**

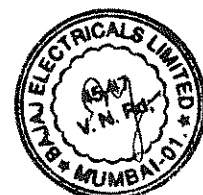
**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

We refer to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") in respect of the Scheme of Demerger of the manufacturing business of Hind Lamps Limited (the "Transferor Company") and subsequent merger of the demerged assets into Bajaj Electricals Limited (the "Company" or "Transferee Company") and hereby request you to waive the requirements of adhering to the pricing provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI ICDR Regulations"), considering the following facts:

1. On 23 November 2015, the Audit Committee and Board of Directors of the Transferee Company and the Transferor Company in their respective meetings, approved the proposal for demerger of manufacturing business of the Transferor Company and subsequent merger of the manufacturing business into the Transferee Company, pursuant to a Scheme of Arrangement ("Scheme") under Sections 230-232 and other applicable provisions of the Companies Act, 2013.
2. Based on the Share Entitlement Ratio (i.e. 109 equity shares of the Transferee Company of the face value of Rs.2 each for 1000 equity shares of the Transferor Company of the face value of Rs.25 each) as recommended by S.R.Batliboi & Co. LLP, Chartered Accountants, Mumbai ("Valuer"), independent valuer appointed by the Transferor Company and the Transferee Company, the Board of Directors of the

Page 1 of 3

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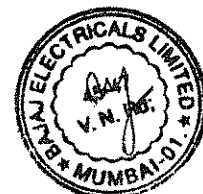
Transferor Company and the Transferee Company approved the proposal for issue of 5,29,740 fully paid-up equity shares of the Transferee Company of the face value of Rs.2 each to the shareholders of the Transferor Company (except to the Transferee Company itself) as a consideration for the demerger in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.

The copies of the said Valuation Report and Fairness Opinion Report are enclosed to our above referred application under Regulation 37 of the Listing Regulations as Annexure 3 and Annexure 5, respectively.

Further, a copy of the presentation made by the Valuer to the Board of Directors of the Transferor Company and the Transferee Company, giving inter-alia, the details of valuation principles and methodology used and the basis for the above referred share entitlement ratio, is enclosed herewith as "Enclosure 1".

3. The Transferee Company, being a listed entity, intimated to the stock exchanges the outcome of the above referred board meeting giving, inter-alia, the details of the Share Entitlement Ratio approved in the meeting vide its letter no.L-1/382/MGP dated November 23, 2015. Copy of the said intimation is enclosed herewith as "Enclosure 2".
4. Since the Transferor Company was declared as a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board for Industrial and Financial Reconstruction ("BIFR"), the said Scheme was required to be filed only with BIFR for its approval.
5. On April 22, 2016, the said Scheme was filed with the BIFR by the Transferor Company vide its letter dated April 18, 2016 under BIFR Case No.09/2002 ("Case"). An acknowledgement copy of the said letter is enclosed herewith as "Enclosure 3".
6. As the Scheme was not required to be filed with the High Court or Tribunal for its approval when it was approved and filed with BIFR, the provisions of erstwhile Clause 24(f) of the Listing Agreement and/or Regulation 37 of the Listing Regulations and the SEBI circulars No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/CMD/16/2015 dated November 30, 2015 ("SEBI Circulars"), in respect of filing draft scheme of arrangement with the stock exchange(s)/the Securities and Exchange Board of India ("SEBI") for obtaining Observation Letter or No-objection letter were not applicable to the Company.
7. However, subsequently, the Central Government of India, vide Notification No. S.O. 3568 (E) dated November 25, 2016, brought the provisions of the SICA Repeal Act into force with effect from December 1, 2016 and SICA was repealed.

Section 4(b) of the SICA Repeal Act (as amended by Section 252 of the Insolvency and Bankruptcy Code, 2016) provides that any proceeding of whatever nature,



pending before the BIFR shall stand abated. Accordingly, Case filed by the Company stood abated as on December 1, 2016.

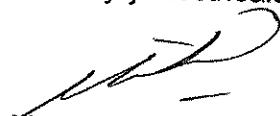
8. With the notification of the SICA Repeal Act, the provisions of Regulation 37 of the Listing Regulations and the SEBI Circulars become applicable to the Company as the Scheme is now required to be filed with Tribunal.
9. On March 10, 2017, the SEBI vide its Circular No. CFD/DIL3/CIR/2017/21 ("Revised SEBI Circular"), amended the regulatory framework for schemes of arrangements.
10. The provisions of Para 8 of the Revised SEBI Circular, inter-alia, states that in cases of the issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter VII of the SEBI ICDR Regulations.
11. As per Para 6 of the Revised SEBI Circular, the schemes filed with the stock exchanges/SEBI after the date of the said Revised SEBI Circular shall be governed by the provisions of the same.
12. It is to be noted that the said Scheme when approved and filed with BIFR for its approval, the provisions SEBI Circulars in respect of filing draft scheme of arrangement with the stock exchange(s)/ SEBI for obtaining Observation Letter or No-objection letter were not applicable to the Company and the Scheme was filed with BIFR before the Revised SEBI Circular came into effect.

We request you to take the above facts on your records and grant your approval to waive the requirements of adhering to the pricing provisions of Chapter VII of the SEBI ICDR Regulations.

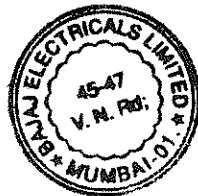
We hope you would consider our application positively.

Thanking you,

Yours faithfully,  
For Bajaj Electricals limited



Mangesh Patil  
EVP – Legal & Taxation and Company Secretary



Encl.: as above.

Proposed demerger of manufacturing  
business of Hind Lamps Limited into  
Bajaj Electricals Limited

Recommendation of fair entitlement ratio

23 November 2015

**S.R. Batliboi & Co. LLP**

**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**

  
**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

# Background & Scope of Work

- ▶ A demerger of manufacturing business of Hind Lamps Limited (the "Undertaking") into Bajaj Electricals Limited ("BEL") is being contemplated.
  - Shareholders of Hind Lamps Limited ("HLL") (except BEL) to be issued equity shares in BEL
- ▶ S.R. Batliboi & Co. LLP, Chartered Accountants, has been appointed by HLL and BEL as an independent valuer to recommend a fair entitlement ratio
- ▶ We owe responsibility to both HLL and BEL which have appointed us.
- ▶ This presentation covers
  - Valuation approaches
  - Recommended fair entitlement ratio

# Historical and Projected Performance of BEL

## Profit and Loss Account

Currency	mm	FY12	FY13	FY14	FY15	HFY16
		Audited				Unaudited
Net sales		30,990	33,876	40,298	42,581	21,367
Gross profit		7,490	7,176	8,270	9,499	5,299
Operating EBITDA		2,371	1,108	818	1,710	1,063
PAT		1,179	512	(53)	(140)	316
Sales growth (%)		13.1	9.3	19.0	5.7	11.5
Gross profit margins (%)		24.2	21.2	20.5	22.3	24.8
EBITDA margins (%)		7.7	3.3	2.0	4.0	5.0
PAT margins (%)		3.8	1.5	(0.1)	(0.3)	1.5

# Historical and Projected Performance of BEL

## Balance sheet

Currency	mm	Mar12	Mar13	Mar14	Mar15	Sep15
		Audited				Unaudited
Fixed assets (Net block)		1,870	2,323	2,518	2,808	2,856
Investments		441	298	673	594	594
Net current assets (NCA)		6,593	6,246	6,891	7,179	7,981
Deferred tax asset		19	79	253	489	462
Loan funds		1,924	1,659	3,239	4,201	4,685
Net worth		6,998	7,286	7,096	6,870	7,209
Operating NCA		6,085	5,526	6,055	6,043	6,169
Operating NCA (as a % of sales)		19.6	16.3	15.0	14.2	14.4

# Historical and Projected Performance of the Undertaking

## Profit and Loss Account

Currency	mm	FY13	FY14	FY15	H1FY16	H2FY16	FY16	FY17	Forecast			
									FY18	FY19	FY20	FY21
MIS												
Net sales		664.3	637.7	585.6	232.9	255.2	488.1	501.0	516.4	533.0	548.1	564.3
Gross profit		291.4	280.4	274.6	104.8	119.1	223.8	239.0	247.4	256.0	264.2	272.9
Operating EBITDA		(127.0)	(111.7)	(55.2)	(27.8)	10.6	(17.2)	20.2	25.0	29.8	34.1	38.9
PAT		57.4	(96.1)	(52.2)	(30.7)	-	-	-	-	-	-	-
Sales growth (%)		n.a.	(4.0)	(8.2)	n.a.	n.a.	(16.6)	2.6	3.1	3.2	2.9	2.9
Gross profit margins (%)		43.9	44.0	46.9	45.0	46.7	45.9	47.7	47.9	48.0	48.2	48.4
EBITDA margins (%)		(19.1)	(17.5)	(9.4)	(11.9)	4.2	(3.5)	4.0	4.8	5.6	6.2	6.9
PAT margins (%)		8.6	(15.1)	(8.9)	(13.2)				n.a.			



# Historical and Projected Performance of the Undertaking

## Balance sheet

Currency	mm	Mar13	Mar14	Mar15	Sep 15	Mar16	Mar17	Mar18	Mar19	Mar20	Mar21
		MIS				Provisional		Forecast			
Fixed assets (Net block)		45.6	43.3	40.6	45.3						n.a.
Cash		3.3	3.2	2.9	6.5	0	0	6.7	26.3	51.2	82.0
Loan funds		377.5	306.8	344.7	395.6	339.8	338.6	338.6	349.4	362.2	376.9
Operating NCA		(81.0)	(148.7)	(183.6)	(176.8)	15.6	16.0	16.5	17.1	17.5	18.1
Operating NCA (as a % of sales)		(12.2)	(23.3)	(31.3)	(17.3)	3.2	3.2	3.2	3.2	3.2	3.2

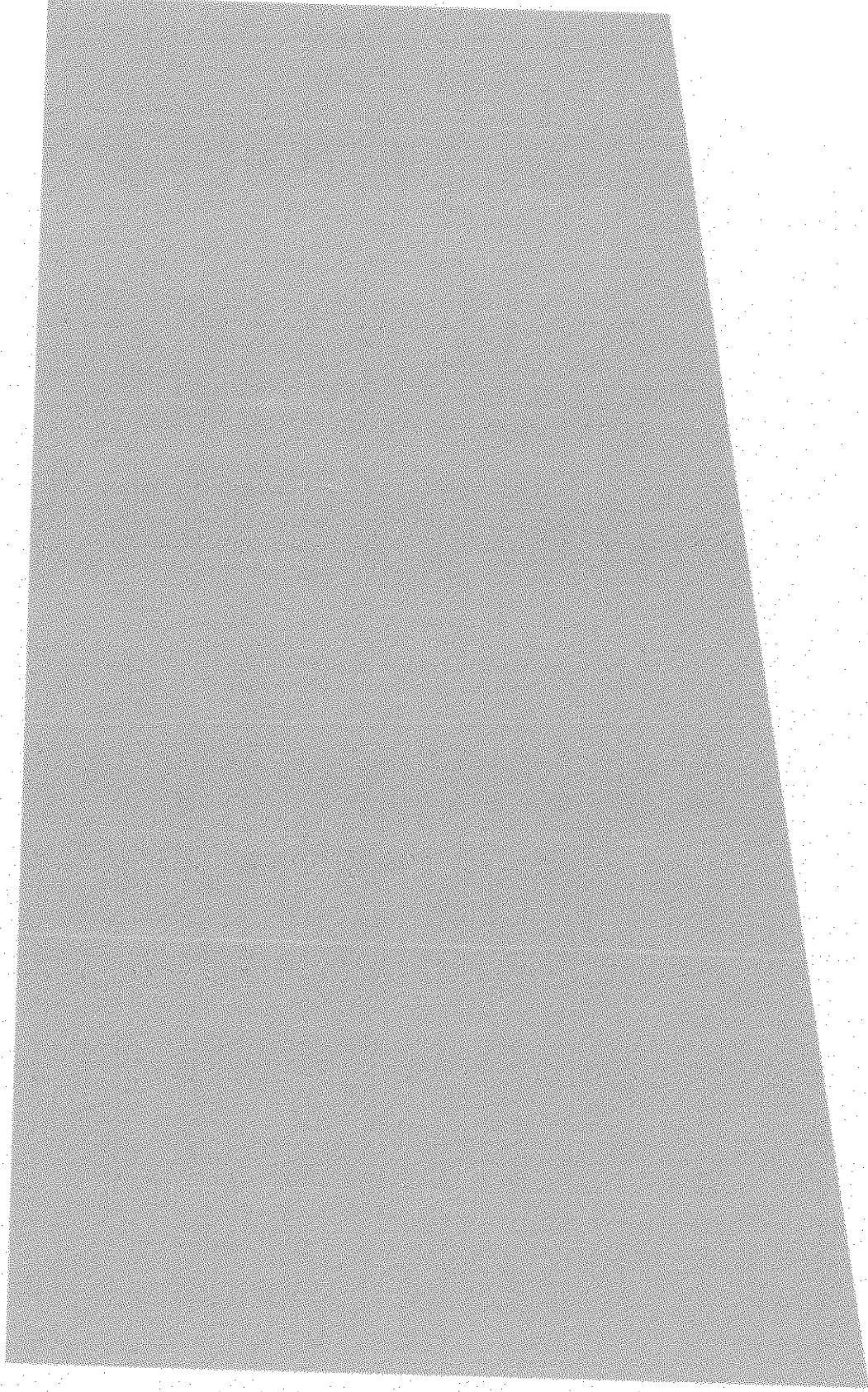
# Demerger Valuation Principles and Valuation Methodologies Used

- Demerger valuation principles
- ▶ Use of multiple valuation methodologies
    - ▶ Market based
    - ▶ Income based
    - ▶ Asset based
  - ▶ Relative weights at the judgment of valuer
  - ▶ Demerger valuation - attempt is not to arrive at absolute values of the shares of the company/business, but at their comparative / relative values to facilitate determination of the entitlement ratio.

## Valuation methodologies used:

Valuation approach	BEL	Undertaking
Market Price (MP) method	✓	✗
Comparable Companies Multiples (CCM) method	✗	✗
Discounted Cash Flow (DCF) method	✗	✓
Net Asset Value (NAV) method	✗	✓

# Market Price method



# Market Price method

We have considered volume weighted average of 2 weeks share prices ended 20 November 2015 on NSE.

Particulars

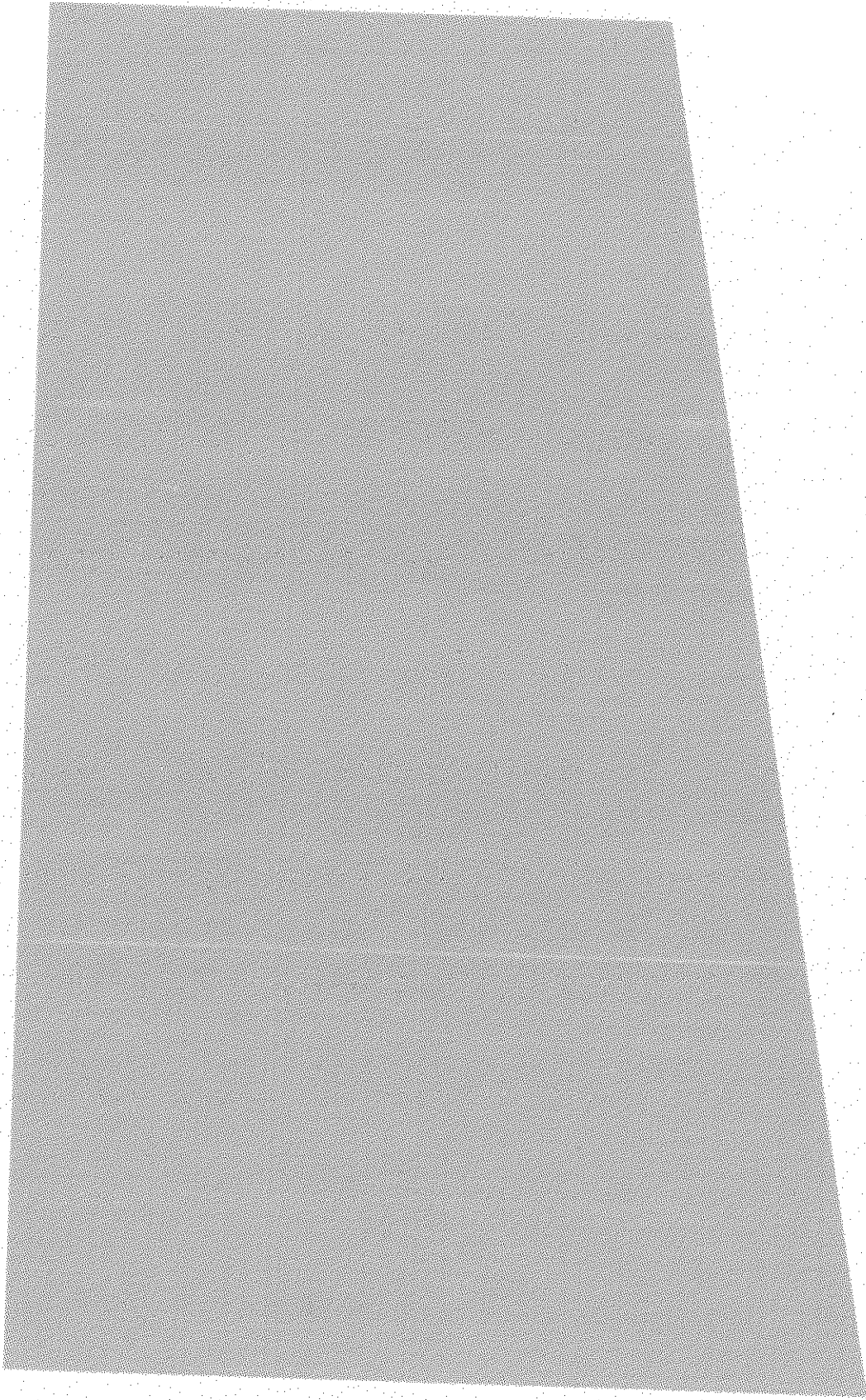
BEL

232.7

Currency	Price-Open (Unit Curr)	Price-High (Unit Curr)	Price-Low (Unit Curr)	Price-Close (Unit Curr)	Volume	No of Trades	Net Turnover(In Thousand)	Market Cap	NSE NIFTY Close	Weighted average Price
20-Nov-15	228.5	233.8	227.0	229.3	4,02,663.0	10,456.0	92,928.9	23,131.9	7,856.6	230.8
19-Nov-15	230.7	231.6	226.5	227.3	1,41,950.0	5,116.0	32,437.2	22,935.1	7,842.8	228.5
18-Nov-15	231.1	235.1	228.5	229.3	70,605.0	4,412.0	16,383.6	23,136.9	7,731.8	232.0
17-Nov-15	234.8	235.9	231.5	232.2	40,322.0	1,034.0	9,403.3	23,429.5	7,837.6	233.2
16-Nov-15	229.0	235.9	228.1	233.5	62,483.0	1,588.0	14,543.7	23,560.7	7,806.6	232.8
13-Nov-15	232.8	235.9	228.7	229.6	73,340.0	3,000.0	16,973.3	23,167.2	7,762.3	231.4
11-Nov-15	234.1	236.7	233.1	234.4	33,108.0	646.0	7,768.1	23,651.5	7,825.0	234.6
10-Nov-15	235.6	239.0	233.0	233.6	50,090.0	1,326.0	11,760.4	23,570.8	7,783.4	234.8
9-Nov-15	234.0	238.5	229.8	236.1	65,631.0	1,981.0	15,491.4	23,823.1	7,915.2	236.0
Average share price										232.7



# Discounted Cashflows ("DCF") method



# DCF method – The Undertaking

- ▶ Forecasts provided by HLL for the period H2FY16 to FY21
- ▶ Key parameters for WACC are summarised below:

Particulars	Notes	Values
Cost of equity	A	16.4%
After tax cost of debt	B	7.8%
WACC	C	14.3%

Notes:

- A. Risk free rate of 7.5%, equity market risk premium of 7.0%, additional risk premium of 3.0% and beta of 0.8
- B. Effective interest rate paid by the Company on its debt (rounded) i.e. 12% and current corporate tax rate
- C. Considering the Company's long term target of 25:75 as debt equity ratio

# DCF method - The Undertaking (cont.)

Category	mm	H12V16	FY17	FY18	FY19	FY20	FY21
Net sales		255.2	501.0	516.4	533.0	548.1	564.3
Cost of sales		(136.2)	(262.0)	(269.0)	(276.9)	(283.9)	(291.3)
Gross profit		119.1	239.0	247.4	256.0	264.2	272.9
Operating expenses		(108.5)	(218.7)	(222.4)	(226.2)	(230.1)	(234.0)
EBITDA		10.6	20.2	25.0	29.8	34.1	38.9
Depreciation and amortisation		(0.7)	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)
EBIT		9.9	17.5	22.3	27.1	31.4	36.2
Tax expense		-	-	(0.1)	(5.8)	(6.7)	(7.7)
Debt free net income		9.9	17.5	22.2	21.3	24.7	28.5
Add: Depreciation and amortisation		0.7	2.7	2.7	2.7	2.7	2.7
Add/Less: (Increase)/Decrease in net working capital		(192.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
Add: Inflow on account of disposal of land		255.4	-	-	-	-	-
Add: Capital expenditure		-	-	-	-	-	-
Debt free cash flow		73.6	19.8	24.4	23.5	27.0	30.7
Discount rate (%)		14.3	14.3	14.3	14.3	14.3	14.3
Present value factor- Mid year discounting		0.97	0.88	0.77	0.67	0.59	0.51
Present value debt free cash flow		71.2	17.4	18.7	15.8	15.8	15.7
Present value for explicit period		154.5	-	-	-	-	-
Terminal value on replacement cost basis		421.1	-	-	-	-	-
Enterprise Value as on 30 Sep 2015		575.6	-	-	-	-	-

The Enterprise value as at 30 September 2015 as per DCF is ₹ 575.6 mn

# DCF method – The Undertaking (cont.)

## Terminal value on replacement cost basis

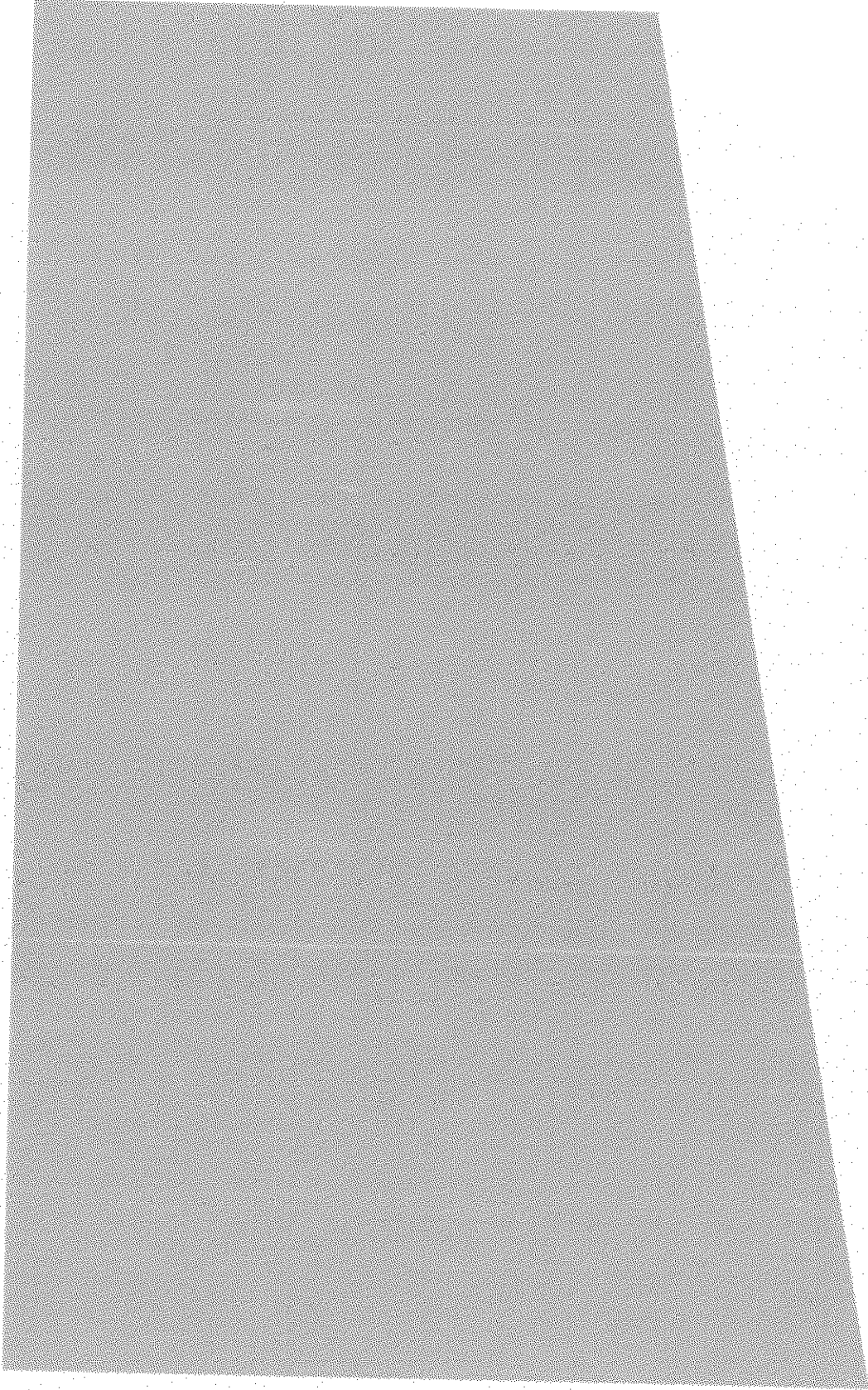
Currency: m	
Working capital excluding cash (at book value)	18.1
Net block as at 31 March 2021 (excluding land)	0.8
Land (on replacement cost basis)	888.0
Total	906.8
Present value factor- Year end discounting (for FY21)	0.5
Terminal Value on replacement cost basis	421.1



# DCF method – The Undertaking (cont.)

Currency	DCF Method
Enterprise value	421.1
Adjustment for non-operating items	
Less: gross debt	(395.6)
Add: cash and cash equivalents	6.5
Equity Value as on 30 Sep 2015	186.5
Add: Accretion for stub period	4.0
Equity Value as on 20 Nov 2015	190.5
Number of equity shares (in million)	6.0
Value per equity share (₹ / share)	31.7

# Net Asset Value method

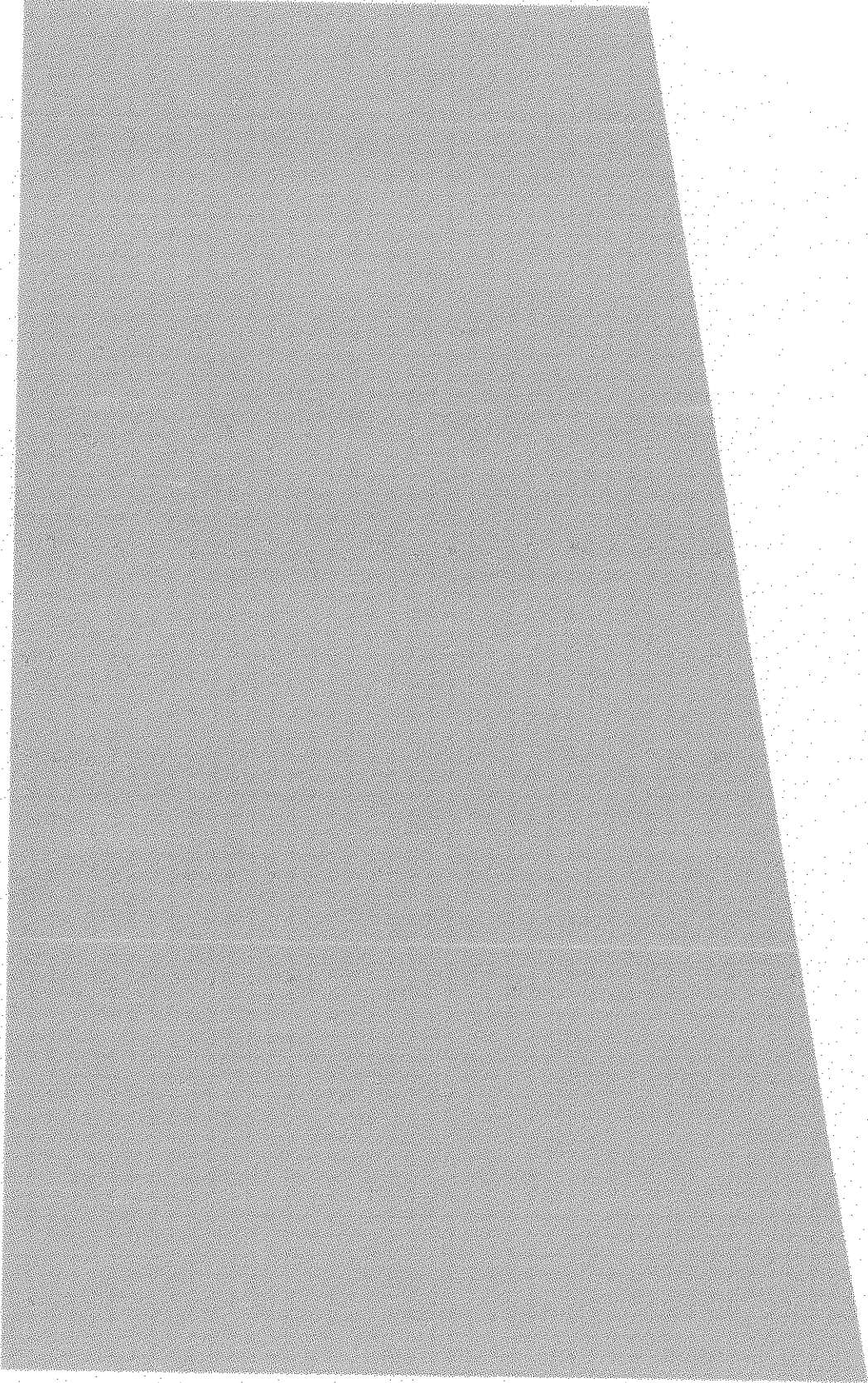


# Net Asset Value method – The Undertaking

Particulars  
30 September 2015  
( million)

Net block of fixed assets - Other than land	15.1
Net block of fixed assets - land	28.5
Inventories	61.3
Sundry debtors	66.3
Advances	15.4
Cash and bank balances	6.5
Other current assets	34.3
Current liabilities & provisions	(320.5)
Net Current Assets	(136.7)
Loan funds	395.6
Net worth- unadjusted	(487.0)
Less: w/off of inventory and debtors as per auditor qualification	(33.6)
Net worth- adjusted	(520.6)
Equity value considered	Nil

# Fair Entitlement Ratio





# Fair Entitlement Ratio: BEL and the Undertaking

► For the purpose of recommending an exchange ratio, it is necessary to arrive at a single value for the shares of the companies.

Currency (₹)	BEL		The Undertaking	
	Weights	Value / Share	Weights	Value / Share
Market Price method	100%	232.7	n.a.	n.a.
DCF Method	n.a.	n.a.	80%	31.7
NAV Method	n.a.	n.a.	20%	0.0
Weighted average value per share	100%	232.7	100%	25.4

► On consideration of valuation as per the above methodologies and considering the qualitative factors, in our opinion, the basis for demerger of the Undertaking into BEL is as follows:

The Fair Entitlement Ratio of equity shares for the proposed demerger of the Undertaking into BEL should be a ratio of 109 equity shares of BEL of ₹ 2/- each fully paid up for every 1,000 equity shares of HLL of ₹ 25/- each fully paid up.

# Statement of Limiting Conditions

## SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- ▶ Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.
- ▶ This report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this report (iii) are based on the unaudited balance sheets as at 30 September 2015 of BEL and the Undertaking.
- ▶ A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other condition in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.
- ▶ The Management has represented that the business activities of BEL and HLL have been carried out in the normal and ordinary course between 30 September 2015 and the report date and that no material adverse change has occurred in their respective operations and financial position between 30 September 2015 and the report date.
- ▶ The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

# Statement of Limiting Conditions (contd.)

- ▶ In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.
- ▶ This report was prepared for the purpose of recommendation of Fair Entitlement Ratio as at 30 September 2015 for the proposed demerger of the Undertaking into BEL for the consideration of the Boards of BEL and HLL only. Its suitability and applicability for any other use has not been checked by us. Neither the valuation report nor its contents may be disclosed to any third party or referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, any public communication, loan agreement or other agreement or document given to third parties without our prior written consent except to the extent as required by the applicable law to consummate the Proposed Demerger. We retain the right to deny permission for the same.
- ▶ We have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. We have assumed that the information provided to us presents a fair image of BEL / the Undertaking and the assets being valued at the Valuation Date.
- ▶ The report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Valuation Subjects. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the valuation report date.

## Statement of Limiting Conditions (contd.)

- ▶ This report does not look into the business/ commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- ▶ The valuation and result are governed by concept of materiality. The financial forecasts used in the preparation of the report reflects Management's judgment, based on present circumstances, as to the most likely set of conditions and the course of action it is most likely to take. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period will almost always differ from the forecasts and as such differences may be material.
- ▶ The fee for the report is not contingent upon the results reported.
- ▶ We owe responsibility only to the Board of Directors of BEL and HLL that have retained us and nobody else. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.
- ▶ We do not accept any liability to any third party in relation to the issue of this report.
- ▶ This report is subject to the laws of India.



Thank you

POUNDS 142

Each 100 each 12.50

RS 32

YEN 10

THOUSAND

THOUSAND

THOUSAND

THOUSAND

THOUSAND

THOUSAND



# Weighted Average Cost of Capital - the Undertaking

## Cost of Equity

Particulars	Notes	Value
Risk-free rate (%)	a	7.5
Beta	b	0.8
Equity market risk premium (%)	c	7.0
Additional risk premium (%)	d	3.0
Cost of equity capital (%)		16.4

## WACC

Particulars	Weight	Particulars	Cost	Value
Debt (%)	25.0	Cost of debt (%)	7.8	2.0
Equity (%)	75.0	Cost of equity (%)	16.4	12.3
WACC				14.3

## Note 1: Calculation of Beta

Currency: ` mn	Equity beta		Market capitalisation (g)	Net debt (h)	Enterprise value	Net debt / Enterprise value (%)	Effective tax rate (%)	Unlevered beta	Relevered beta
	(f)	(g)							
Bajaj Electricals Limited	0.76	23,478.8	3,528.1	27,006.9	13.1	34.6	0.69	0.81	

Notes:

- Based on current YTM of Government Bonds with 10 year residual maturity (rounded)
- Based on EY understanding of prevailing market risk premium in India
- Considering the improvement in EBITDA margins in the projected period as compared to the historical track record and the sale of land in FY16
- Based on current borrowing cost as per Company
- Based on current corporate tax rate
- Based on 3-Year betas period ended 20 November 2015. Source: Capitaline
- Based on average of daily weighted average price for 2 weeks ended 20 November 2015
- Net Debt includes gross debt net of cash and bank balances and investments

## Cost of Debt

Particulars	Notes	Value
Debt borrowing rate (%)	d	12.0
Expected income tax rate (%)	e	34.6
After-tax cost of debt (%)		7.8



L-1/382/MGP

November 23, 2015

BSE Ltd. : Code No. 500031  
 Phiroze Jeejeebhoy Towers  
 Dalal Street, Mumbai 400 001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC - Series: EQ  
 Exchange Plaza, Bandra Kurla Complex  
 Bandra (East), Mumbai 400 051

Delhi Stock Exchange Ltd. : Code No.02031  
 DSE House, 3/1, Asaf Ali Road  
 New Delhi 110 002

Dear Sirs,

Ref.: Clause 36 of the Listing Agreement

Sub.: Outcome of the meeting of the Board of Directors held on 23rd November 2015 approving Scheme of Arrangement ('Scheme') for demerger of Manufacturing Business of Hind Lamps Limited ('HLL') into Bajaj Electricals Limited ('the Company')

1. The Board of Directors of Bajaj Electricals Limited ("BEL" or "Transferee Company") has at its meeting held today, have inter alia, considered and approved the proposal for demerger of manufacturing business of Hind Lamps Limited ("HLL" or "Transferor Company") into BEL, pursuant to a Scheme of Arrangement ("Scheme") placed before the Board.
2. HLL, an unlisted company, incorporated on 30 April 1951, is engaged in the business of manufacturing of glass bulbs, HID bulbs and aluminium caps and has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board for Industrial and Financial Reconstruction ("BIFR"), having its registered office & manufacturing unit located at Shikohabad, Dist. Firozabad, Uttar Pradesh and HID Lamps manufacturing unit located at Parwanoo, Himachal Pradesh.
3. Details of Turnover of HLL for past 3 years are as under :

Financial Year	Turnover (Rs.in cr.)
2012-13	76.98
2013-14	72.21
2014-15	65.21

CERTIFIED TRUE COPY

For and on behalf of  
 Bajaj Electricals Limited

*Mangesh Patil*  
 Mangesh Patil  
 EVP-Legal & Taxation and Company Secretary

4. Details of share capital of HLL are as under:

Particulars	No. of Shares	Amt. in Rupees
<b>Authorised Capital :</b>		
Equity Shares of Rs.25 each	6,400,000	160,000,000
9% Cumulative Redeemable Preference Shares of Rs.25 each	400,000	10,000,000
0% Cumulative Redeemable Preference Shares of Rs.25 each	32,00,000	80,000,000
<b>Total</b>		<b>250,000,000</b>
<b>Issued, Subscribed and fully paid-up :</b>		
Equity Shares of Rs.25 each	6,000,000	150,000,000
0% Cumulative Redeemable Preference Shares of Rs.25 each	2,800,000	70,000,000
<b>Total</b>		<b>220,000,000</b>

BEL holds 1,140,000 (19.00%) equity shares of HLL and the remaining equity shares are held by the promoters and promoter group companies of BEL.

The Preference shares of HLL are held entirely by BEL.

5. Shri Shekhar Bajaj, Chairman & Managing Director and Shri Anant Bajaj, Joint Managing Director of the Company are also the directors in HLL.
6. As on 30 September 2015, the exposure of BEL in HLL was at Rs.21.49 cr., comprising of Equity Share capital of Rs.2.97 cr., Preference Share Capital of Rs.7.00 cr. & Loans of Rs.11.52 cr.
7. Rationale and Object of the Scheme:

HLL, amongst others, has been a vendor for the BEL since last several years and supplying products under BEL's brand name. BEL, being a leading player in the business of lighting & consumer durables business for over 75 years, has management expertise and quality system & controls, whereas HLL has a manufacturing capabilities and required infrastructure.

The Board of Directors of BEL are of the view that the proposed Scheme would *inter-alia* have the following benefits:

- a. The transfer and vesting of the Manufacturing Business of the HLL with BEL will enable both the companies to achieve and fulfill their objectives more efficiently and economically and the same is also in the interest of all the stakeholders.
- b. BEL's existing management expertise and quality system & controls will facilitate revival of the Manufacturing Business HLL upon its consolidation with BEL.


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8. Salient features of the of the Scheme :

- a. The entire Manufacturing Business of HLL together with all its assets and liabilities will be transferred to BEL as a going concern.
- b. The Scheme shall be deemed to be effective from the Appointed Date i.e. 31<sup>st</sup> March, 2014, but shall be operative from the Effective Date.
- c. Pursuant to the Scheme the shareholders of HLL will be issued 529740 fully paid-up equity shares of BEL of the face value of Rs. 2 each, except BEL, in consideration for the demerger in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.
- d. The aforesaid equity shares to be issued to the shareholders of HLL have been determined based on Share Entitlement Ratio of 109 equity shares of BEL of the face value of Rs. 2 each for 1000 equity shares of HLL of the face value of Rs.25 each, as recommended by S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai and the same will be issued on the record date.
- e. Fairness opinion has been given by SPA Capital Advisors Limited.
- f. The Audit Committee of the Board of Directors of the Company has considered and approved the Scheme, Valuation Report and the Fairness Opinion and recommended the same for the approval of the Board.
- g. Upon the Scheme becoming effective, the shareholding of promoters in BEL would increase from existing 63.64% to 63.83%.
- h. HLL will retain remaining business which includes all the undertakings, businesses, activities (including trading activities and support services to other undertakings), employees and operations of the HLL other than manufacturing business.
- i. The Scheme would be effective upon receipt of all requisite approvals including from the Shareholders, Creditors, BIFR or such other appropriate authorities and filling the certified copies of the order of BIFR with the Registrar of Companies.
- j. Subject to the regulatory approvals, the proposed transaction is expected to be completed in a period of about 12 months.

Thanking you,

Yours faithfully,  
For Bajaj Electricals Limited

  
Shekhar Bajaj  
Chairman & Managing Director

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7886 (H)  
22/4/16  
Kamleshwar  
22/4/16

Dt. 18.04.2016

To  
The Bench Members,  
Mon -III,  
Board for Industrial and  
Financial Reconstruction,  
Jawahar Vyapar Bhawan,  
1, Tolstoy Marg,  
New Delhi - 110 001

Respected Sirs,

Sub: M/s HIND LAMPS LIMITED  
BIFR CASE NO. 09/2002 - reg.

Kindly find enclosed herewith 4 (Four) sets of Modified Draft Rehabilitation Scheme of M/s Hind Lamps Ltd.

2. We are separately submitting a copy of the rehabilitation proposal to the Operating Agency (i.e. IDBI Bank).
3. It is hoped that you would find the above in order and would accept the same.

Thanking you,

Yours faithfully,  
For HIND LAMPS LIMITED

COL. VS YADAV (RETD.),  
GM & HEAD - FACTORY PRODUCTION

CC: IDBI Bank, E-1, 1<sup>st</sup> Floor,  
Videocon Tower, Jhandewalan,  
New Delhi - 110055

**CERTIFIED TRUE COPY**

For and on behalf of  
Bajaj Electricals Limited

Mangesh Patil  
EVP-Legal & Taxation and Company Secretary

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**In the nature of abridged prospectus – MEMORANDUM CONTAINING SALIENT FEATURES IN RESPECT OF DEMERGER OF MANUFACTURING BUSINESS OF HIND LAMPS LIMITED INTO BAJAJ ELECTRICALS LIMITED, PURSUANT TO A SCHEME OF ARRANGEMENT (“SCHEME”) UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”).**

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). You are also encouraged to read the greater details available in the Scheme.

**THIS ABRIDGED PROSPECTUS CONTAINS ELEVEN (11) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

This document is prepared to comply with the requirement of Regulation 37 of the Listing Regulations read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and is in accordance with disclosure in Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable. Bajaj Electricals Limited (hereinafter referred to as the “Transferee Company” or “Resulting Company”) is already listed on BSE Limited and the National Stock Exchange of India Limited (hereinafter collectively referred to as the “Stock Exchanges”). Pursuant to the Scheme, there is no issue of equity shares by Transferee Company to the public at large, except to the existing shareholders of Hind Lamps Limited (hereinafter referred to as the “Company” or “Transferor Company” or “Demerged Company”) excluding to the Transferee Company itself. The equity shares so issued would be listed on the Stock Exchanges under Regulation 19 of Securities Contract (Regulation) Rules, 1957. Therefore, the requirements with respect to GID (General Information Document) is not applicable and this abridged prospectus be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors and Audit Committees of the Transferor Company and Transferee Company in their respective meetings held on November 23, 2015, and copies of the valuation reports dated November 22, 2015 and July 31, 2017 issued by S.R. Batliboi & Co. LLP, Chartered Accountants, recommending the Share Entitlement Ratio and Report on Fairness Opinion dated November 22, 2015 issued by SPA Capital Advisory Limited from the websites of the Stock Exchanges where the equity shares of Transferee Company, issued pursuant to the Scheme, are proposed to be listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). A copy of the Abridged Prospectus shall be submitted to the Securities and Exchange Board of India (“SEBI”).

## HIND LAMPS LTD.

*(Incorporated as a public company with limited liability under the Indian Companies Act, 1913 pursuant to a certificate of incorporation dated April 30, 1951)*

**Factory & Registered Office:** Shikohabad, Firozabad, Uttar Pradesh – 205 141

**HID lamps manufacturing unit:** Plot No. 46-48, Sector- 5, Parwanoo, Solan, Himachal Pradesh -- 173 220

**Corporate Identity Number:** U27302UP1951PLC002355

**Contact Person:** Manish Pathak, Chief Financial Officer

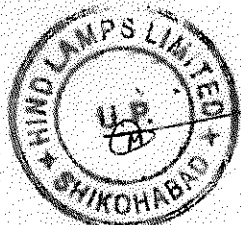
**Tel:** 9719215153, 05676-234501/2/3

**Website:** Not Available, **Email:** [hindlamps@sify.com](mailto:hindlamps@sify.com)

**PROMOTER OF THE COMPANY:** Shekhar Bajaj and Anant Bajaj  
(For further details refer to the para titled “PROMOTERS OF TRANSFEROR COMPANY.” on page 4 of this Abridged Prospectus)

### OFFER DETAILS, LISTING AND PROCEDURE

HIND LAMPS LIMITED (“TRANSFEROR COMPANY” OR “DEMERGED COMPANY”) AND BAJAJ ELECTRICALS LIMITED (“TRANSFEE COMPANY” OR “RESULTING COMPANY”) FORMS PART OF THE BAJAJ GROUP OF COMPANIES. TRANSFEE COMPANY IS PRESENTLY HOLDING 1140000 EQUITY SHARES IN THE TRANSFROR COMPANY REPRESENTING 19.00% OF PAID UP SHARE CAPITAL OF THE



TRANSFEROR COMPANY, WHEREAS THE REMAINING EQUITY SHARES OF THE TRANSFEROR COMPANY ARE HELD BY THE PROMOTERS / PROMOTER GROUP COMPANIES OF THE TRANSFEROR COMPANY AND TRANSFEREE COMPANY.

IT IS PROPOSED TO DEMERG THE MANUFACTURING BUSINESS OF THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY PURSUANT TO A SCHEME OF ARRANGEMENT UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE ACT. AS A RESULT OF WHICH SHAREHOLDERS OF THE TRANSFEROR COMPANY SHALL BE ISSUED EQUITY SHARES OF THE TRANSFEREE COMPANY, EXCEPT TO THE TRANSFEREE COMPANY ITSELF, AS A CONSIDERATION FOR THE DEMERGER IN COMPLIANCE WITH THE PROVISIONS OF SECTION 2(19AA) OF THE INCOME TAX ACT, 1961.

The details in respect of meeting of the shareholders (including Postal Ballot and e-Voting) of the Transferee Company as conveyed in accordance with Sections 230 to 232 of the Act and e-Voting required as per SEBI Circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of the Listing Regulations where the Scheme would be placed before the shareholders will be published in two newspapers as may be directed by Hon'ble National Company Law Tribunal, Mumbai Bench, Maharashtra and National Company Law Tribunal, Allahabad Bench, Uttar Pradesh constituted under the Act ("NCLT").

DETAILS ABOUT THE BASIS FOR THE SWAP RATIO IN ACCORDANCE WITH THE SCHEME AND SHARE ENTITLEMENT RATIO REPORT AND REPORT ON FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITE OF THE TRANSFEREE COMPANY AND THE STOCK EXCHANGES.

#### PROCEDURE

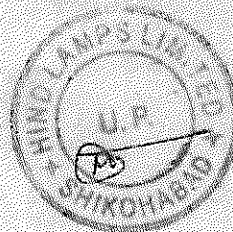
The procedure with respect to Public Issue / Offer would not be applicable as this issue is only to the shareholders of the Transferor Company, pursuant to the Scheme without any cash consideration. Hence the procedure with respect to GID may be applicable only to the limited extent as specifically provided.

#### ELIGIBILITY

- In compliance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable;
- The equity shares sought to be listed are proposed to be allotted by the Transferee Company to the holders of securities of an unlisted entity, i.e. the Transferor Company, pursuant to a Scheme to be sanctioned by NCLT under Sections 230-232 of the Act;
- The percentage of post-scheme shareholding of public shareholders of the listed Transferee Company shall not be less than 25%;
- The Transferee Company will not issue/re-issue any shares not covered under the draft Scheme; and
- As on the date of application, neither there are outstanding warrants / instruments / agreements which gives any right to any person to take the equity shares in the Transferee Company at any future date nor such instruments are stipulated in the Scheme.

#### INDICATIVE TIMELINE

This Abridged Prospectus is filed pursuant to the Scheme, and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the NCLT, the time frame cannot be established with certainty. However, in general, it may take 5 to 6 months after shareholders' meeting.

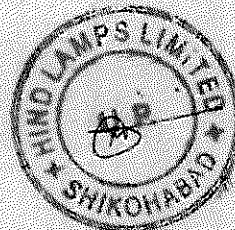




### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the equity of the Transferee Company unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factor mentioned in this Abridged Prospectus carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Transferee Company and this Offer, including the risks involved. The equity shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or Abridged Prospectus. Specific attention of the investors is invited to the Section "Risk Factors" at page 9 of this Abridged Prospectus. – Not Applicable as the offer is not for public at large.

Names of Book Running Lead Manager/s and contact details (telephone and email id) of each BRLM	Not applicable
Names of Syndicate Members	Not applicable
Name of Registrar to the Issue and contact details (telephone and email id)	Not applicable
Name of Statutory Auditor	Sushil Maheshwari & Co., <i>Chartered Accountants</i> Firm Registration Number – 005519C Head Office : 607 & 507, Maruti Plaza, Block 118/8, Sanjay Place, Agra 282002. Branch Office : Gr. Floor, 208, State Bank Nagar, Paschim Vihar, New Delhi 110063. Telefax: +91 562 4040023; Email: <a href="mailto:casnco@gmail.com">casnco@gmail.com</a>
Name of Credit Rating Agency and the rating or grading obtained, if any	Not applicable
Name of Debenture trustee, if any	Not applicable
Self-Certified Syndicate Banks	Not applicable
Non Syndicate Registered Brokers	Not applicable
Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not applicable



### PROMOTERS OF TRANSFEROR COMPANY

**Shekhar Bajaj**, aged 69 years, is a Promoter and Non-Executive Director of the Transferor Company. He is a resident Indian national. He holds Bachelor of Science degree and has completed his MBA from New York University. He has been a director of the Transferor Company since September 1979 and has over 49 years of working experience. He is also the Chairman and Managing Director of the Transferee Company.

**Anant Bajaj**, aged 40 years, is a Promoter and Non-Executive Director of Transferor Company. He is a resident Indian national. He has done his Bachelor of Commerce and has completed PGDFMB from S.P Jain Institute of Management, Mumbai. He has been a director of the Transferor Company since July 2005 and has over 20 years of working experience. He is also the Joint Managing Director of the Transferee Company.

**Name of the top 5 largest listed group companies in terms of turnover:** (1) Bajaj Finserv Limited; (2) Bajaj Auto Limited; (3) Bajaj Finance Limited; (4) Bajaj Electricals Limited; and (5) Mukand Limited.

### BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

The Transferor Company was incorporated in the year 1951 as a Joint Venture (JV) of five companies – N.V. Philips Gloeilampentabriken, The British Thomson Houston Company Limited, Crompton Parkinson Limited, The General Electric Company Limited, Siemens Electric Lamps & Supplies Limited and Radio Lamps Works Limited (now known as Bajaj Electricals Limited) with the prime objective to carry on the business of manufacture of electric goods including electric lamps and lighting effects. Subsequently, the JV members, excepting Bajaj Electricals Limited ("Transferee Company"), divested their respective shareholding. The present shareholder of the Transferor Company are (i) Transferee Company (19.00%), (ii) Baroda Industries Private Limited (19.50%), (iii) Mrs. Kiran Bajaj (19.50%), (iv) Ms. Geetika Bajaj (19.50%), (v) Bachhraj & Co. Private Limited (11.25%), (vi) Jamnalal Sons Private Limited (8.25%) and (vii) Bajaj International Private Limited (3.00%) are the shareholders of the Company. The Preference shares of the Transferor Company are held entirely by the Transferee Company.

The Transferor Company is engaged in the business of manufacturing of glass bulbs, HID bulbs and aluminium caps having its registered office & manufacturing unit located at Shikohabad, Firozabad District, Uttar Pradesh and HID Lamps manufacturing unit located at Parwanoo, Himachal Pradesh. The Transferor Company has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board of Industrial and Financial Reconstruction ("BIFR").

#### The Present Business / Products Portfolio:

Products Manufactured & Marketed:-

Lamps: GLS Lamps and HID Lamps.

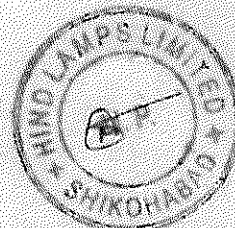
Others: Standard Aluminium Caps for GLS Lamps

#### Our Competitive Strengths:

- Manufacturing capacity
- Experienced labour force

#### Our Strategies:

- Hiving off loss making manufacturing unit
- Monetization of assets and settlement of liabilities
- Concentration on profitable trading business





### BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current / past position held in other firms
1.	Shekhar Bajaj	Chairman	For details, please refer to "Promoters of Transferor Company" on page 4 of this Abridged Prospectus.
2.	Anant Bajaj	Director	For details, please refer to "Promoters of Transferor Company" on page 4 of this Abridged Prospectus.
3.	Raghavan Sundarrajan	Whole-time Director	Raghavan Sundarrajan, aged 60 years, was appointed as a Whole-time Director on March 26, 2015. He is a qualified electrical engineer with diploma in business administration. He is an ex-president of lighting business division of Bajaj Electricals Limited. Prior to joining Bajaj Electricals Limited, he had worked with MIC Electronics, Hyderabad as President - Lighting to launch and establish their LED lighting products. He had also worked with Wipro Limited (Lighting Division) for 16 years.
4.	Kunjbihari Bhattad	Director	Kunjbihari Ramgopalji Bhattad, aged 67 years, has been a director of the Transferor Company since October 2014. He has completed his M.Com (General) from Nagpur University in the year 1973. He has more than 40 years of experience in handling and looking after the, finance, investments, accounts and taxation functions of several Partnership Firms, NBFC's which belong to the Bajaj Group and are registered with the RBI.
5.	Sanjay Murarka	Director	Sanjay Murarka, aged 48 years, has been a director of the Transferor Company since October 2014. He has completed his B.Com and LL.B. (General) from Mumbai University. He is a qualified Company Secretary and is a Fellow Member of the Institute of Company Secretaries of India, New Delhi. He has more than 20 years of experience in handling and looking after the secretarial, legal, finance, accounts and taxation functions of several NBFC's which belong to the Bajaj Group and are registered with the RBI and compliances with various Corporate Laws, SEBI Rules and Regulations and RBI Directions.

### OBJECTS OF THE ISSUE

**Details of means of finance** - Not applicable

**Objects -**

\*Purpose and rationale\* as set out in Part B of the Preamble of the Scheme is as under:

**"B. PURPOSE AND RATIONALE OF THIS SCHEME**

- (a) This scheme of arrangement (hereinafter referred to as the "Scheme") is presented pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 as may be applicable for the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company in the manner provided for in the Scheme and reorganization of capital reserves, securities premium and share capital of the Demerged Company.
- (b) The Board of Directors of the Demerged Company and the Resulting Company are of the view that the transfer and vesting of the Manufacturing Business (as defined hereinafter) of the Demerged Company to the Resulting Company





will enable both the Demerged Company and the Resulting Company to achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders. The Resulting Company's existing management expertise and quality systems & controls will enhance the performance of the business of the Demerged Undertaking.

- (c) The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company and the Resulting Company and to facilitate the revival of the Manufacturing Business of the Demerged Company upon its consolidation with the Resulting Company.
- (d) As per the modified draft rehabilitation scheme ("MDRS") filed with the BIFR (as defined hereinafter) for the revival of the Demerged Company, the net worth of the Demerged Company was expected to turn positive by 31st March 2014. The Demerged Company couldn't achieve the aforesaid objective and accordingly the management of the Demerged Company decided to make an attempt to achieve positive net worth by 31st March 2015. However, as on 31st March 2015, the Demerged Company could not achieve positive net worth and accordingly, it has been proposed to demerge the Manufacturing Business of the Demerged Company with the Resulting Company with effect from the appointed date of 31st March 2014.
- (e) The Scheme has been approved by the Board of Directors of the Demerged Company and the Resulting Company in their respective meetings held on 23rd November, 2015.
- (f) This Scheme has been drawn up so that the Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company is compliant with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961 ("Income Tax Act")."

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years.**

Not Applicable. Also note that in order to redeem the 9% Cumulative Redeemable Preference Shares on their due dates and to augment the availability of long term funds for financing expansion activities of the Transferor Company, in FY 2013-14, the Transferor Company had raised ₹ 15,12,00,000 by issuing 5600000 equity shares to its shareholders on right basis in the ratio 14:1. However, the said issue does not fall within the meaning of 'public issue'. Further, the proceeds of the said issue have been fully utilized and there is no occasion of non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds.

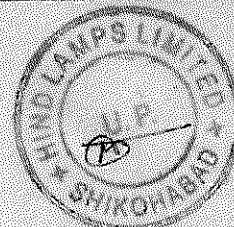
**Name of monitoring agency, if any – Not Applicable.**

**Terms of Issuance of Convertible Security, if any – Not Applicable.**

#### SHAREHOLDING PATTERN

##### A. Shareholding Pattern of the Transferor Company (As on 29 September 2017)

Sr. No.	Particulars	Pre Scheme number of shares	Pre Scheme % Holding	Post Scheme number of shares	Post Scheme % Holding
<b>EQUITY SHARE CAPITAL (Equity shares of ₹ 25/- each)</b>					
<b>1.</b>	<b>Promoter Individual / HUF</b>				
	a. Mrs. Kiran Bajaj	1170000	19.50	1170000	19.50
	b. Ms. Geetika Bajaj	1170000	19.50	1170000	19.50
	<b>(A)</b>	<b>2340000</b>	<b>39.00</b>	<b>2340000</b>	<b>39.00</b>
<b>2.</b>	<b>Promoter Bodies Corp.</b>				
	a. Bajaj Electricals Limited	1140000	19.00	1140000	19.00

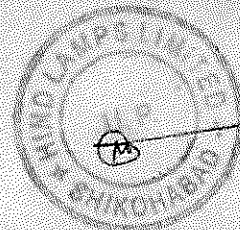




	b. Bachhraj & Company Private Limited	675000	11.25	675000	11.25
	c. Jammalal Sons Private Limited	495000	8.25	495000	8.25
	d. Baroda Industries Private Limited	1170000	19.50	1170000	19.50
	e. Bajaj International Private Limited	180000	3.00	180000	3.00%
	(B)	3660000	61.00	3660000	61.00
3.	Non Promoter Shareholding				
	Public Shareholding	-	-	-	-
	(C)	-	-	-	-
	Total (A + B + C)	6000000	100.00	6000000	100.00
<b>PREFERENCE SHARE CAPITAL (2800000 0% Redeemable Preference Shares of ₹ 25/- each)</b>					
1.	Promoter Bodies Corp.				
	Bajaj Electricals Limited	2800000	100.00	-	-
	(A1)	2800000	100.00	-	-
2.	Non Promoter Shareholding				
	Public Shareholding	-	-	-	-
	(B1)	-	-	-	-
	Total (A1 + B1)	2800000	100.00	-	-

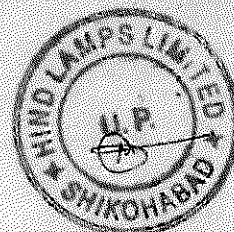
**B. Shareholding Pattern of the Transferee Company\*\***

Sr. No.	Particulars	Pre Issue number of shares	Pre issue % Holding	Post Issue number of shares	Post issue % Holding
<b>EQUITY SHARE CAPITAL (Equity shares of ₹ 2/- each)</b>					
1.	Promoters - Individual / HUF				
a.	Shekhar Bajaj	4680735	4.62	4680735	4.59
b.	Anant Bajaj	4531823	4.47	4531823	4.45
c.	Kiran Bajaj	3086419	3.04	3213949	3.15
d.	Madhur Bajaj	2125035	2.10	2125035	2.08
e.	Niraj Bajaj	1711235	1.69	1711235	1.68
f.	Sunaina Kejriwal	965325	0.95	965325	0.95
g.	Kumud Bajaj	638200	0.63	638200	0.63
h.	Minal Bajaj	367200	0.36	367200	0.36
i.	Niravnayan Bajaj	251000	0.25	251000	0.25
j.	Pooja Bajaj	130000	0.13	130000	0.13
k.	Rahul Kumar Bajaj	124180	0.12	124180	0.12
l.	Neelima Bajaj Swamy	110000	0.11	110000	0.11
m.	Suman Jain	99645	0.10	99645	0.10
n.	Kriti Bajaj	90000	0.09	90000	0.09
o.	Nimisha Jaipuria	90000	0.09	90000	0.09
p.	Shelali Bajaj	30000	0.03	30000	0.03
q.	Sanjivnayan Bajaj	10735	0.01	10735	0.01
r.	Geetika Bajaj	8346	0.01	135876	0.13
s.	Deepa Bajaj	1000	0.00	1000	0.00
	(A)	19050878	18.79	19305938	18.94





<b>2. Promoters - Others</b>				
<b>Bodies Corp.</b>				
a. Jannalal Sons Private Limited	19872830	19.60	19926785	19.55
b. Bajaj Holdings And Investment Limited	16697840	16.47	16697840	16.38
c. Hind Musafir Agency Limited	1258000	1.24	1258000	1.23
d. Bajaj International Private Limited	800000	0.79	819620	0.80
e. Baroda Industries Private Limited	770000	0.76	897530	0.88
f. Hercules Hoists Limited	554937	0.55	554937	0.54
g. Shekhar Holdings Private Limited	480000	0.47	480000	0.47
h. Rahul Securities Private Limited	415000	0.41	415000	0.41
i. Bachhraj Factories Private Limited	95000	0.09	95000	0.09
j. Bajaj Sevashram Private Limited	5000	0.00	5000	0.00
k. Bachhraj and Company Private Limited	1000	0.00	74575	0.07
l. Kamalnayan Investment & Trading Private Limited	1000	0.00	1000	0.00
m. Madhur Securities Private Limited	1000	0.00	1000	0.00
n. Niraj Holdings Private Limited	1000	0.00	1000	0.00
o. Rupa Equities Private Limited	1000	0.00	1000	0.00
p. Sanraj Nayan Investments Private Limited	1000	0.00	1000	0.00
(b1)	40954607	40.38	41229287	40.44
<b>Trusts</b>				
a. Kiran Bajaj (as Trustee of Geetika Trust No. 2)	1210000	1.19	1210000	1.19
b. Niraj Bajaj (as Trustee of Niravnayan Trust)	466200	0.46	466200	0.46
(b2)	1676200	1.65	1676200	1.64
<b>Partnership Firms</b>				
a. Shekhar Bajaj (held on account of Bajaj Trading Company)	2536800	2.50	2536800	2.49
(b2)	2536800	2.50	2536800	2.49
(b1 + b2 + b3) = (B)	45167607	44.54	45442287	44.58



3.	<b>Non Promoter Shareholding</b>				
	Public Shareholding	37192191	36.67	37192191	36.48
	(C)	37192191	36.67	37192191	36.48
	<b>Total (A + B + C)</b>	<b>101410676</b>	<b>100.00</b>	<b>101940416</b>	<b>100.00</b>

\*\* Pre/post scheme shareholding pattern of Transferee Company is based on the shareholding pattern filed by the Transferee Company with stock exchanges for the quarter ended June 30, 2017. Post this quarter, on 11 August 2017, the Transferee Company had allotted 114675 equity shares on exercise of options under ESOP whereby the Issued, Subscribed and Paid-up Capital of the Transferee Company increased to 101525351 equity shares of Rs.2 each fully paid up.

### RESTATED AUDITED FINANCIALS OF TRANSFEROR COMPANY

Standalone:

(Amount: ₹ in crore except EPS and Book Value)

	FY 2016-17	FY 2015-16	FY 2014-15	FY 2013-14	FY 2012-13
Total income from operations (net)	43.45	45.72	58.76	64.79	67.16
Net Profit / (Loss) before tax and extraordinary items	(9.37)	(10.74)	(7.29)	(12.76)	(14.69)
Net Profit / (Loss) after tax and extraordinary items	** (9.30)	(6.62)	(18.73)	(9.58)	5.79
Equity Share Capital	15.00	15.00	15.00	15.00	1.00
Reserves and Surplus	(71.43)	(61.43)	(53.55)	(32.33)	(22.51)
Net worth	(60.49)	(51.50)	(44.96)	(26.15)	(30.79)
Basic earnings per share (₹)	(13.41)	(11.04)	(31.22)	(19.08)	142.60
Diluted earnings per share (₹)	(13.41)	(11.04)	(31.22)	(19.08)	142.60
Return on net worth (%)	(12.79)	(12.85)	(41.66)	(36.64)	18.80
Net asset value/Book value per share (₹)	*	*	*	*	*

Notes:

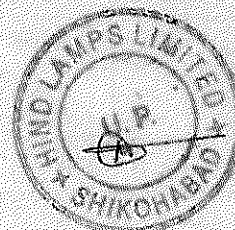
1. Net worth is calculated as per the Companies Act, 2013 (Equity Capital + Reserves & Surplus excluding revaluation reserves - Carry forward losses - Miscellaneous Expenditure to the extent not written off).
  2. Reserves and Surplus includes Carry Forward Losses.
  3. Book Value = (Total Assets - Total Liabilities) / Total No. of shares outstanding.
- \* Cannot be calculated as it is negative.  
\*\* Total comprehensive income for the period

Consolidated: Not applicable

### INTERNAL RISK FACTORS

- a) With the accumulated losses, the net worth of the Transferor Company is negative. Further, the Transferor Company has been declared as a sick industrial company within the meaning of section 3(1)(o) of SICA by BIFR. This exposes the Transferor Company to the risk of bankruptcy and insolvency.
- b) The Auditors of the Transferor Company have included the following "Basis of qualified opinion" in their audit report dated May 11, 2017 for the financial year ended March 31, 2017:

"Regarding recognition of Deferred Tax Assets, aggregating ₹ 9,20,50,212/- as at March 31, 2017 (Previous Year ₹ 7,92,29,606/-) in spite of absence of convincing evidence of availability of adequate future taxable profits to demonstrate virtual certainty of reversal of such deferred tax assets, which is not in accordance with the requirements of Ind AS-12, Income Taxes."





- c) The demand for GLS was severely impacted because of introduction of CFL and LED bulbs having long life. The Transferor Company will need to offer value proposition to its customers to develop business further.
- d) In view of the growth potential in the lighting industry, increased number of players are entering in this segment. Increased competition is likely to put pressure on the existing players. Also, due to competitive nature of the market, pricing pressures persist.
- e) It is a constant challenge to retain the right talent as there is imminent short term risk from new entrants and existing domestic players.
- f) Non-availability of regular and quality electricity supply is an issue as it may impact overall demand for electrical products.
- g) Clause 17 of the Scheme provides that in the event of any of the sanctions and approvals referred to in this Scheme not being obtained and/or this Scheme not being sanctioned by NCLT or such other appropriate authority and/or order or orders not being passed as aforesaid, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Transferee Company and the Transferor Company shall mutually waive/incorporate such conditions as they may consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void, and they shall bear their respective costs, charges and expenses in connection with this Scheme unless otherwise mutually agreed. This exposes the Transferor Company to the risk of bearing costs, charges and expenses in connection with this Scheme.
- h) In past, the Transferor Company has entered into related party transactions.
- i) Some of the Transferor Company's historical, legal and secretarial records are not readily traceable.
- j) The Transferor Company is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Transferor Company or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

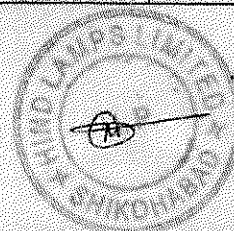
#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

##### A. Total number of outstanding litigations against the Company and amount involved

As on the date of the Abridged Prospectus, there were thirty seven (37) outstanding assessments / cases / litigations / claims / regulatory actions pending against the Company involving an aggregate amount of ₹ 6.38 crore.

##### B. Brief details of top 5 material outstanding litigations against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	Income Tax Proceedings for AY 2014-15	Income Tax Authority	Pending before the CIT (Appeals)	₹ 1.92 crore
2.	Income Tax Proceedings for AY 2013-14	Income Tax Authority	Pending before the CIT (Appeals)	₹ 1.78 crore
3.	Income Tax Proceedings for AY 2007-08	Income Tax Authority	Pending before the Hon'ble High Court, Allahabad.	₹ 1.39 crore
4.	Delay in deposit of excise duty during FY 2011-12	Central Board of Excise and Customs	Pending before the Hon'ble CESTAT, Allahabad	₹ 0.76 crore



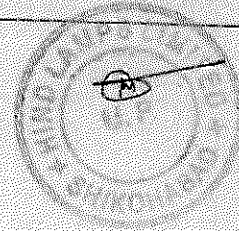
5.	Sale Tax - SIB survey of Kosi Unit 2007-08.	Sale Tax Authority	Pending before the DC - Commercial Tax, Ferozabad	₹ 0.27 crore
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**C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any (200 - 300 word limit in total):** None.

**Brief details of outstanding criminal proceedings against Promoters (200 - 300 word limit in total):** None.

**DECLARATION**

We hereby declare that all relevant provisions of the Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Act, the Securities Contract (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.









www.spacapital.com

**SPA Capital Advisors Ltd.**

(Formerly SPA Merchant Bankers Ltd.)

CIN : U99999DL1999PLC102826

Annexure - 11B

101-A, 10th Floor, Mittal Court

Nariman Point, Mumbai - 400021

Tel. : (022) 4043 9000 / 2280 1240-4

Fax : (022) 2202 1466

Ref No.: SPA/2017-18/2545

To,  
The Board of Directors  
**Hind Lamps Limited**  
Shikohabad, Firozabad  
Uttar Pradesh - 205 141, India

**Sub: Certificate on adequacy and accuracy of disclosure of information in the Abridged Prospectus of Hind Lamps Limited in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 in relation to proposed Scheme of Arrangement between Hind Lamps Limited and Bajaj Electricals Limited.**

Dear Sir/s,

We, SPA Capital Advisors Limited, a SEBI registered Category I Merchant Banker, having SEBI Registration No. INM000010825, refer to our engagement letter dated September 08, 2017 whereby Hind Lamps Limited (hereinafter referred to as "HLL") has appointed us for the purpose of certifying the adequacy and accuracy of disclosure of information provided in its Abridge Prospectus pursuant to the proposed Scheme of Arrangement between HLL and Bajaj Electricals Limited (hereinafter referred to as "BEL") under Sections 230-232 and other applicable provisions of the Companies Act, 2013.

#### Regulatory Requirement

SEBI vide its circular no.CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") prescribed requirements to be filed by the listed entities when they propose a Scheme of Arrangement. The SEBI Circular, amongst other things, provide that in the event a listed entity enters into a Scheme of Arrangement with an unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified for Abridged Prospectus as provided in Part D of schedule VIII of SEBI(ICDR) Regulations,2009.

#### Disclaimer and Limitation:

- This Certificate is a specific purpose certificate issued in terms of and in compliance with SEBI Circular and hence it should not be used for any other purpose or transaction.
- This Certificate contains the certification on adequacy and accuracy of disclosure of information pertaining to the unlisted entity viz., HLL, and is not an opinion on the Scheme of Arrangement or its success.
- This Certificate is issued on the basis of examination of information and documents provided by HLL and information which is available in the public domain and wherever required, the appropriate representation from HLL has also been obtained.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

1






- Our opinions is not, nor should it be constructed as our opining or certifying the compliance of the proposed Scheme of Arrangement with the provision of any law including companies, taxation, capital market, related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction.

**Certification:**

We state and confirm as follows:

- We have examined various documents and other materials in connection with finalization of draft disclosure of information dated September 28, 2017 pertaining to HLL (referred to as "Abridged Prospectus") which will be circulated to the members of HLL at the time of seeking their consent to the proposed Scheme of Arrangement between HLL and BEL as a part of explanatory statement to the notice.
- On the basis of such examination and the discussion with the management of HLL, its directors, others officers and on independent verification of contents of Abridged Prospectus and other paper furnished to us, WE CONFIRM that:
  - The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to HLL.
  - The Abridged Prospectus contains applicable information pertaining to HLL as required in terms of SEBI Circular which, in our view is fair, adequate and accurate to enable the members to make a well informed decision on the proposed Scheme of Arrangement.

For **SPA Capital Advisors Limited**  
(SEBI Regn. No.: INM 000010825)

  
**Kamal Kishore Somani**  
Director



Date: September 28, 2017  
Place: Mumbai

**Annexure 12**

**Certified True Copy of a Resolution passed by the Board of Directors of the Company in its meeting held on 3rd August, 2017:**

30. Nominating designated stock exchange for the purpose of making an application to SEBI in respect of the Scheme of Demerger of manufacturing unit of Hind Lamps Limited into the Company:

"RESOLVED that, in furtherance to the Board resolution no.3, dated 23 November 2015, the Company do make necessary application with the Securities and Exchange Board of India (SEBI) to seek relaxation from the strict enforcement of Rule 19(2)(b) of the Securities Contract Regulation for listing of Equity Shares of the Company and the said application shall be made through the National Stock Exchange of India Limited (NSE)."


"RESOLVED FURTHER that NSE be and is hereby nominated as the designated stock exchange for the purpose of making the aforesaid application and for co-ordinating with SEBI in respect of the said Scheme and matters connected therewith."

"RESOLVED FURTHER that Shri Shekhar Bajaj, Chairman & Managing Director, Shri Anant Bajaj, Joint Managing Director, Shri Anant Purandare, President and CFO and Shri Mangesh Patil, EVP – Legal & Taxation and Company Secretary of the Company be and are hereby severally authorised to make the necessary application for and on behalf of the Company and to do all such acts, deeds, matters and things which are necessary, expedient and proper to give effect to the resolution."

"RESOLVED FURTHER that a certified true copy of the resolution duly signed by any one of the Directors or Company Secretary of the Company, be furnished to the concerned for their information and records and they be requested to act on the same."

**CERTIFIED TRUE COPY**

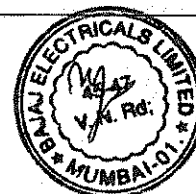
For and on behalf of  
**Bajaj Electricals Limited**



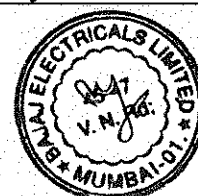
**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

**Brief particulars of the Transferee/Resulting Company and Transferor/Demerged Company**

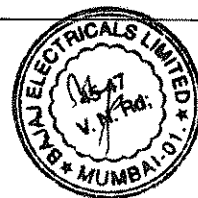
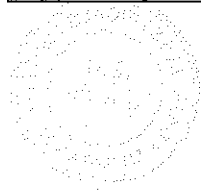
Particulars	Transferee/ Resulting Company	Transferor/ Demerged Company
Name of the company	Bajaj Electricals Limited ("BEL" or "Company" or "Transferee / Resulting Company")	Hind Lamps Limited ("HLL" or "Transferor /Demerged Company")
Date of Incorporation & details of name changes, if any	<p>The Company was incorporated as Radio Lamp Works Limited under the Indian Companies Act, 1913 as a public company limited by shares, pursuant to a certificate of incorporation dated July 14, 1938.</p> <p>The name of the Company was changed to Bajaj Electricals Limited, pursuant to a fresh certificate of incorporation dated October 1, 1960 issued under the Companies Act, 1956.</p>	Hind Lamps Limited was incorporated under the Indian Companies Act, 1913 as a public company limited by shares, pursuant to a certificate of incorporation dated April 30, 1951.
Registered Office	45/47, Veer Nariman Road, Mumbai 400001.	Shikohabad, Firozabad, Uttar Pradesh – 205 141
Brief particulars of the scheme	<p>The Board of Directors of the Transferee Company and the Transferor Company, at their respective meetings held on 23 November 2015, have approved a proposal for demerger of manufacturing business of the Transferor Company into the Transferee Company, pursuant to a Scheme of Arrangement ("Scheme").</p> <p>Transferee Company holds 1,140,000 (19.00%) equity shares of Transferor Company.</p> <p>Remaining equity shares are held by the promoters and promoter group companies of the Transferor Company and Transferee Company viz.</p> <ul style="list-style-type: none"> <li>(i) Baroda Industries Private Limited - 1,170,000 shares (19.50%);</li> <li>(ii) Mrs. Kiran Bajaj - 1,170,000 shares (19.50%);</li> <li>(iii) Ms. Geetika Bajaj - 1,170,000 shares (19.50%);</li> <li>(iv) Bachhraj &amp; Co. Private Limited - 675,000 shares (11.25%);</li> <li>(v) Jamnalal Sons Private Limited - 495,000 shares (8.25%);</li> </ul> <p>and</p>	



	<p>(vi) Bajaj International Private Limited - 180,000 shares (3.00%).</p> <p>The Preference shares of the Transferor Company are held entirely by the Transferee Company.</p> <p><u>Salient features of the Scheme:</u></p> <p>a. The entire manufacturing business of the Transferor Company together with all its assets and liabilities will be transferred to the Transferee Company on a going concern basis.</p> <p>b. The Scheme shall be deemed to be effective from the Appointed Date i.e. 31 March 2014, but shall be operative from the Effective Date.</p> <p>c. The shareholders of the Transferor Company will be issued 5,29,740 fully paid-up equity shares of the Transferee Company of the face value of Rs.2 each, except to the Transferee Company itself, in consideration for the demerger in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.</p> <p>d. The equity shares to be so issued to the shareholders of the Transferor Company have been determined based on the Share Entitlement Ratio of 109 equity shares of the Transferee Company of the face value of Rs.2 each for 1000 equity shares of the Transferor Company of the face value of Rs.25 each, as recommended by S.R.Batliloi &amp; Co. LLP, Chartered Accountants, Mumbai and the same will be issued on the record date.</p> <p>e. Transferor Company will retain the remaining business which includes all the undertakings, businesses, activities (including trading activities and support services to other undertakings), employees and operations other than that of the manufacturing business.</p>
Rationale for the scheme	<p>'Purpose and rationale' as set out in Part B of the Preamble of the Scheme is as under:</p> <p><b>"B. PURPOSE AND RATIONALE OF THIS SCHEME</b></p> <p>(a) <i>This scheme of arrangement (hereinafter referred to as the "Scheme") is presented pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 as may be applicable for the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company in the manner</i></p>

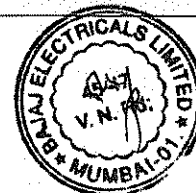


	<p>provided for in the Scheme and reorganization of capital reserves, securities premium and share capital of the Demerged Company.</p> <p>(b) The Board of Directors of the Demerged Company and the Resulting Company are of the view that the transfer and vesting of the Manufacturing Business (as defined hereinafter) of the Demerged Company to the Resulting Company will enable both the Demerged Company and the Resulting Company to achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders. The Resulting Company's existing management expertise and quality systems &amp; controls will enhance the performance of the business of the Demerged Undertaking.</p> <p>(c) The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company and the Resulting Company and to facilitate the revival of the Manufacturing Business of the Demerged Company upon its consolidation with the Resulting Company.</p> <p>(d) As per the modified draft rehabilitation scheme ("MDRS") filed with the BIFR (as defined hereinafter) for the revival of the Demerged Company, the net worth of the Demerged Company was expected to turn positive by 31st March 2014. The Demerged Company couldn't achieve the aforesaid objective and accordingly the management of the Demerged Company decided to make an attempt to achieve positive net worth by 31st March 2015. However, as on 31st March 2015, the Demerged Company could not achieve positive net worth and accordingly, it has been proposed to demerge the Manufacturing Business of the Demerged Company with the Resulting Company with effect from the appointed date of 31st March 2014.</p> <p>(e) The Scheme has been approved by the Board of Directors of the Demerged Company and the Resulting Company in their respective meetings held on 23rd November, 2015.</p> <p>(f) This Scheme has been drawn up so that the Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company is compliant with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961 ("Income Tax Act")."</p>	
Date of resolution passed by the Board of Director of the company approving the scheme	23 November 2015	23 November 2015

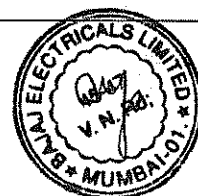




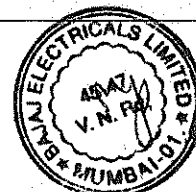
Date of meeting of the Audit Committee in which the draft scheme has been approved	23 November 2015	23 November 2015
Appointed Date	31 March 2014	
Name of Exchanges where securities of the company are listed	a. BSE Limited (BSE) b. The National Stock Exchange of India Limited (NSE)	Not applicable, being unlisted company
Nature of Business	<p>The Transferee Company is a part of the Bajaj conglomerates of businesses and industries, ("Bajaj Group"), one of the oldest business groups in India.</p> <p>The Transferee Company is currently engaged in the businesses of marketing and distribution of appliances, fans, lighting products, luminaries, manufacture of fans, high masts, towers and poles, and undertakes projects for stadium lighting, road lighting, transmission towers, high masts and rural electrification, among other projects.</p> <p>The Transferee Company has its manufacturing units located at Chakan and Ranjangaon, Maharashtra.</p>	<p>The Transferor Company, an unlisted Bajaj Group company, is engaged in the business of manufacturing of glass bulbs, HID bulbs and aluminium caps and has been declared as a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by the Board of Industrial and Financial Reconstruction ("BIFR"), having its registered office &amp; manufacturing unit located at Shikohabad, Firozabad District, Uttar Pradesh and HID Lamps manufacturing unit located at Parwanoo, Himachal Pradesh.</p>
Capital before the scheme (No. of equity shares as well as capital in rupees)	<p>Authorised:</p> <p>i) 20000000 Equity shares of Rs.2/- each</p> <p><u>Issued, Subscribed &amp; Paid-up (As on June 30, 2017):</u></p> <p>i) 101410676 Equity shares of Rs.2/- each</p>	<p>Authorised:</p> <p>i) 6400000 Equity shares of Rs.25/- each with voting rights</p> <p>ii) 400000 9% Cumulative Redeemable Preference Shares of Rs.25/- per share</p> <p>iii) 3200000 0% Redeemable Preference Shares of Rs.25/- per share</p> <p><u>Issued, Subscribed &amp; Paid-up:</u></p>



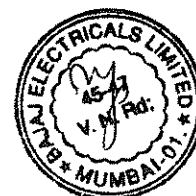
		i) 6000000 Equity shares of Rs.25/- each ii) 2800000 0% Redeemable Preference Shares of Rs.25/- each
No. of shares to be issued	The shareholders of Transferor Company will be issued 5,29,740 fully paid-up equity shares of the Transferee Company of the face value of Rs.2 each, except to the Transferee Company itself, in consideration for the demerger in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.	
Cancellation of shares on account of cross holding, if any	Not Applicable	i) 2800000 0% Redeemable Preference Shares of Rs.25/- each
Capital after the scheme (No. of equity shares as well as capital in rupees)	Authorised: i) 200000000 Equity shares of Rs.2/- each  <u>Issued, Subscribed &amp; Paid up (Based on shareholding as on June 30, 2017):</u> i) 101940416 Equity shares of Rs.2/- each	Authorised: i) 6400000 Equity shares of Rs.25/- each with voting rights ii) 400000 9% Cumulative Redeemable Preference Shares of Rs.25/- per share iii) 3200000 0% Redeemable Preference Shares of Rs.25/- per share  <u>Issued, Subscribed &amp; Paid up:</u> i) 6000000 Equity shares of Rs.25/- each
Net Worth	(Rs. In crores)	(Rs. In crores)
Pre	Pre - 863.31	Pre - (60.49)
Post	Post - 879.89	Post - (60.49)
Valuation by independent Chartered Accountant – Name of the Valuer/Valuer firm and Registration Number	Valuation Report dated July 31, 2017 issued by S.R.Batlilboi & Co. LLP, Chartered Accountants [ICAI Firm Registration Number: 301003E], 14th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar West, Mumbai 400028, India.	
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	As per valuation report enclosed herewith as an Annexure 3	As per valuation report enclosed herewith as an Annexure 3



Fair Value per shares	As per valuation report enclosed herewith as an Annexure 3	As per valuation report enclosed herewith as an Annexure 3		
Exchange Ratio	109 equity shares of the Transferee Company of the face value of Rs.2 each for 1000 equity shares of the Transferor Company of the face value of Rs.25 each.			
Name of Merchant Banker giving fairness opinion	Fairness opinion has been given by SPA Capital Advisors Limited.			
Shareholding Pattern of the Company	<b>Transferee Company</b> (Based on SHP filed by the Transferee Company for the quarter ended June 30, 2017)		<b>Transferor Company</b>	
	<b>Pre-Demerger</b>	No. of Shares	% of holding	No. of Shares
Promoter	64218485	63.33	6000000	100.00
Public	37192191	36.67	-	-
Custodian	-	-	-	-
Total	101410676	100.00	6000000	100.00
No of shareholders	31592		7	
<b>Post-Demerger</b>	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	64748225	63.52	6000000	100.00
Public	37192191	36.48	-	-
Custodian	-	-	-	-
Total	101940416	100.00	6000000	100.00
No of shareholders	31592		7	
Names of the Promoters	<u>Individuals / Hindu Undivided Family:</u> 1. Shekhar Bajaj, 2. Anant Bajaj, 3. Kiran Bajaj, 4. Madhur Bajaj, 5. Niraj Bajaj, 6. Sunaina Kejriwal 7. Kumud Bajaj 8. Minal Bajaj 9. Niravnayan Bajaj 10. Pooja Bajaj 11. Rahul Kumar Bajaj, 12. Neelima Bajaj Swamy, 13. Suman Jain, 14. Kriti Bajaj, 15. Nimisha Jaipuria, 16. Shefali Bajaj,	<u>Individuals / Hindu Undivided Family:</u> 1. Kiran Bajaj 2. Geetika Bajaj  <u>Bodies Corporate:</u> 3. Bajaj Electricals Limited 4. Bachhraj & Company Private Limited 5. Jamnalal Sons Private Limited 6. Baroda Industries Private Limited 7. Bajaj International Private Limited		

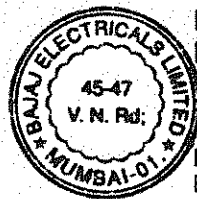


	<p>17. Sanjivnayan Bajaj, 18. Geetika Bajaj, 19. Deepa Bajaj.</p> <p><u>Bodies Corporate:</u> 20. Jamnalal Sons Private Limited, 21. Bajaj Holdings and Investment Limited, 22. Hind Musafir Agency Limited, 23. Bajaj International Private Limited, 24. Baroda Industries Private Limited, 25. Hercules Hoists Limited, 26. Shekhar Holdings Private Limited, 27. Rahul Securities Private Limited, 28. Bachhraj Factories Private Limited, 29. Bajaj Sevashram Private Limited 30. Bachhraj and Company Private Limited, 31. Kamalnayan Investment &amp; Trading Private Limited, 32. Madhur Securities Private Limited, 33. Niraj Holdings Private Limited, 34. Rupa Equities Private Limited, 35. Sanraj Nayan Investments Private Limited</p> <p><u>Trusts:</u> 36. Kiran Bajaj (as Trustee of GEETIKA TRUST NO. 2), 37. Niraj Bajaj (as Trustee of NIRAVNAYAN TRUST)</p> <p><u>Partnership Firms:</u> 38. Shekhar Bajaj (held on account of BAJAJ TRADING CO.).</p>	
Names of the Board of Directors	1. Shekhar Bajaj, Chairman and Managing Director	1. Shekhar Bajaj, Director 2. Anant Bajaj, Director



	<p>2. Anant Bajaj, Joint Managing Director</p> <p>3. Madhur Bajaj, Director</p> <p>4. H.V.Goenka, Independent Director</p> <p>5. Ashok Jalan, Independent Director</p> <p>6. Dr. (Mrs.) Indu Shahani, Independent Director</p> <p>7. Dr. R. P. Singh, Independent Director</p> <p>8. Anuj Poddar, Independent Director</p> <p>9. Siddharth Mehta, Independent Director</p>	<p>3. Kunjbihari Bhattad, Independent Director</p> <p>4. Sanjay Murarka, Independent Director</p> <p>5. Raghavan Sundarrajan, Wholetime Director</p>
<p>Please specify relation among the companies involved in the scheme, if any</p>	<p>The Transferee Company and the Transferor Company, are both Bajaj group companies. The Transferee Company holds 1,140,000 (19.00%) equity shares of the Transferor Company, whereas the remaining equity shares of the Transferor Company are held by the promoters and promoter group companies as specified above.</p> <p>Shekhar Bajaj, Chairman &amp; Managing Director and Anant Bajaj, Joint Managing Director of the Company are also the Directors in Transferor Company.</p>	
<p>Details regarding change in management control in listed or resulting company seeking listing if any</p>	<p>Post approval of the Scheme, following changes took place in the Board of the Company :</p> <p>a. The Board of the Transferee Company appointed Mr. Anuj Poddar and Mr. Siddharth Mehta, as Additional Directors in the category of Independent Directors of the Company with effect from 30 May 2016, and their appointments were approved by the Members of the Transferee Company at the Annual General Meeting held on 4 August 2016, for a term of 5 years.</p> <p>b. Mr. V.B.Haribhakti, Independent Director and Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Company, decided to step down from the directorship of the Company w.e.f. 4 August 2017 due to his advancing age.</p>	

For and on behalf of  
Bajaj Electricals Limited



Mangesh Patil  
EVP-Legal & Taxation and Company Secretary



**Independent Auditor's Report on the 'Statement of pre-demerger networth and provisional post-demerger networth of Bajaj Electricals Limited' pursuant to Scheme of Arrangement between Hind Lamps Limited ('HLL' or 'demerged company') and Bajaj Electricals Limited**

To  
The Board of Directors,  
Bajaj Electricals Limited  
45/47, Veer Nariman Road,  
Mumbai-400 001

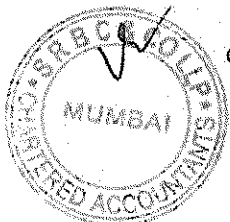
1. This Report is issued in accordance with the terms of our service scope letter dated September 17, 2017 with Bajaj Electricals Limited ('the Company').
2. We have been requested by the Company to certify the pre-demerger networth and provisional post-demerger networth of the Company given in the attached statement ('the Statement') pursuant to Scheme of Arrangement between HLL and the Company ('the Scheme'), provided to us by the management. This certificate is required by the Company for submission to the Securities and Exchange Board of India, National Stock Exchange and National Company Law Tribunal.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

4. Pursuant to the requirements of the document, it is our responsibility to provide a limited assurance as to whether the amounts in the Statement that form part of the pre-demerger net worth computation as at March 31, 2017 has been accurately extracted from the audited financial statements for the year ended March 31, 2017 and the computation of net worth is arithmetically correct and whether the computation of provisional post demerger networth is in accordance with the Scheme as stated above.
5. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance and consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
6. With regard to the amounts mentioned in the Statement, we have performed the following procedures:
  - a) In respect of the pre-demerger net worth, we have traced the amounts mentioned in the Column I of the Statement to the audited statutory financial statements for the year ended March 31, 2017 obtained from the management. Verified the computation of net worth as defined in the notes to the Statement.
  - b) Obtained the statement of fair value of the consideration to be issued to the shareholders of HLL from the management. We have relied on such statement provided by the management and have performed no independent procedures in regard to the same.
  - c) Verified the computation of the provisional post-demerger net worth in Column (I+II) of the Statement based on the statement referred in (b) above and the Scheme, read with the notes as mentioned in the Statement.
  - d) Verified the arithmetical accuracy of the Statement.



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**CERTIFIED TRUE COPY**

For and on behalf of  
**Bajaj Electricals Limited**

**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

# SRBC & CO LLP

Chartered Accountants

7. The audited financial statements referred to in paragraph 6 above were not audited by us, but were audited by another firm of Chartered Accountants.
8. We performed the above-mentioned procedures, in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

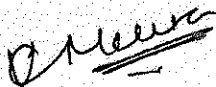
## Opinion

10. Based on the procedures performed by us as referred in paragraph 6 above and according to the information and explanations given to us and based on the management representations, nothing has come to our attention that causes us to believe that the amounts in the Statement that form part of the pre-demerger net worth computation as at March 31, 2017 been not accurately extracted from the audited financial statements for the year ended March 31, 2017 and the computation of net worth is not arithmetically correct and the provisional post-demerger networth have not been computed by the management in accordance with the Scheme, read with the Notes as mentioned in the Statement.

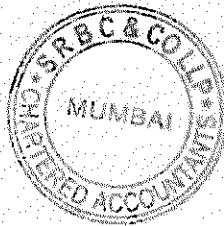
## Restriction on Use

11. The certificate has been issued on request of the Company, solely for the purpose set forth in the paragraph 2 of this certificate. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

For SRBC & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Vikram Mehta  
Partner  
Membership Number: 105938  
Place of Signature: Mumbai  
Date: September 28, 2017



**Statement of pre-demerger net worth and provisional post-demerger net worth of Bajaj Electricals Limited ("the Company") pursuant to Scheme of Arrangement between Hind Lamps Limited ("HLL") and the Company as at March 31, 2017**

Rs in lacs

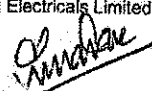
Sr. No.	Particulars	(I) Pre-demerger net worth	(II) Adjustments (Refer Note b below)	(I + II) Provisional post-demerger net worth
1	Paid up equity share capital (A)	2,025.80	10.59	2,036.39
2	Other Equity			
i)	Securities premium reserve	22,029.16	1,647.76	23,676.92
ii)	Debenture redemption reserve	2,500.00	-	2,500.00
iii)	General Reserve	45,158.03	-	45,158.03
iv)	Shares options outstanding account	1,198.99	-	1,198.99
v)	Retained earnings	14,092.02	-	14,092.02
	Less: Revaluation reserve transferred on adoption of IND AS	-808.6	-	-808.60
vi)	Capital redemption reserve	135.71	-	135.71
	Total Other Equity (B)	84,305.31	1,647.76	85,953.07
	Total (A+B)	86,331.11	1,658.35	87,989.46

## Notes:-

- a) The Company has not performed a comprehensive fair valuation exercise for all the assets and liabilities of the demerged undertaking of HLL as required under Ind AS 103 - Business Combinations. Accordingly, the provisional post demerger net worth determined above will undergo change on the effective date of implementation of the scheme, on account of the profit / loss during the intervening period (from April 1, 2017 to the effective date) and accounting of the Scheme as per Ind AS 103 - Business Combinations. Further, any consequent adjustment to the financial statements of the Company subsequent to the demerger scheme being implemented has not been considered in the computation.
- b) For provisional post-demerger net worth, fair valuation of consideration is determined based on fair value of the shares to be issued. Difference between face value of shares to be issued and fair value is considered as securities premium in accordance with IND AS 103 - Business combinations. The closing price of the Company's share as on March 31, 2017 as listed in the NSE has been considered as the fair value for the purpose of this certificate. This number will be updated when actual shares are issued.
- c) Net worth has been determined in accordance with Section 2 (57) of the Companies Act, 2013. As per the section, net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

The Company believes that there has been no clear guidance available in terms of the above definition, post adoption of Ind AS. Accordingly, the Company has interpreted net worth to include paid up share capital, securities premium, general reserve, reserve created for employee stock options, debenture redemption reserve, capital redemption reserve and the balance of retained earnings (including adjustments made on account of transition to IND AS). Further, in computing the net worth, the Company has excluded balance of capital reserve and revaluation reserve (which was transferred to retained earnings on Ind AS transition date).

For Bajaj Electricals Limited

  
 Authorised Signatory  
 Date - September 26, 2017  
 Anant M. Purohit  
 President & CFO



129(a)

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 Email : legal@bajajelectricals.com | CIN : L31500MH1938PLC009887 | PAN No. : AAACB2484Q



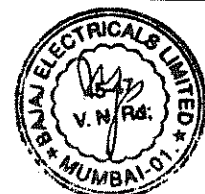


Annexure 15A

Details of Capital evolution of Transferee / Resulting Company

Name: BAJAJ ELECTRICALS LIMITED

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative capital (No of shares)	Whether listed if not listed give reasons thereof
03.03.1940	280	100	Consideration-Royalty	280	Yes
24.02.1942	1720	100	Rights Issue	2000	Yes
09.07.1942	2000	100	Rights Issue	4000	Yes
26.06.1943	1000	100	Conversion of Deb.	5000	Yes
26.06.1943	4287	100	Rights Issue	9287	Yes
29.08.1945	628	100	Rights Issue	9915	Yes
29.08.1945	73	100	Rights Issue	9988	Yes
13.10.1945	15	100	Rights Issue	10003	Yes
31.12.1945	605	100	Rights Issue	10608	Yes
02.12.1942	-3	100	Forfeited	10605	N.A.
25.01.1946	130	100	Rights Issue	10735	Yes
29.04.1946	40	100	Rights Issue	10775	Yes
04.07.1946	57	100	Rights Issue	10832	Yes
28.08.1946	50	100	Rights Issue	10882	Yes
21.11.1946	490	100	Rights Issue	11372	Yes
12.02.1947	1672	100	Rights Issue	13044	Yes
14.04.1947	224	100	Rights Issue	13268	Yes
22.04.1947	700	100	Rights Issue	13968	Yes
07.05.1947	260	100	Rights Issue	14228	Yes
25.07.1947	100	100	Rights Issue	14328	Yes
13.09.1947	4560	100	Rights Issue	18888	Yes
13.09.1947	400	100	Rights Issue	19288	Yes
02.01.1948	125	100	Rights Issue	19413	Yes
30.03.1948	767	100	Rights Issue	20180	Yes
30.03.1948	320	100	Rights Issue	20500	Yes
31.03.1954	-414	100	Reduction	20086	N.A.
31.03.1955	-46	100	Reduction	20040	N.A.
31.03.1956	-28	100	Reduction	20012	N.A.
31.03.1957	-11	100	Reduction	20001	N.A.
07.02.1958	2822	100	Rights Issue	22823	Yes
24.02.1958	606	100	Rights Issue	23429	Yes
27.03.1958	1571	100	Rights Issue	25000	Yes
05.09.1959	11824	100	Rights Issue	36824	Yes
21.11.1959	385	100	Rights Issue	37209	Yes
30.03.1960	291	100	Rights Issue	37500	Yes
15.02.1962	8846	100	Rights Issue	46346	Yes
23.03.1962	994	100	Rights Issue	47340	Yes
02.05.1962	160	100	Rights Issue	47500	Yes



16.11.1963	27500	100	Rights Issue	75000	Yes
23.06.1982	17278	100	Conversion of Deferred shares into Equity	92278	Yes
01.10.1986	3754	100	Issued to the Shareholders of amalgamating company	96032	Yes
21.11.1989	95452	100	Bonus Issue	191484	Yes
24.01.1990	580	100	Bonus Issue	192064	Yes
28.11.1994	1920640	10	Sub-Divided into Rs.10/- each	1920640	Yes
24.06.1995	960320	10	Rights Issue	2880960	Yes
06.12.1997	1440480	10	Bonus Issue	4321440	Yes
20.11.2003	4321440	10	Rights Issue	8642880	Yes
10.09.2007	8642880	10	Bonus Issue	17285760	Yes
11.08.2009	96400	10	Allotment under ESOP	17382160	Yes
22.09.2009	58650	10	Allotment under ESOP	17440810	Yes
11.12.2009	2048339	10	QIP Issue	19489149	Yes
21.12.2009	19750	10	Allotment under ESOP	19508899	Yes
29.01.2010	97544495	2	Sub-Divided into Rs.2/- each	97544495	Yes
20.05.2010	29500	2	Allotment under ESOP	97573995	Yes
26.06.2010	259993	2	Allotment under ESOP	97833988	Yes
20.07.2010	346507	2	Allotment under ESOP	98180495	Yes
05.11.2010	514116	2	Allotment under ESOP	98694611	Yes
26.11.2010	150196	2	Allotment under ESOP	98844807	Yes
16.06.2011	640874	2	Allotment under ESOP	99485681	Yes
14.07.2011	86794	2	Allotment under ESOP	99572475	Yes
29.08.2011	44785	2	Allotment under ESOP	99617260	Yes
28.11.2011	23069	2	Allotment under ESOP	99640329	Yes
02.07.2012	29476	2	Allotment under ESOP	99669805	Yes
17.09.2012	30866	2	Allotment under ESOP	99700671	Yes
24.12.2012	15500	2	Allotment under ESOP	99716171	Yes
13.03.2013	39160	2	Allotment under ESOP	99755331	Yes
11.10.2013	13000	2	Allotment under ESOP	99768331	Yes
11.12.2013	15000	2	Allotment under ESOP	99783331	Yes
06.02.2014	35000	2	Allotment under ESOP	99818331	Yes
12.03.2014	114247	2	Allotment under ESOP	99932578	Yes
26.03.2014	36600	2	Allotment under ESOP	99969178	Yes
12.04.2014	112895	2	Allotment under ESOP	100082073	Yes
29.05.2014	50200	2	Allotment under ESOP	100132273	Yes
20.06.2014	141041	2	Allotment under ESOP	100273314	Yes
31.07.2014	202312	2	Allotment under ESOP	100475626	Yes
17.09.2014	231300	2	Allotment under ESOP	100706926	Yes
16.12.2014	28000	2	Allotment under ESOP	100734926	Yes
05.03.2015	27500	2	Allotment under ESOP	100762426	Yes
18.06.2014	51570	2	Allotment under ESOP	100813996	Yes
26.08.2015	61530	2	Allotment under ESOP	100875526	Yes
23.09.2015	26900	2	Allotment under ESOP	100902426	Yes
25.11.2015	46550	2	Allotment under ESOP	100948976	Yes

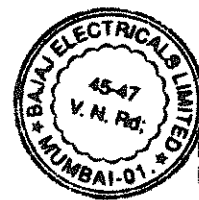




30.05.2016	101100	2	Allotment under ESOP	101050076	Yes
12.08.2016	38000	2	Allotment under ESOP	101088076	Yes
10.10.2016	89100	2	Allotment under ESOP	101177176	Yes
13.12.2016	46750	2	Allotment under ESOP	101223926	Yes
17.03.2017	66250	2	Allotment under ESOP	101290176	Yes
19.06.2017	120500	2	Allotment under ESOP	101410676	Yes
11.08.2017	114675	2	Allotment under ESOP	101525351	Yes

**Notes:**

1. All shares issued since the date of incorporation of the Company are fully paid up.
2. Forfeited vide Resolution dated 31.12.1942.
3. Conversion of 913 Partly Paid-up Ordinary Shares were converted into 499 fully paid-up Ordinary Shares under Displaced Persons Debt Adjustment Act.
4. Conversion of 91 Partly Paid-up Ordinary Shares were converted into 51 fully paid-up Ordinary Shares under Displaced Persons Debt Adjustment Act.
5. Conversion of 60 Partly Paid-up Ordinary Shares were converted into 32 fully paid-up Ordinary Shares under Displaced Persons Debt Adjustment Act.
6. Conversion of 25 Partly Paid-up Ordinary Shares were converted into 14 fully paid-up Ordinary Shares under Displaced Persons Debt Adjustment Act.




For and on behalf of  
**Bajaj Electricals Limited**

**Mangesh Patil**  
EVP-Legal & Taxation and Company Secretary

**Annexure 15B**
**Details of Capital evolution of Transferor / Demerged Company**
**Name: HIND LAMPS LIMITED**

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative capital (No of shares)	Whether listed if not listed give reasons thereof
<b>Equity Share Capital</b>					
31.12.1963*	200000	25	N.A.	200000	N.A.
31.12.1966*	120000	25	Bonus Issue	320000	N.A.
31.12.1969*	40000	25	Bonus Issue	360000	N.A.
31.12.1976*	40000	25	Bonus Issue	400000	N.A.
03.06.2013	5600000	25	Right Issue	6000000	N.A.
<b>9% Cumulative Redeemable Preference Shares</b>					
20.06.2003	400000	25	Issue	400000	N.A.
19.06.2013	(400000)	25	Redemption	-	N.A.
<b>0% Redeemable Preference Shares</b>					
26.12.2012	2800000	25	Issue	2800000	N.A.

\* In absence of records, financial year end dates have been provided based on the financial statements/annual reports of the Company.

For Hind Lamps Limited  
  
 Manish Patil  
 Chief Financial officer

Date: September 28, 2017  
 Place: Shikohabad

To,  
BSE Ltd. : Code No. 500031  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai 400001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC – Series: EQ  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East),  
Mumbai 400051

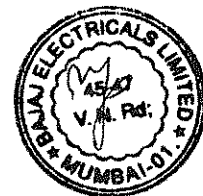
Dear Sir,

**Sub.: Confirmation**

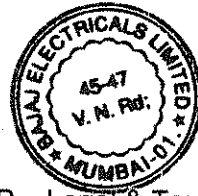
**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of demerger of manufacturing business of Hind Lamps Limited (“HLL” or “Transferor Company”) into Bajaj Electricals Limited (the “Company” or “Transferee Company”) pursuant to a Scheme of Arrangement (“Scheme”) to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and stock exchanges.
- b) In the explanatory statement to be forwarded by the Company to the shareholders u/s. 393 or accompanying a proposed resolution to be passed u/s. 100 of the Companies Act, it shall disclose:
  - i) the pre and post-arrangement (expected) capital structure and shareholding pattern;
  - ii) the “Fairness Opinion” obtained from an independent Merchant Banker on valuation of assets / shares done by the Valuer for the Company and Transferor Company;
  - iii) Information about unlisted Transferor Company involved in the Scheme as per the format provided in Part D of Schedule VII of the SEBI ICDR Regulations;
  - iv) the complaint report as per Annexure III to SEBI circular No.CFD/DIL3/CIR/2017/21 dated 10 March 2017; and
  - v) the observation letter issued by the stock exchange(s).
- c) The draft scheme of arrangement together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, has been disseminated on Company’s website at <http://www.bajajelectricals.com/investors-updates>.
- d) The Company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.



- e) The Company shall obtain shareholders' approval by way of resolution passed through postal ballot/e-voting. Further, the Company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it.
- f) The documents filed by the Company with the stock exchange(s) are same in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted Transferor Company from the one given in the draft scheme of arrangement.



For Bajaj Electricals Limited



Mangesh Patil

EVP – Legal & Taxation and Company Secretary

Date: September 28, 2017  
Place: Mumbai

**Annexure 17A**

To,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

: Code No. 500031

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051

: Symbol: BAJAJELEC – Series: EQ

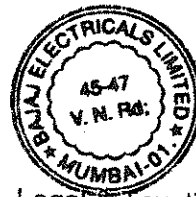
Dear Madam/Sir,

**Sub.: Undertaking**

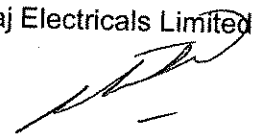
**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

With reference to the above application and in accordance with Regulation 11 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that the scheme of arrangement ("Scheme") for demerger of manufacturing business of Hind Lamps Limited ("HLL" or "Transferor Company") into Bajaj Electricals Limited ("Company" or "Transferee Company") under Sections 230-232 and other applicable provisions of the Companies Act, 2013, to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of securities laws or requirements of the stock exchange(s).

Date: September 28, 2017  
Place: Mumbai



For Bajaj Electricals Limited



Mangesh Patil

EVP – Legal & Taxation and Company Secretary

**Annexure 17B**

To,  
BSE Ltd. : Code No. 500031  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC – Series: EQ  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051

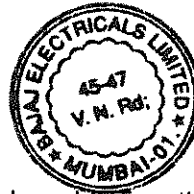
Dear Madam/Sir,

**Sub.: Undertaking**

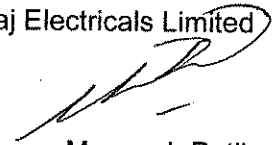
**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

With reference to the above application, we hereby confirm that the scheme of arrangement ("Scheme") for demerger of manufacturing business of Hind Lamps Limited ("HLL" or "Transferor Company") into Bajaj Electricals Limited ("Company" or "Transferee Company") under Sections 230-232 and other applicable provisions of the Companies Act, 2013, is in Compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Date: September 28, 2017  
Place: Mumbai



For Bajaj Electricals Limited



Mangesh Patil

EVP – Legal & Taxation and Company Secretary



**Annexure 18A**

To,  
BSE Ltd. : Code No. 500031  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC – Series: EQ  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051

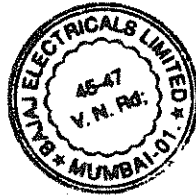
Dear Madam/Sir,

**Sub.: Confirmation**

**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

With reference to the proposed scheme of demerger of manufacturing business of Hind Lamps Limited ("Transferor Company") into Bajaj Electricals Limited (the "Company" / "Transferee Company") pursuant to a Scheme of Arrangement and in view of RBI Circular Ref.No.RBI/2015-16/100 DBR.No.CID.BC.22/ 20.16.003/2015-16 dated July 1, 2015, we hereby confirm that the Company, its directors and promoters have never been categorised as wilful defaulter.

Date: September 28, 2017  
Place: Mumbai



For Bajaj Electricals Limited

  
Mangesh Patil

EVP – Legal & Taxation and Company Secretary

Annexure 18B

To,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051


Dear Madam/Sir,

**Sub.: Confirmation**

With reference to the proposed scheme of demerger of manufacturing business of Hind Lamps Limited (the "Transferor Company") into Bajaj Electricals Limited ("Transferee Company") pursuant to a Scheme of Arrangement and in view of RBI Circular Ref.No.RBI/2015-16/100 DBR.No.CID.BC.22/ 20.16.003/2015-16 dated July 1, 2015, we hereby confirm that the Transferor Company, its directors and promoters have never been categorised as wilful defaulter.

Date: September 28, 2017  
Place: Shikohabad

For Hind Lamps Limited

  
Manish Pathak  
Chief Financial Officer



L-175/1328/MGP

July 12, 2017

BSE Limited : Code No. 500031  
 Phiroze Jeejeebhoy Towers  
 Dalal Street, Mumbai 400 001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC - Series: EQ  
 Exchange Plaza, Bandra Kurla Complex  
 Bandra (East), Mumbai 400 051

Dear Sirs,

**Sub: Compliance with Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter ending 30 June 2017.**

As required under Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Quarterly Compliance Report on Corporate Governance in the prescribed format for the quarter ending 30 June 2017.

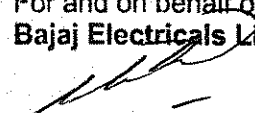
Thanking you,

Yours faithfully,  
 For BAJAJ ELECTRICALS LIMITED

  
 MANGESH PATIL  
 EVP - LEGAL & TAXATION & COMPANY SECRETARY

**CERTIFIED TRUE COPY**

For and on behalf of  
 Bajaj Electricals Limited

  
 Mangesh Patil  
 EVP-Legal & Taxation and Company Secretary

Encl: as above



**QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

1. Name of the Company: **BAJAJ ELECTRICALS LIMITED**
2. Quarter ending on: **30 June 2017**

**Annexure I**

**I. COMPOSITION OF BOARD OF DIRECTORS**

Title (Mr. / Ms.)	Name of the Director	PAN <sup>§</sup> & (DIN)	Category (Chairperson / Executive / Non-Executive / Independent / Nominee) <sup>&amp;</sup>	Date of Appointment in the current term / cessation	Tenure*	No of Directorship in listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit / Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit / Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	Shekhar Bajaj	ACJPB6315N (00089358)	Promoter - Chairperson - Executive	01/11/2014	-	3	1	-
Mr.	H. V. Goenka	AABPG7041G (00026726)	Non-Executive - Independent	01/04/2014	32 years + 10 months	5	-	-
Mr.	Ashok Jalan	AAKPJ2823N (00115265)	Non-Executive - Independent	01/04/2014	28 years + 6 months	2	1	-
Mr.	V. B. Haribhakti	AAAPH0680B (00088062)	Non-Executive - Independent	01/04/2014	25 years + 11 months	2	-	3
Mr.	Madhur Bajaj	ACJPB6301L (00014593)	Promoter - Non-Executive -	28/11/1994	-	6	-	-
Mr.	Anant Bajaj	ABUPB2988F (00089460)	Promoter - Executive	01/02/2016	-	1	-	-
Mrs.	Dr. Indu Shahani	AKAPS6585N (00112289)	Non-Executive - Independent	01/04/2014	11 years + 4 months	4	7	-
Mr.	Dr. R.P. Singh	AAAPS6397N (00004812)	Non-Executive - Independent	01/04/2014	8 years + 2 months	1	-	-
Mr.	Anuj Poddar	AAYP4157B (01908009)	Non-Executive - Independent	30/05/2016	1 Year + 1 month	1	-	-
Mr.	Siddharth Mehta	AAFP3392Q (03072352)	Non-Executive - Independent	30/05/2016	1 Year + 1 month	2	-	-

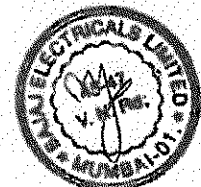
<sup>§</sup> PAN number of any director would not be displayed on the website of Stock Exchange.

<sup>&</sup> Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

\* To be filled only for Independent Director. Tenure would mean total period from which Independent director is serving on Board of directors of the listed entity in continuity without any cooling off period.

**II. COMPOSITION OF COMMITTEES**

Sr.	Name of Committee	Name of Committee members	Category (Chairperson / Executive / Non-Executive / independent / Nominee) <sup>§</sup>
1	Audit Committee	V. B. Haribhakti, Chairman	Non-Executive – Independent
		Ashok Jalan, Member	Non-Executive – Independent
		Dr. Indu Shahani, Member	Non-Executive – Independent
2	Nomination & Remuneration Committee	V. B. Haribhakti, Chairman	Non-Executive – Independent
		Ashok Jalan, Member	Non-Executive – Independent
		Dr. Indu Shahani, Member	Non-Executive – Independent
3	Risk Management Committee (if applicable)	Not Applicable	Not Applicable
4	Stakeholders' Relationship Committee	V. B. Haribhakti, Chairman	Non-Executive – Independent
		Dr. Indu Shahani, Member	Non-Executive – Independent



<sup>5</sup>Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen.

### III. MEETING OF BOARD OF DIRECTORS

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)
09/02/2017 29/03/2017	29/05/2017	09/02/2017 to 29/03/2017 – 47 Days; 29/03/2017 to 29/05/2017 – 60 Days

### IV. MEETING OF COMMITTEES

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days*
<b>Audit Committee</b>			
29/05/2017	Yes (2/3)	09/02/2017 29/03/2017	09/02/2017 to 29/03/2017 – 47 Days; 29/03/2017 to 29/05/2017 – 60 Days
<b>Nomination &amp; Remuneration Committee</b>			
Nil	N.A.	29/03/2017	N.A.
<b>Stakeholders' Relationship Committee</b>			
Nil	N.A.	Nil	N.A.

\*This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional.

### V. RELATED PARTY TRANSACTIONS

Subject	Compliance status (Yes/No/NA) <sup>refer note below</sup>
Whether prior approval of audit committee obtained	Yes
Whether shareholder approval obtained for material RPT	N.A.
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes

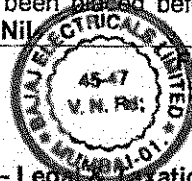
**Note**  
1 In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A.. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.  
2 If status is "No" details of non-compliance may be given here.

### VI. AFFIRMATIONS

- The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015.
- The composition of the following committees is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - Audit Committee
  - Nomination & remuneration committee
  - Stakeholders relationship committee
  - ~~Risk management committee (applicable to the top 100 listed entities)~~
- The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The meetings of the Board of Directors and the above committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- This report and/or the report submitted in the previous quarter will be/has been placed before Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here: Nil

Date: 12 July 2017

Place: Mumbai

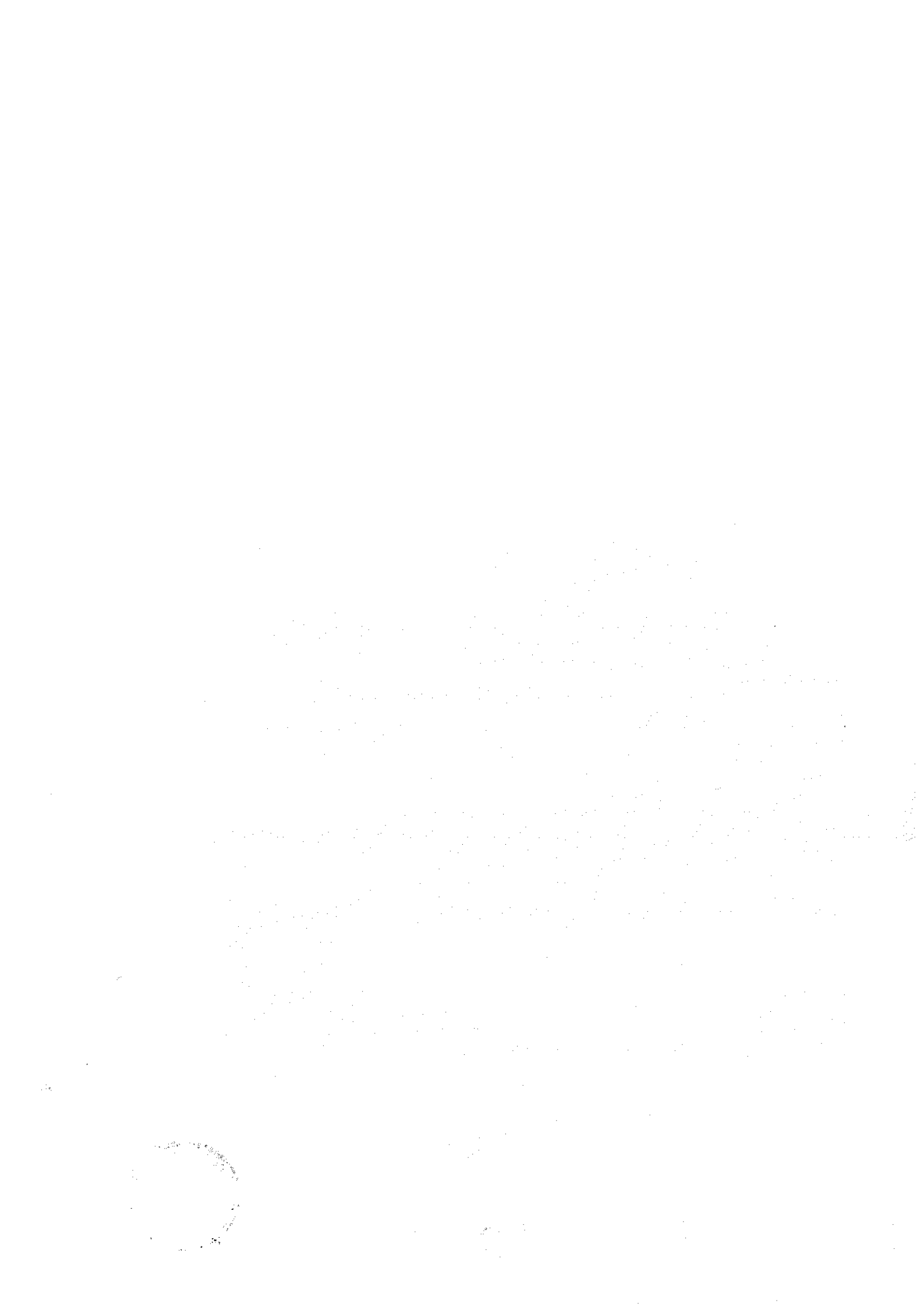


For Bajaj Electricals Limited

Mangesh Patil

EVP – Legal, Taxation and Company Secretary

**Note:** Information at Table I and II above need to be necessarily given in 1st quarter of each financial year. However if there is no change of information in subsequent quarter(s) of that financial year, this information may not be given by Listed entity and instead a statement "same as previous quarter" may be given.





## Annexure 20

To,  
BSE Ltd. : Code No. 500031  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400001

National Stock Exchange of India Ltd. : Symbol: BAJAJELEC – Series: EQ  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai 400051

Dear Madam/Sir,

**Sub.: Rational behind the scheme of arrangement**

**Re.: Filing of Scheme of Demerger of manufacturing business of Hind Lamps Limited into Bajaj Electricals Limited with Stock Exchange(s) under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

'Purpose and rationale' as set out in Part B of the Preamble of the Scheme is as under:

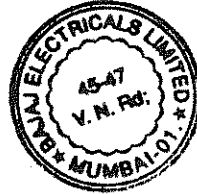
### **"B. PURPOSE AND RATIONALE OF THIS SCHEME**

- (a) *This scheme of arrangement (hereinafter referred to as the "Scheme") is presented pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 as may be applicable for the transfer by way of demerger of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company in the manner provided for in the Scheme and reorganization of capital reserves, securities premium and share capital of the Demerged Company.*
- (b) *The Board of Directors of the Demerged Company and the Resulting Company are of the view that the transfer and vesting of the Manufacturing Business (as defined hereinafter) of the Demerged Company to the Resulting Company will enable both the Demerged Company and the Resulting Company to achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders. The Resulting Company's existing management expertise and quality systems & controls will enhance the performance of the business of the Demerged Undertaking.*
- (c) *The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company and the Resulting Company and to facilitate the revival of the Manufacturing Business of the Demerged Company upon its consolidation with the Resulting Company.*
- (d) *As per the modified draft rehabilitation scheme ("MDRS") filed with the BIFR (as defined hereinafter) for the revival of the Demerged Company, the net worth of the Demerged Company was expected to turn positive by 31st March 2014. The Demerged Company couldn't achieve the aforesaid objective and accordingly the management of the Demerged Company decided to make an attempt to achieve positive net worth by 31st*



March 2015. However, as on 31st March 2015, the Demerged Company could not achieve positive net worth and accordingly, it has been proposed to demerge the Manufacturing Business of the Demerged Company with the Resulting Company with effect from the appointed date of 31st March 2014.

- (e) The Scheme has been approved by the Board of Directors of the Demerged Company and the Resulting Company in their respective meetings held on 23rd November, 2015.
- (f) This Scheme has been drawn up so that the Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company is compliant with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961 ("Income Tax Act")."



For Bajaj Electricals Limited



Mangesh Patil

EVP – Legal & Taxation and Company Secretary

Date: September 28, 2017  
Place: Mumbai





# CORPORATE INFORMATION

## Board of Directors

Shekhar Bajaj, Chairman & Managing Director

Anant Bajaj, Joint Managing Director

Harsh Vardhan Goenka

Ashok Jalan

V.B. Haribhakti

Madhur Bajaj

Dr. (Smt.) Indu Shahani

Dr. R.P. Singh

Anuj Poddar (w.e.f. 30.05.2016)

Siddharth Mehta (w.e.f. 30.05.2016)

## Company Secretary

Mangesh Patil

## Auditors

Dalal & Shah LLP, Chartered Accountants

## Secretarial Auditor

Anant B. Khamankar & Co., Practicing Company Secretaries

## Cost Auditor

R. Nanabhoy & Co., Cost Accountants

## Bankers

State Bank of India, Bank of India, Union Bank of India,  
Yes Bank Ltd., IDBI Bank Ltd., HDFC Bank Ltd., ICICI Bank Ltd.

## Debenture Trustee

Axis Trustee Services Ltd.

## Chakan Unit

Sharad Sontakke, Dy. General Manager (Works)

## Ranjangaon Unit

Anil Gupta, General Manager – Operations, RU

## Registered Office

45/47, Veer Nariman Road, Mumbai - 400 001

CIN: L31500MH1938PLC009887

## Corporate Office

001, 502, 701 & 801, Rustomjee Aspiree, Off Eastern Express  
Highway, Bhanu Shankar Yagnik Marg, Sion (E), Mumbai - 400 022

## Factories

Chakan Unit, Ranjangaon Unit & Wind Farm Unit

## Branches

Ahmedabad, Bengaluru, Bhubaneshwar, Chandigarh, Chennai,  
Kochi, Delhi, Guwahati, Hyderabad, Indore, Jaipur, Kolkata,  
Lucknow, Mumbai, Nagpur, Noida, Patna, Pune, Raipur

## Depots

Dehradun, Goa, Kundli, Parwanoo, Ranchi, Vijayawada & Zirakhpur

## Central Warehouses

Banur, Daman, Mumbai & Vapi

## Regional Distribution Centres

Bengaluru, Delhi & Kolkata

### Annual General Meeting

On Thursday, 3rd August, 2017 at 11.30 a.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai - 400 020, Maharashtra.

Members are requested to bring their copy of the Annual Report to the meeting.

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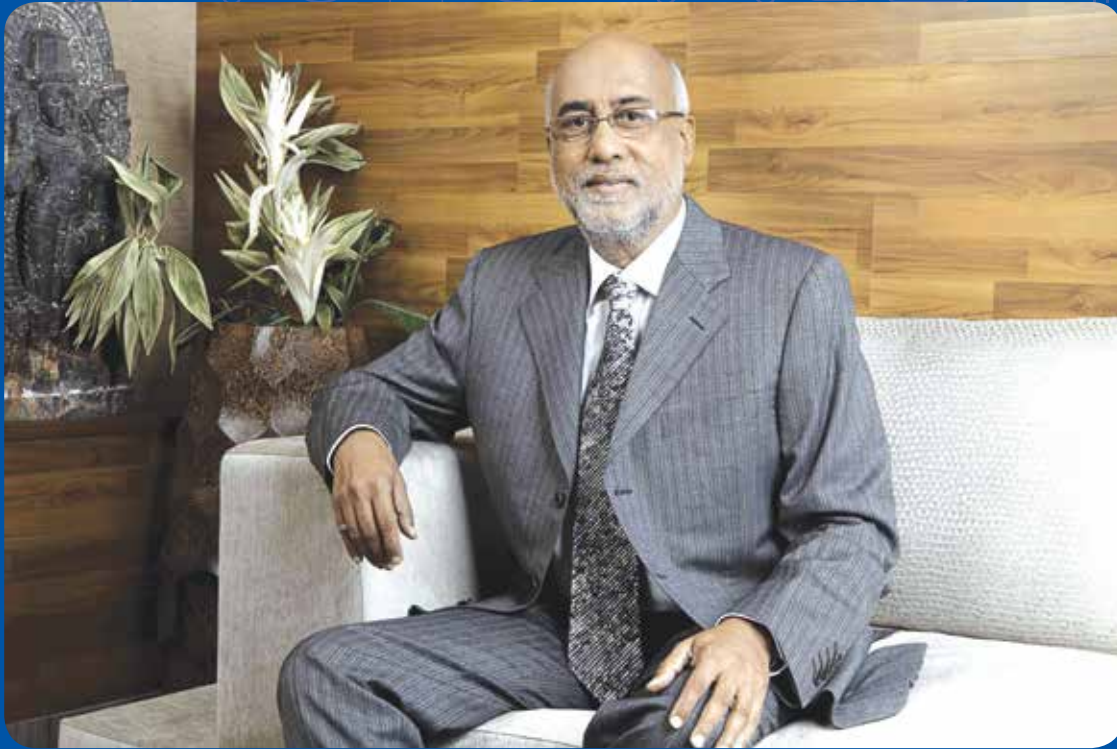
# OUR DIGITAL REVOLUTION

Ever since our inception, innovation has been at the heart of Bajaj Electricals and we have been touching over a billion lives with our products and services that make the most of technology. Thanks to the rapid technology evolution in every field, the world is fast becoming digital. We have embarked on a new journey in digitisation with our Integrated Building Management System (IBMS) and our technologically advanced LED lighting solutions which help customers upgrade to next level of lighting. Our commitment to bring the best to our consumers has inspired us to tap into the potential of IoT (Internet of Things), the latest concept in technology which connects everyday devices with internet network, allowing these devices to interact with each other and exchange data without manual intervention. And we didn't stop there. We have set up a Digital Centre that thrives on social media listening and digital analytics, allowing us to listen to everything our customers have to say about us. Our Customer Relationship and Experience Management (CREM) will ensure the best services to our customers. With all these and more, we are fast moving on the road to digital revolution.





## CHAIRMAN'S MESSAGE



“At Bajaj Electricals, we aspire to bring the latest technology to our customers. We are **TAKING THE LEAP INTO A WORLD OF POSSIBILITIES** as we embrace digital transformation to create innovative future-ready products”

Dear Fellow Shareholders,

I am very happy to share with you my thoughts on the performance and prospects of your Company.

The year 2016 shall certainly not be forgotten in a hurry. The unexpected result of the UK's referendum to leave the EU and the surprising election of the Republican candidate, Mr. Donald J. Trump as the President of the USA are events that will have a long-term repercussion on global events.

India continued with its growth momentum to emerge as the fastest growing major global economy for the second consecutive year. A near normal monsoon, decisive government policies and bold reforms, favourable commodity prices and under-control inflation ensured the country's GDP growth of 7.1 per cent for the year. The demonetisation shock in November created a short-term aberration in the third quarter. Together with the passage of the GST Bill and its implementation in July 2017, demonetisation and GST are expected to unleash a new era in India's growth.

While the year did bring its own challenges, at Bajaj Electricals, we have continued to perform satisfactorily. Though, our total revenue declined by 7.10 per cent to ₹ 4298.26 crore compared to ₹ 4626.70 crore in the previous year, our sustained focus on improving operational efficiency and implementation of redistribution strategy across the country has shown a positive impact on the gross margins and working capital turns. Our EBIDTA for the year was ₹ 278.35 crore compared to ₹ 312.33 crore in the previous year, while our PAT stood at ₹ 107.66 crore compared to ₹ 110.35 crore for the previous year.

During the year, a key strategic development was the merger of four consumer-facing business - Kitchen Appliances, Domestic Appliances, Fans and Lighting into one. The Company continues to strengthen its distribution by adding more consumer touch-points through effective implementation of its Range & Reach Expansion Programme.

The EPC and the Exports businesses of the Company also performed well during the year. The TLT division recorded a growth of 26.9 per cent, while the Illumination EPC and the Luminaires businesses saw a resurgence in demand. The Luminaires division won the "Smart Green Building Initiative Award 2017" and "FSAI Awards 2017 for Best Integrated Project India."

The year saw us continue with our Marketing and Branding initiatives. The "We are family" brand theme was communicated powerfully using various communication channels.

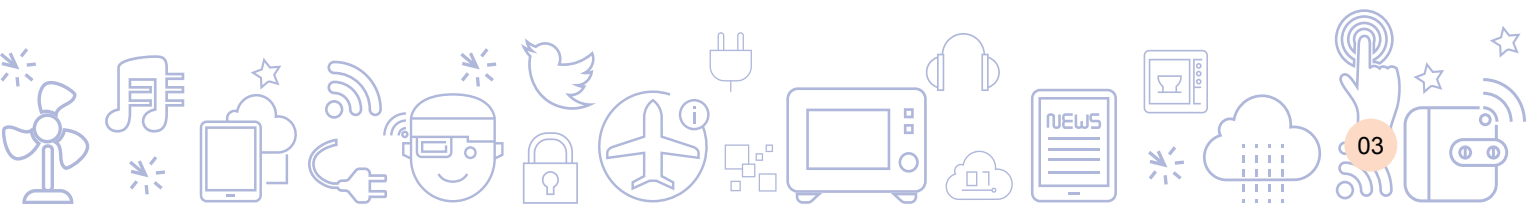
As I look ahead, the immense opportunity unleashed by the digital transformation excites me. Connected devices that seamlessly 'talk' to each other over the internet and make our lives easier are here. The IoT (Internet of Things) is poised to usher in another revolution in our lifestyles. The Indian consumer is not only ready, but eager to evolve into this new world of possibilities as the country marches confidently ahead on its economic highway of growth. The economic outlook is positive and promising as all the key blocks are in the right place.

At Bajaj Electricals, we are poised and prepared for a new phase of growth.

Thank you for your continued confidence and faith in the Company and its management. I would also like to extend my gratitude to all our stakeholders, particularly our employees, whose passion and dedication continue to excite me. Let me assure you that Bajaj Electricals will continue on its path of touching lives and moving India.

Yours sincerely,

**Shekhar Bajaj**  
Chairman & Managing Director



# NEW LAUNCHES

## Bajaj Appliances

Helix Ultra Mixer  
Grinder



MX-30 Steam Iron



1701 MT DLX Microwave



New FX9 Food Processor



Majesty Horizontal  
Water Heater

## Bajaj Lighting



LED Circa Panel



Corona Range



LED Candle Lamp



18W Batten

## Bajaj Luminaires



Edge Warm Street Lighting



Florence Post Top



Rays Highbay



Skylux GX 2x2 troffer



**Bajaj Fans**

Disney Mickey Mouse & Friends



Neo Spectrum Table Fan



Neo Spectrum Wall Fan



Ornio



Pride Neo

**morphy richards**  
smart ideas for your home



Marvel Dry Iron



Primo Classique Mixer Grinder



Quente Water Heater



Sauté & Soup Maker



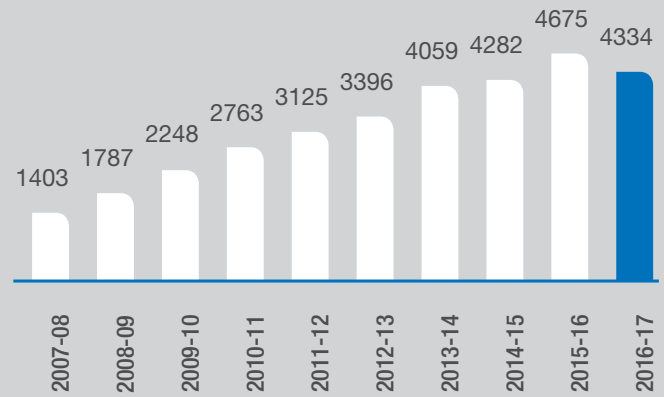
Aristo PTC Room Heater

# FINANCIAL HIGHLIGHTS

10-Year Financial Performance

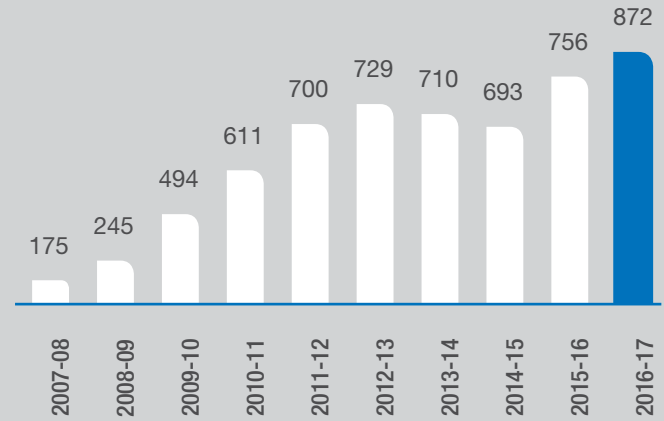
## Gross Revenue

(₹ in Crore)



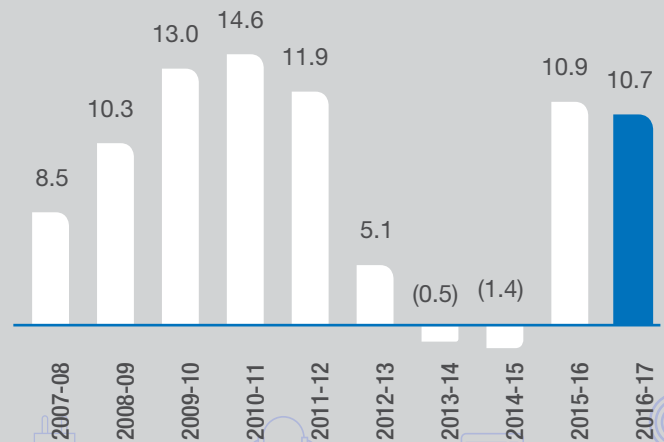
## Networth

(₹ in Crore)



## Basic EPS

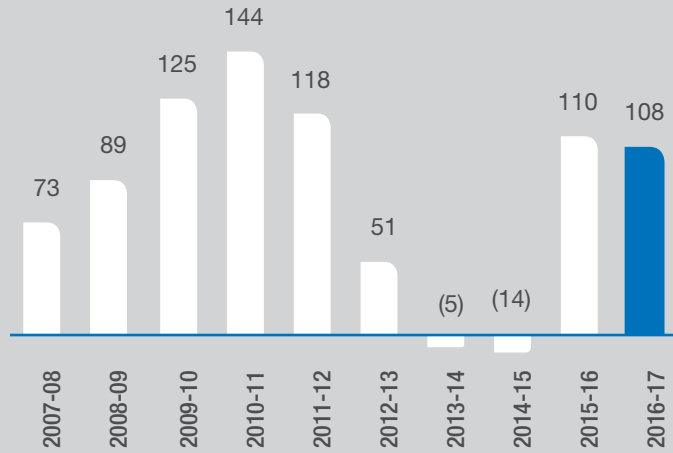
(₹)\*



## Profit After Tax

(₹ in Crore)

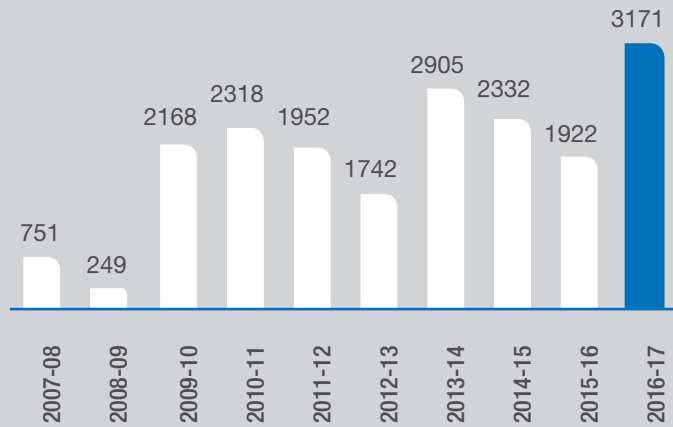
108



## Market Capitalisation

(₹ in Crore)

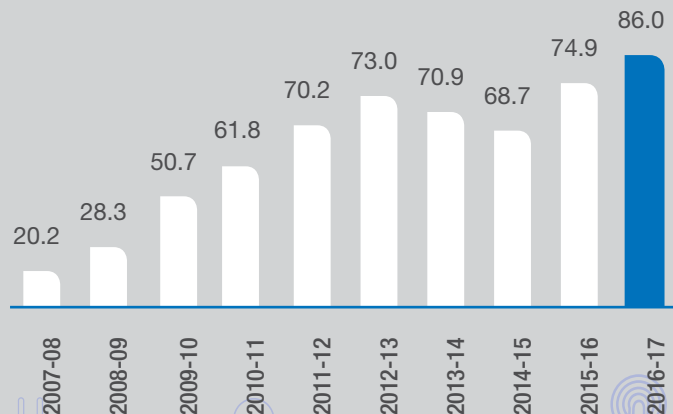
3171



## Book Value Per Share

(₹)\*

86.0



\* Adjusted for bonus shares issued in FY 2007-08 in the ratio of 1:1 and for sub-division of shares from ₹ 10 each to ₹ 2 each in FY 2009-10.



# AWARDS & ACCOLADES



## IT:

- Innovative CIO Award 2016 from Bitstream Media
- Digital ICON Award 2016 from IDC Insight team
- Digital Transformer Award from Dell-EMC
- India's Best CIO Top 10 Honoree from CIO Association of India
- PCQuest best IT Implementation Award 2016
- Award for Excellence from IMC – Digital wing

## Advertising:

- Abby's: Best Use of Digital Search (SEO and/or SEM) - Bronze
- Campaign India (CIDCA): Loyalty - Gold
- Campaign India (CIDCA): Use of Data - For CRM - Gold
- Campaign India (CIDCA): Use of Data - For CRM - Grand Prix
- Campaign India (CIDCA): Online Commerce Campaign - Customer Acquisition- Gold
- DMA ECHO: Creative Effectiveness - Interactive (Search) - Bronze
- DMA ECHO: Media Effectiveness - Innovation Digital Search - Gold
- Emvies: Best Media Innovation Digital Search - Bronze
- Emvies: Best Media Innovation from Media Agencies not exceeding ₹ 50 crores annual billing - Silver

## Consumer Care:

- National Award for Excellence in Customer Service in the category 'Delivering Customer Service Excellence at Home' by World Marketing Congress

## CSR:

- Golden Peacock Award 2016 for Excellence in Corporate Social Responsibility
- National CSR Leadership Award 2016

## Luminaires:

- Smart Green Building Initiative Award 2017
- FSAI Awards 2017 for Best Integrated Project India

## Power Distribution:

- Award for Excellence in Rural Electrification Project execution by Government of Bihar
- Award for Excellence in Rural Electrification Project execution by Government of Madhya Pradesh





# Notice of the Annual General Meeting

Pursuant to Section 101 of the Companies Act, 2013

**NOTICE** is hereby given that the Seventy-eighth (78th) Annual General Meeting of the Members of Bajaj Electricals Limited will be held on Thursday, 3 August 2017 at 11.30 A.M. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020, to transact the following business:

## **ORDINARY BUSINESS:**

### **Item No.1 – Adoption of financial statements**

To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31 March 2017 and the Reports of the Directors and Auditors thereon.

### **Item No.2 – Declaration of dividend**

To declare a dividend of ₹ 2.80 per equity share for the year ended 31 March 2017.

### **Item No.3 – Appointment of Shri Madhur Bajaj as a director liable to retire by rotation**

To appoint a director in place of Shri Madhur Bajaj (DIN 00014593), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

### **Item No.4 – Appointment of Statutory Auditors**

To consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee, M/s. S R B C & Co. LLP, Chartered Accountants, having Registration No.324982E/E300003, be and are hereby appointed as the Statutory Auditors of the Company for a term of five years from the conclusion of this Meeting till the conclusion of 83rd Annual General Meeting to be held for the financial year 2021-22, subject to ratification of appointment by the Members at every Annual General Meeting and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration for the financial year 2017-18 in addition to the reimbursement of actual out-of-pocket expenses as may be incurred by them in the performance of their duties.”

## **SPECIAL BUSINESS:**

### **Item No.5 – Ratification of Remuneration payable to Cost Auditors**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration payable to M/s. R. Nanabhoy & Co., Cost Accountants, having Firm Registration No.000010, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-18, being ₹ 1,24,000/- (Rupees One Lakh Twenty Four Thousand only) plus service tax / goods and service tax as applicable and re-imbursalment of out-of-pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

**“RESOLVED FURTHER THAT** any of the Directors and the Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### **Item No.6 – Approval for issue of Redeemable Non-Convertible Debentures on private placement basis**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, including any amendment, modification, variation or re-enactment thereof, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof), to issue secured/unsecured redeemable Non-Convertible Debentures (NCDs), in one or more series/tranches aggregating upto an amount not exceeding ₹ 200 crore

(Rupees Two Hundred Crore only), on private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion consider necessary in relation thereto.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to this resolution.”

#### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”/“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED, SHOULD BE LODGED WITH THE COMPANY, AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. A person can act as a proxy on behalf of the Members upto and not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member.

3. During the period beginning 24 hours before the commencement of the Meeting and ending with the conclusion of the Meeting, Members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

4. Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013 (“Act”), are requested to send to the Company, a certified copy

of the relevant Board Resolution/Power of Attorney together with the respective specimen signature(s) of the representative(s) authorised under the said resolution to attend and vote on their behalf at the AGM.

5. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio no.
6. In case of joint-holders attending the Meeting, only such joint-holder who is higher in the order of names will be entitled to vote.
7. The relative explanatory statements, pursuant to Section 102(2) of the Act, in respect of the Special Business under item nos.5 and 6 are annexed hereto.
8. In respect of the Ordinary Business at item no.3, a statement giving additional information of the Director, who is being re-appointed, is annexed hereto as per the requirements of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).
9. The Board of Directors of the Company at its meeting held on 9 February 2017 has, subject to the approval of the Members at this AGM, approved the appointment of M/s. S R B C & Co. LLP, Chartered Accountants (Firm Registration No.324982E/E300003) as the new Statutory Auditors of the Company in place of M/s. Dalal & Shah LLP, Chartered Accountants, existing Statutory Auditors, for a term of five (5) years commencing from the conclusion of this Meeting till the conclusion of the 83rd AGM, subject to ratification of their appointment by the Members annually. The tenure of appointment of M/s. Dalal & Shah LLP, will expire at the conclusion of this Meeting, as per the provisions of Section 139(2) of the Act and the Rules framed thereunder.
10. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 29 July 2017 to Thursday, 3 August 2017 (both days inclusive)** for the purpose of AGM and determining the eligibility of shareholders for the payment of dividend.
11. Listing Regulations has mandated the companies to credit dividend electronically to the Members’ bank

accounts. Members who hold shares in dematerialised form should inform their Depository Participant (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details, if required.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are requested to inform their DP and Members holding shares in physical form are requested to inform to the Company or Share Transfer Agent their PAN details along with proof thereof.
13. Pursuant to the provisions of Sections 124 and 125 of the Act, the Company has transferred on due date, the unpaid/unclaimed dividend in respect of the financial years upto 2008-09 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As per the erstwhile provisions of the Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012, the Company has placed on its website [www.bajajelectricals.com](http://www.bajajelectricals.com), the information on dividends which remain with the Company unclaimed as on 4 August 2016 i.e. the date of the last AGM. The information is also available on the website of the Ministry of Corporate Affairs [www.mca.gov.in](http://www.mca.gov.in).

14. In terms of the provisions of Section 124 of the Act, the amount of dividend not encashed or claimed within seven (7) years from the date of its transfer to the unpaid dividend account, will be transferred to IEPF established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2009-10 is due for transfer to IEPF on 27 August 2017. The shareholders whose amounts are transferred to IEPF as above, are entitled to get refund of the dividend from IEPF after complying with the provisions of Rule 7 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
15. Members, who have neither received nor encashed their dividend warrant(s) in respect of the financial years 2009-10 to 2015-16, are requested to write to the Company, mentioning the relevant folio number

or DP ID and Client ID, for issuance of duplicate/ revalidated dividend warrant(s).

16. To avoid fraudulent transactions, the identity/signature of the Members holding shares in dematerialised form is verified with the specimen signatures furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) and that of Members holding shares in physical form is verified as per the records of the Registrar & Share Transfer Agent of the Company. Members are requested to keep the same updated.
17. In terms of Sections 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of general meeting and the annual report, including financial statements, board report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those Members who have registered their email address with their respective DP or with the Registrar & Share Transfer Agent of the Company.
18. To receive shareholders' communications through electronic means, including annual reports and notices, Members are requested to kindly register/update their email address with their respective DP where shares are held in electronic form. If, however, shares are held in physical form, Members are advised to register their e-mail address with the Registrar & Share Transfer Agent on - [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
19. All documents referred to in the notice and the explanatory statement are available for inspection by the Members at the registered office of the Company on all working days (Monday to Friday) during business hours upto the date of AGM.
20. The Company has been maintaining, inter-alia, the following statutory registers at its registered office, which are open for inspection, on all working days during business hours, in terms of the applicable provisions of the Act by Members and others as specified below:
  - i) Register of Contracts or arrangements in which directors are interested under Section 189 of the Act. The said register shall also be produced at the commencement of the AGM of the Company and shall remain open and accessible during the continuance of the Meeting to any person having the right to attend the Meeting.

- ii) Register of Directors & Key Managerial Personnel and their shareholding under Section 170 of the Act. The said register shall be kept open for inspection at the AGM of the Company and shall be made accessible to any person attending the Meeting.
21. Pursuant to Section 72 of the Act, Members holding shares in a single name are advised to make a nomination in respect of their shareholding in the Company, in the prescribed Form SH-13. The nomination form can be downloaded from the Company's website. Members holding shares in physical form are advised to file their nomination with the Company's Registrar & Share Transfer Agent, whilst those Members holding shares in dematerialised form should file their nomination with their DP.
22. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, Members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
23. Members/Proxies are requested to bring their copy of Annual Report to the Meeting.
24. Please note that for security reasons, no article/baggage will be allowed at the venue of the Meeting.
25. A route map showing directions to reach the venue of the 78th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".
26. **Process and manner for voting through electronic means:**
- In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and sub-regulations (1) & (2) of Regulation 44 of the Listing Regulations, the Company is pleased to offer remote e-voting facilities to its Members in respect of the business to be transacted at the 78th AGM of the Company. The Company has engaged the services of CDSL as an authorised agency to provide remote e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. Resolutions passed by Members through e-voting are deemed to have been passed as if they have been passed at the AGM.

In terms of requirements of the Act and the relevant Rules, the Company has fixed **Friday, 28 July 2017 as the 'Cut-off Date'**. The remote e-voting/voting rights of the Members/Beneficial Owners shall be reckoned on the equity shares held by them as on the Cut-off Date only.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on **Monday, 31 July 2017 at 10.00 a.m. (IST) and ends on Wednesday, 2 August 2017 at 05.00 p.m. (IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-off Date may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 2 August 2017.
- (ii) Members holding shares in physical or in demat form as on 28 July 2017, shall only be eligible for e-voting.
- (iii) Members who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.
- (iv) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on "Shareholders / Members" tab.
- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
  - c. Members holding shares in physical form should enter folio number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on any earlier voting of any company, then your existing password is to be used.



(ix) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank Details field as mentioned in instruction (vi).</li> </ul>

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then reach directly the company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xiii) Click on EVSN of BAJAJ ELECTRICALS LIMITED. This will take you to the voting page.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES / NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK", if you wish to view the entire resolution details.
- (xvi) After selecting the resolution you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) **Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.**
- (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xix) If Demat account holder has forgotten the changed password then enter the User ID, Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- (xx) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.**
- (xxi) Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the board resolution and power of attorney which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### 27. Voting facility at AGM:

In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the AGM, by way of ballot paper. Members may participate in the AGM even after exercising right to vote through remote e-voting as above but shall not be allowed to vote again at the Meeting. Only such Members attending the Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the Meeting.

28. M/s. Anant B. Khamankar & Co., Practicing Company Secretaries, (Membership No. FCS:3198; CP No.:1860) having address at B-510, Neelkanth Business Park, Nathani Road, Vidyavihar (West), Mumbai 400 086, have been appointed as the Scrutinizer to scrutinize the e-voting process and voting at the venue of the AGM in a fair and transparent manner. Scrutinizer’s email id is [khamankar@gmail.com](mailto:khamankar@gmail.com).

29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unlock the votes through remote e-voting in the presence of at least two (2) witnesses, not in the employment of the Company and make, not later than two (2) days from the conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
30. The Scrutinizer shall submit his report to the Chairman, who shall declare the results of the voting. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website: [www.bajajelectricals.com](http://www.bajajelectricals.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company scheduled to be held on Thursday, 3 August 2017.

By Order of the Board of Directors  
For Bajaj Electricals Limited

Mangesh Patil  
EVP – Legal & Taxation  
and Company Secretary  
FCS No.: 4752

Mumbai, 29 May 2017

Registered Office:  
45/47, Veer Nariman Road, Mumbai - 400 001  
Tel: (022) 6110 7800  
Email: [legal@bajajelectricals.com](mailto:legal@bajajelectricals.com)  
Website: [www.bajajelectricals.com](http://www.bajajelectricals.com)  
CIN – L31500MH1938PLC009887

#### A request for Registration / Updating of Email IDs and Bank Details

Members are requested to support the “Green Initiative” by registering their email address with the Registrar & Share Transfer Agent (RTA)/Company, if not already done.

Those Members who have changed their email IDs are requested to register their new email IDs with the RTA/Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to the Listing Regulations, the Company is required to maintain bank details of its Members for the purpose of payment of dividend, etc. Members are requested to register/update their bank details with the RTA/Company in case shares are held in physical form and with their Depository Participants as well as the Company where shares are held in dematerialised mode, to enable expeditious credit of the dividend to their bank accounts electronically through National Automated Clearing House (NACH)/National Electronic Clearing Service (NECS).

## Annexure to the Notice

### Brief resume of Director(s) seeking re-appointment at the AGM in pursuance of Regulation 36 of the Listing Regulations:

#### Item No.3

Name of Director	Madhur Bajaj
Director Identification Number (DIN)	00014593
Date of Birth	19 August 1952
Nationality	Indian
Date of Appointment on Board	28 November 1994
Qualification, Functional Expertise & Experience	B.Com, MBA from Institute of Management Development, Lausanne, Switzerland, a member of the Board since 1994, Industrialist with over 34 years of experience. He is also the Vice-Chairman of Bajaj Auto Limited
Appointment / Re-appointment	Re-appointment on retirement by rotation
No. (%) of Shares held in the Company	21,25,035 (2.10%) equity shares of ₹ 2 each in the Company as on 31 March 2017.
List of Directorship held in other Companies (excluding foreign, private and section 8 companies)	1. Bajaj Auto Limited 2. Bajaj Holdings & Investments Limited 3. Bajaj Finserv Limited 4. Bajaj Finance Limited 5. Maharashtra Scooters Limited
Membership / Chairmanships of Audit and Stakeholders' Relationship Committees across all Public companies including the Company	Nil
Disclosure of relationships between directors inter-se	Shri Madhur Bajaj is a younger brother of Shri Shekhar Bajaj, Chairman & Managing Director and uncle of Shri Anant Bajaj, Joint Managing Director of the Company.

Shri Madhur Bajaj is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

None of the Directors, except Shri Madhur Bajaj & his relatives, Shri Shekhar Bajaj and Shri Anant Bajaj, are concerned or interested in the said resolution.

The Board commends this resolution for Members' approval.

## Explanatory Statements

### Pursuant to Section 102 of the Act in respect of the business under item nos. 5 and 6 set out above

#### Item No.5

The Company is required to have its cost records audited by a Cost Accountant in practice. Accordingly, the Board of Directors, at its meeting held on 29 May 2017, on recommendation of the Audit Committee, approved the appointment and remuneration of M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), to conduct the audit of the cost records of the Company for FY 2017-18 at a remuneration of ₹ 1,24,000/- plus service tax / goods and service tax as applicable and reimbursement of out-of-pocket expenses incurred.

In terms of provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, the Members are requested to pass an ordinary resolution as set out in item no.5 of the Notice for ratification of the payment of remuneration to the Cost Auditors for FY 2017-18.

The Board of Directors commend the ordinary resolution set out at Item no.5 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the resolution.

**Item No.6**

For the purpose of the business of the Company, the Board has been borrowing funds, within the limits approved by the Members, inter-alia, by issue of Non-Convertible Debentures (NCDs) in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended. NCDs of ₹ 60 crore outstanding as on 31 March 2017, were redeemed on 24 April 2017, the due date of their redemption.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities including NCDs subject to prior approval of the shareholders by way of special resolution. The Rules further provide that the said special resolution shall be passed in respect of all offers/invitations for such debentures made during the year.

Accordingly, the approval of the Members is being sought by way of special resolution as set out at item no.6 for issue of secured/unsecured redeemable NCDs on a private placement basis, from time to time, for a year from the date of passing of this resolution, in one or more series or tranches. The NCDs would be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Your Directors commend the passing of the special resolution proposed at item no.6 of this Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

By Order of the Board of Directors  
For Bajaj Electricals Limited

Mangesh Patil  
EVP – Legal & Taxation and Company Secretary  
FCS no.: 4752

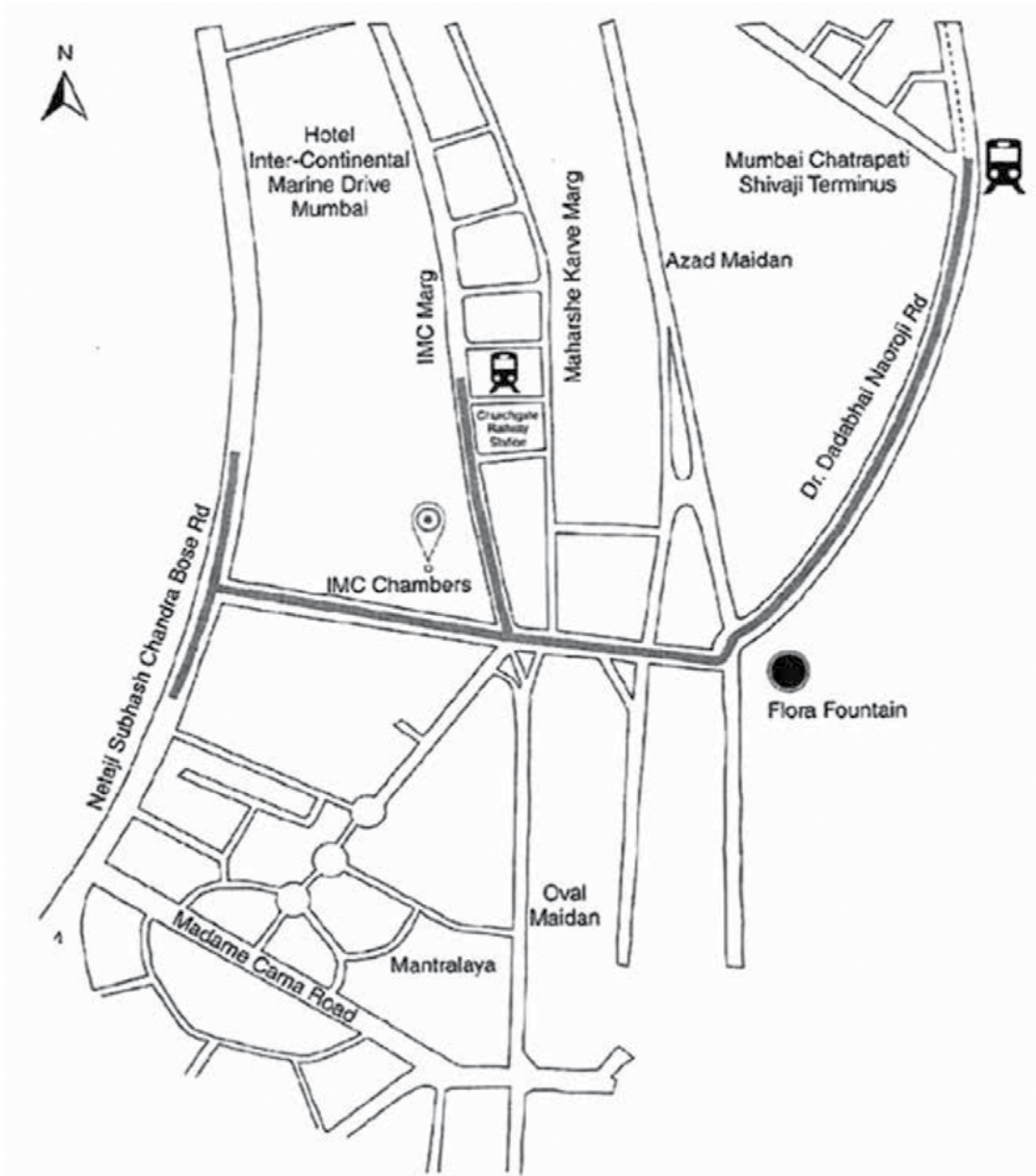
Mumbai, 29 May 2017

Registered Office:  
45/47, Veer Nariman Road, Mumbai - 400 001  
Tel: (022) 6110 7800  
Email: [legal@bajajelectricals.com](mailto:legal@bajajelectricals.com)  
Website: [www.bajajelectricals.com](http://www.bajajelectricals.com)  
CIN – L31500MH1938PLC009887

**MAP SHOWING LOCATION OF THE VENUE OF 78TH ANNUAL GENERAL MEETING OF BAJAJ ELECTRICALS LIMITED**

**Venue :**

Walchand Hirachand Hall,  
4th Floor, Indian Merchants' Chamber,  
IMC Marg, Churchgate,  
Mumbai 400 020



**Landmark :** Opposite Churchgate Station

**Distance from Churchgate Station :** 20 feet

**Distance from Chhatrapati Shivaji Terminus :** 1.2 Kms

# Directors' Report

Dear Members,

Your Directors are pleased to present the 78th Annual Report of the Company, together with the audited financial statements for the financial year ended 31 March 2017. This Report states compliance as per the requirement 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 2016-17	FY 2015-16
Revenue from Operations & Other Income	4,328.78	4,670.54
Gross Profit before Finance Cost and Depreciation	278.35	312.33
Less: Finance Cost	80.44	108.08
Less: Depreciation	29.87	27.38
Profit/(Loss) before Taxes	168.04	176.87
Less: Provision for Tax expenses	60.38	66.52
Profit/(Loss) after Tax	107.66	110.35
Less : Other Comprehensive Income	2.29	2.25
Add: Balance in Profit & Loss Account	35.55	9.68
Balance available for appropriation	140.92	117.78
Amount transferred to General Reserves	-	30.00
Earnings per share (₹) Basic	10.65	10.94
Earnings per share (₹) Diluted	10.63	10.92

The highlights of the Consolidated Financial Results are as under:

(Amount: ₹ in crore, except for EPS)

Particulars	FY 2016-17	FY 2015-16
Revenue from Operations & Other Income	4,328.78	4,670.54
Profit before Taxes	168.04	176.87
Profit/(Loss) from associates after Taxes	(5.49)	(2.54)
Profit/(Loss) before Taxes	162.55	174.33
Less: Provision for Taxation	60.38	66.52
Profit/(Loss) after Tax	102.17	107.81
Earnings per share (₹) Basic	10.10	10.69
Earnings per share (₹) Diluted	10.08	10.67

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

## DIVIDEND

Your Directors are pleased to recommend a dividend of 140% (₹ 2.80) on 101290176 equity shares of ₹ 2 each for the financial year 2016-17. The amount of dividend and the tax thereon aggregate to ₹ 34.13 crore (previous year ₹ 34.02 crore). The dividend on equity shares, subject

to the approval of the Members at the Annual General Meeting on 3 August 2017, will be paid on or after 10 August 2017 to the members whose names appear in the Register of Members as of the close of business hours on 28 July 2017; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished



by National Securities Depository Limited and Central Depository Services (India) Limited, 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.

#### Dividend Distribution Policy

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. The policy is available on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### CHANGES IN SHARE CAPITAL

The paid-up equity share capital of the Company as on 31 March 2017 was ₹ 20.26 crore. There was no public issue, rights issue, bonus issue, preferential issue, etc. made by the Company during the year. The Company has not issued shares with differential voting rights. The increase in number of shares is due to the issue of 341200 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.

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 and National Stock Exchange of India Limited. The stipulated listing fees for FY 2017-18 have been paid to both the stock exchanges.

#### FINANCIAL LIQUIDITY

The Company's cash and cash equivalent as at 31 March 2017 was ₹ 25.08 crore. 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.

#### CREDIT RATING

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

Instrument	Rating Agency	Rating	Outlook
Non-Convertible Debentures (NCDs)	ICRA Limited	[ICRA]A+ (pronounced ICRA A plus)	Stable
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)	Positive
		Long Term Rating - [ICRA] A (pronounced ICRA A)	

#### DEPOSITS

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Act and the Rules framed thereunder.

#### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements annexed to the Report.

#### NON-CONVERTIBLE DEBENTURES

During FY 2013-14, the Company had issued 1000 Secured Rated Listed Redeemable Non-Convertible Debentures (NCDs) of ₹ 10,00,000/- each, aggregating to ₹ 100.00 crore, on private placement basis, in two series, Series – 1 of 400 NCDs & Series – 2 of 600 NCDs, which were listed on National Stock Exchange of India Limited (NSE) under ISIN 'INE193E07014' and 'INE193E07022', respectively. The said Series – 1 and Series – 2 NCDs were redeemed on their respective due dates for redemption on 28 April 2016 and 24 April 2017.

Axis Trustee Services Limited was 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 the Report.

### EMPLOYEES STOCK OPTION SCHEME

The Company implemented the Employees Stock Option Scheme (“Scheme”) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the SEBI SBEB Regulations”) as a measure to reward and motivate employees as also to attract and retain the talent.

Disclosures pertaining to the Scheme of the Company pursuant to the SEBI SBEB Regulations are placed on the Company’s website: [www.bajajelectricals.com](http://www.bajajelectricals.com). The details of options vested, exercised and cancelled are provided in the notes to the standalone financial statements. 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.

During the year under review, 507500 stock options were granted to the eligible employees at the market price prevailing on National Stock Exchange of India Limited (NSE) as on the date of their grant. The issuance of equity shares pursuant to exercise of stock options granted under Growth Plan 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 Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI SBEB Regulations and the resolutions passed by the shareholders. The certificate would be placed at the Annual General Meeting for the inspection by the Members.

### CLOSURE OF GLS BULBS AND TUBE LIGHTS MANUFACTURING UNIT LOCATED AT KOSI

The operations of the Company’s GLS bulbs and Tube lights manufacturing unit located at Kosi, Uttar Pradesh, which originally belonged to a sick company registered with BIFR and purchased by the Company in an open bid invited by the Operating Agency for BIFR, in the year 2012-13, were closed during the year under review as the efforts put in by the Company’s management to improve its operations were not yielding the desired results and there was not even a remote chance of improvement therein on account of the following factors:

- a. Energy saving LED based lighting products having a very long life have gained popularity in a very

short time and the reducing prices of LED products has resulted in demand for GLS bulbs coming down continuously;

- b. GLS bulbs are being phased out;
- c. Under-utilisation of manufacturing capacity across the industry, so is with the Unit;
- d. Higher cost of production of FTLs in comparison with competitors and the market of the same is also falling;
- f. Non-availability of and difficulty in retention of skilled manpower because of losses made by the Unit;
- g. Implementation of E-Waste (Management) Rules, 2016, requires technology up-gradation and calls for major investment in order to comply with stricter norms.

### SCHEME OF ARRANGEMENT FOR DEMERGER OF MANUFACTURING BUSINESS OF HIND LAMPS LIMITED INTO THE COMPANY

During FY 2015-16, the Board of Directors of the Company (“Company”/“Transferee Company”) had approved the proposal for demerger of manufacturing business of Hind Lamps Limited (“HLL”/“Transferor Company”) into the Company, pursuant to a Scheme of Arrangement (“Scheme”) as they were of the view that the transfer and vesting of the Manufacturing Business of the Demerged Company with the Company will enable both the companies to achieve and fulfill their objectives more efficiently and economically and the same is also in the interest of all the stakeholders. The Company’s management expertise and quality systems & controls will enhance the performance of this business.

Since, the Transferor Company, was declared as a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (“SICA”) by the Board for Industrial and Financial Reconstruction (“BIFR”), the said Scheme was filed with BIFR for its approval by the Transferor Company. However, subsequently, the Central Government of India, vide Notification No. S.O. 3568 (E) dated 25 November 2016, brought the provisions of the SICA Repeal Act into force with effect from 1 December 2016 and SICA was repealed.

Section 4(b) of the SICA Repeal Act (as amended by Section 252 of the Insolvency and Bankruptcy Code, 2016) provides that any proceeding of whatever nature, pending before the BIFR shall stand abated. Accordingly, Case No.09/2002 filed by the Company stood abated as on 1 December 2016. However, the proviso to Section 4(b), entitles the Company to make a reference to the National

Company Law Tribunal (“NCLT”) under the provisions of the Insolvency and Bankruptcy Code, 2016 provided that such reference is made within the time period prescribed therein.

Accordingly, both the Transferor Company and Transferee Company are in the process of filing petitions before the NCLT, Allahabad Bench and Mumbai Bench, having jurisdictions over the respective companies for approval of Scheme under the applicable provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The Scheme is subject to the approval of the shareholders in the Court/NCLT convened meeting, sanction of the Court/NCLT and such other approvals as may be applicable.

## **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.

## **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the scale and complexity of its operations. The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational, which includes its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

## **INDIAN ACCOUNTING STANDARDS (IND AS), 2015**

The financial statements up to year ended 31 March 2016 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act [Companies (Indian

Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS.

Detailed information on the impact of the transition from previous GAAP to Ind AS is provided in the annexed financial statements.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In accordance with the provisions of Section 135 read with Schedule VII of the Act, the Company, as a part of its Corporate Social Responsibility (“CSR”) initiative, has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company in the area of health, water, sanitation, promoting education, skill development, empowerment of women and gender equality and promotion of art & culture, etc. The CSR policy of the Company is available on the Company's website [www.bajajelectricals.com](http://www.bajajelectricals.com) under 'Investors' tab.

During the year under review, the Company has spent ₹ 108.48 lakh on CSR activities. The Board has constituted a CSR Committee inter-alia to recommend on the CSR projects/programmes, the amount on each CSR activity and to monitor such CSR activities, being undertaken by the Company.

The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure 'A' to this Report.

## **INDUSTRIAL RELATIONS**

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

## **PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on Prevention of Sexual Harassment of Women at Workplace. An Internal Complaints Committee has been set up to receive complaints, investigate the matter and report to the management for redressal of complaints of sexual harassment.

During the year, no complaint was received by the committee.

## WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company believes to conduct its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any wrongful conduct.

The Board of Directors has approved the vigil mechanism/whistle blower policy of the Company which provides a framework to promote a responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. It provides for a vigil mechanism to channelise reporting of such instances/complaints/grievances to ensure proper governance. The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee. The policy has been appropriately communicated to the employees within the organisation and posted on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

## RISK MANAGEMENT POLICY

Information on the development and implementation of a risk management policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the report on Management Discussion and Analysis.

## DEMONETISATION

The two largest denomination notes, ₹ 500 and ₹ 1000 ("Specified Bank Notes"), together comprising 86 percent of all the cash in circulation, were demonetised with immediate effect, ceasing to be legal tender except for a few specified purposes, on 8 November 2016.

Demonetisation has had short-term costs in the form of slow growth but holds the potential for long-term benefits. Long-term benefits include reduced corruption, greater digitalisation of the economy, increased flows of financial savings and greater formalisation of the economy, all of which could eventually lead to higher GDP growth, better tax compliance and greater tax revenues.

The report on Specified Bank Notes (SBNs) held and transacted by the Company during the period from 8 November 2016 to 30 December 2016, in the format specified by the Ministry of Corporate Affairs vide its notification dated 30 March 2017, is provided in the notes to the financial statements:

## DIRECTORS & KEY MANAGERIAL PERSONNEL

### Directors

- **Appointment of Directors**

In order to strengthen the Board, during the year under review, the Board of Directors had appointed Shri Anuj Poddar and Shri Siddharth Mehta, as Additional Directors of the Company with effect from 30 May 2016 and recommended their appointment as Independent Directors for the approval of the Members. The Members at the Annual General Meeting held on 4 August 2016, approved their appointment as Independent Directors of the Company for a term of five (5) years, effective 30 May 2016.

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 one (1) Woman Director. NEDs represent 80% of the total strength. Further, out of the said eight (8) NEDs, seven (7) are independent directors representing 70% of the total strength of the Board.

- **Director coming up for retirement by rotation**

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Madhur Bajaj retires by rotation and being eligible offers his candidature for re-appointment as a Director. The information as required to be disclosed under Regulation 36 of the Listing Regulations in case of re-appointment of the director is provided in the notice of the ensuing 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.

In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

- **Meetings**

A calendar of meetings is prepared and circulated in advance, to the Directors.

Board Meetings:

During the year, six (6) Board Meetings were convened and held, the details of which are given in

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

Audit Committee:

The Audit Committee comprises of three independent directors as its Members. During the year five (5) Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and Listing Regulations.

CSR Committee:

The CSR Committee comprises of three Members of which one is the Independent Director. The Committee met twice during the reporting period. Details of the Committee and meetings are given in the Corporate Governance Report.

• **Board Effectiveness**

Familiarisation Programme for the Independent Directors:

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 the familiarisation programme are explained in the Corporate Governance Report. The said details are also available on the website of the Company [www.bajajelectricals.com](http://www.bajajelectricals.com).

Evaluation of the performance of the Board, its Committees and the Directors:

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

**Key Managerial Personnel**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Act, read with the Rules framed thereunder:

- a. Shekhar Bajaj, Chairman & Managing Director and CEO;

- b. Anant Purandare, President & Chief Financial Officer; and
- c. Mangesh Patil, EVP – Legal & Taxation and Company Secretary and Compliance Officer.

None of the Key Managerial Personnel of the Company have resigned during the year under review.

**Policy on Remuneration of Directors, Key Managerial Personnel and Senior Managerial Personnel & Criteria for matters under Section 178 of the Act**

Information regarding Policy on Remuneration of Directors, Key Managerial Personnel and Senior Managerial Personnel & Criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act are provided in the section of Corporate Governance Report.

**Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Managerial Personnel**

Your Company has laid down a well-defined criteria for the selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Managerial Personnel.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions with Related Parties are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for the transactions which are of a foreseen and repetitive nature.

The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly and on annual basis.

The Policy on Related Party Transactions as approved by the Board is available on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

There were no materially significant related party transactions i.e. transactions exceeding ten percent of the annual turnover of the Company as per the last audited financial statements, entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, the disclosure in 'Form AOC-2' is not applicable.



None of the Directors or Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

The details of related party transactions are given in the notes to the financial statements.

#### **TRANSFER OF UNCLAIMED AMOUNTS/SHARES TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124 of the Act, relevant amounts which remained unpaid or unclaimed for a period of seven (7) years have been transferred by the Company to the Investor Education and Protection Fund (IEPF).

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 4 August 2016 (date of last Annual General Meeting) on the website of the Company [www.bajajelectricals.com](http://www.bajajelectricals.com), as also on the website of the Ministry of Corporate Affairs.

Further, Section 124(6) of the Act requires that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall also be transferred to IEPF. Ministry of Corporate Affairs vide its notifications dated 5 September 2016 and 28 February 2017 has notified the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the IEPF Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("Rules") containing, inter alia, the provisions for transfer of such shares to "IEPF Suspense Account".

Accordingly, in due compliance of the provisions of Rule 6(3) of the aforesaid Rules, the Company sent individual letters through Speed Post to such shareholders, in respect of whom dividend for a consecutive period of seven (7) years had remained unpaid and public notice was released in newspapers on 3 December 2016. Subsequently, on amendment of the said Rules vide MCA notification dated 28 February 2017, another public notice was released in newspapers on 6 May 2017 giving such shareholders a fresh opportunity to claim the unpaid dividends, up to such date of transfer. The Company is accordingly in the process of taking appropriate steps with regard to transfer of such shares in accordance with the amended Rules, in line with the necessary guidelines being issued by MCA in this regard.

As provided under these Rules, the shareholder shall be allowed to claim such unpaid dividends and shares transferred to IEPF by following the required procedure. The

said Rules have been made available under the 'Investor' section of the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com)

#### **MATERIAL CHANGES & COMMITMENTS**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

#### **SUBSIDIARIES / ASSOCIATES / JOINT VENTURES**

The Company has no subsidiary as on 31 March 2017.

Details of associate companies/joint ventures of the Company:

<b>Name of the Company</b>	<b>% of shareholding of the Company as on 31 March 2017</b>	<b>Status</b>
Starlite Lighting Limited (SLL)	19.00	Joint Venture
Hind Lamps Limited (HLL)	19.00	Associate

For the purpose of 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 company of the company having such influence and includes a joint venture company. For the purposes of this clause, "significant influence" means control of at least twenty percent of total share capital, or of business decisions under an agreement. Though, the holding of the Company in the equity share capital of SLL and HLL is less than 20 percent, the Company is in a position to influence the operating and financial policies of these companies and hence the financial statements of SLL and HLL are consolidated with the Company's financial statements considering them as Joint Venture and Associate of the Company, respectively.

#### **Starlite Lighting Limited**

The gross revenue of SLL for FY 2016-17 stood at ₹ 126.82 crore (Previous Year: ₹ 164.86 crore). Loss for the year was at ₹ 21.40 crore (Previous Year Loss: ₹ 5.73 crore).



### Hind Lamps Limited

The gross revenue of HLL for FY 2016-17 stood at ₹ 44.16 crore (Previous Year: ₹ 53.32 crore). Loss for the year was at ₹ 8.05 crore (Previous Year Loss: ₹ 7.04 crore).

### PRESENTATION OF FINANCIAL RESULTS

The financial results of the Company for the year ended 31 March 2017 have been disclosed as per Schedule III to the Act.

### STATUTORY DISCLOSURES

The summary of the key financials of the Company's associate and joint venture (Form AOC-1), is included in this Annual Report. The copies of audited financial statements of the said companies will be made available to the Members of the Company, seeking such information at any point of time. The audited financial statements of the said companies will be kept for inspection by any Member of the Company at its registered office during business hours. The same are placed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

### AUDITORS

#### Statutory Auditors

The tenure of appointment of M/s. Dalal & Shah LLP, Chartered Accountants, Mumbai (Firm Registration No.: 102021W / W100110), the existing Statutory Auditors, will expire at the conclusion of the 78th AGM, as per the provisions of Section 139(2) of the Act and the Rules framed thereunder.

The Board of Directors of the Company at its meeting held on 9 February 2017 has, subject to the approval of the Members at the ensuing AGM, approved the appointment of M/s. S R B C & Co. LLP, Chartered Accountants (Firm Registration No.324982E / E300003) as the new Statutory Auditors of the Company in place of M/s. Dalal & Shah LLP for a term of five (5) years commencing from the conclusion of the 78th AGM till the conclusion of the 83rd AGM, subject to ratification of their appointment by the Members annually. M/s. S R B C & Co. LLP have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder for appointment as Auditors of the Company. As required under Regulation 33 of the Listing Regulations, the new auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on standalone financial statements does not contain any qualification, reservation or adverse remark or disclaimer.

Explanations/comments by the Board on qualification, reservation or adverse remark or disclaimer made by the Auditors in their Report on consolidated financial statements:

The auditors of Hind Lamps Limited (HLL), the associate of the Company, have qualified their opinion regarding recognition of deferred tax assets, aggregating to ₹ 9.21 crore as at 31 March 2017 in absence of convincing evidence of availability of adequate future taxable profits to demonstrate virtual certainty of reversal of such deferred tax assets. The Company holds 19% interest in HLL and as such the proportionate impact of qualified opinion on the Company is only ₹ 1.74 crore, which on comparison with the total assets of the Company at standalone and consolidated level as at 31 March 2017 is 0.06%. Further, the proportionate impact of this qualified opinion on comparison with the profit before tax for the year ended 31 March 2017 is 1.04% at standalone level and 1.08% at consolidated level. Hence, the Company assesses the impact of the qualified opinion as insignificant.

#### 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. The Board of Directors has, on the recommendation of the Audit Committee, appointed M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No.000010), to audit the cost accounts of the Company for FY 2017-18. 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 M/s. R. Nanabhoy & Co., Cost Accountants, is included at item no.5 of the Notice convening the AGM.

The particulars of the Cost Auditors and cost audit conducted by them for FY 2015-16 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	FY 2015-16
Due date of filing of Report	30 September 2016
Actual date of filing of Report	30 August 2016

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed, M/s. Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No.: FCS 3198; CP No.:1860) to undertake the Secretarial Audit of the Company.

The Company has undertaken Secretarial Audit for the financial year 2016-17 which, inter-alia, includes audit of compliance with the Act and the Rules made thereunder, Listing Regulations and other applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of Company Secretaries of India. The report of the Secretarial Auditors for FY 2016-17 is annexed to this Report as Annexure 'B'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors.

### CORPORATE GOVERNANCE

Your Company is in compliance with the corporate governance requirements mentioned in the Listing Regulations. Pursuant to Regulation 34 of the Listing Regulations, a separate report on corporate governance has been included in this Annual Report together with a certificate from the auditors of the Company regarding compliance of conditions of corporate governance.

All Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2016-17. A declaration to this effect signed by the Chairman & Managing Director and CEO of the Company is contained in this Annual Report.

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations and the said certificate is contained in this Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

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

### BUSINESS RESPONSIBILITY REPORT

Listing Regulations mandates inclusion of the Business Responsibility Report (BRR) as a part of the Annual Report for top 500 listed entities based on market capitalisation.

Since the Company is one of the top 500 listed entities, the Company has presented its BRR for the financial year 2016-17, which is part of this Annual Report.

### ENERGY CONSERVATION, 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 'C' to this Report.

### EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 as required under sub-section (3) of Section 92 of the Act read with Companies (Management & Administration) Rules, 2014, is annexed herewith as Annexure 'D' to this Report.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure 'E' to this Report.

The information on employees who were in receipt of remuneration of not less than ₹ 60 lakh during the year or ₹ 5 lakh per month during any part of the year forms part of this Report and will be provided to any Member on a written request to the Company. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days upto the date of the ensuing AGM. If any Member is interested in inspecting the same, such Member may write to the Company Secretary in advance.

### CONSOLIDATED FINANCIAL STATEMENTS

The directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the associate and joint venture prepared in compliance with the Act, applicable Accounting Standards and the Listing Agreement as prescribed by SEBI.

A separate statement containing the salient features of the associate and joint venture in the prescribed 'Form AOC-1' is annexed herewith as Annexure 'F' to this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors confirm that:

- (a) in the preparation of the annual accounts for the year ended 31 March 2017, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state-of-affairs of the Company as at 31 March 2017 and of the profits of the Company for the year ended on that date;
- (c) the Directors 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) the annual accounts of the Company have been prepared on a 'going concern' basis;
- (e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- (f) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Central and State Government Departments, organisations and

agencies for their continued support and co-operation. The Directors are also thankful to all valuable stakeholders viz., customers, vendors, suppliers, banks, financial institutions and other business associates for their continued co-operation and excellent support provided to the Company during the year. The Directors acknowledge the unstinted commitment and valuable contribution of all employees of the Company.

Your Directors also appreciate and value the trust reposed in them by Members of the Company.

## ANNEXURES

The following annexures form part of this report:

- a. Annual Report on Corporate Social Responsibility – Annexure 'A';
- b. Secretarial Audit Report in 'Form MR-3' – Annexure 'B';
- c. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo – Annexure 'C';
- d. Extract of Annual Return in Form MGT-9 – Annexure 'D';
- e. Information under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – Annexure 'E' and
- f. Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in 'Form AOC-1' – Annexure 'F'.

For and on behalf of the Board of Directors

Mangesh Patil  
EVP-Legal & Taxation and  
Company Secretary  
FCS No.: 4752

Anant Bajaj  
Joint Managing Director  
DIN: 00089460

Shekhar Bajaj  
Chairman & Managing Director  
DIN: 00089358

## Annexure 'A' to Directors' Report

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

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

At Bajaj Electricals Limited, Corporate Social Responsibility (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 programmes of the Company through collective social responsibility and strong individual commitment.
- Community Outreach Programmes – To ensure the communities where we operate should also benefit.

#### Priorities under Community Outreach Programmes

Our priorities for the Community Outreach Programmes are listed below and the same are as per Schedule VII to the Act:

- Ensuring environmental sustainability & promoting its education
  - Initiatives such as solar projects, off grid lighting, tree plantation, waste management
  - Initiatives to support education and awareness on protecting the environment
- Employment, enhancing vocational skills and livelihoods
  - Support technical and vocational programmes to generate employment

- Support social enterprises to enhance livelihoods, to reach the last mile who can have access to quality products & services

- Promoting & preventing health care
  - Continued support to Anti-Tobacco Programme and campaign
- Gender equality – cross cutting theme
  - Focusing on gender diversity within the organisation
- 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 arts and handicrafts.
- Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.
- Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government.
- Rural development projects.

The CSR Policy of the Company has also been posted on the website of the Company: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### 2. The composition of the CSR Committee:

The Company has constituted a Corporate Social Responsibility Committee (CSR Committee) comprising of Shri Shekhar Bajaj, Chairman; Shri Anant Bajaj, Member; and Dr.(Smt.) Indu Shahani, Member.

#### 3. Average Net Profit of the Company for last three financial years prior to 2016-17: ₹ 7,843.61 lakh

#### 4. Prescribed CSR Expenditure (2% of the amount as in item No. 3 above): ₹ 156.87 lakh

#### 5. Details of CSR spent during the financial year:

- i. Total amount spent for the financial year: ₹ 108.48 lakh
- ii. Amount unspent: ₹ 48.39 lakh

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

(Amount: ₹ in lakh)

Sr. No.	Name/details of implementation Agency	CSR project / activity identified	Sector in which the project is covered	Location of project / programme	Amount outlay / approved for the year	Amount spent direct / overhead during the year	Cumulative expenditure upto the reporting period
1.	YAATRA	Science of Light	Ensuring Environmental Sustainability and Promoting its Education	NCR-Delhi, Faridabad, Ghaziabad, Noida and Gurgaon	4.81	4.07	8.51
2.	United Way of Mumbai	Mission Mangroves		Mumbai	11.51	3.45	3.45
3.	Stree Mukti Sangathana	Waste Management		Mumbai	21.12	6.34	6.34
4.	PAN Himalayan Grassroots Development Foundation	Kedarnath Smriti Van		Ranikhet	8.75	6.60	11.85
5.	Vivekanand Kendra	Solarised Computer Laboratory		Tezpur	17.20	16.61	23.61
6.	Sri Chaitanya Seva Trust	Long term sustainable organic farming model		Palghar	4.50	3.67	3.67
7.	Direct	Jalyukt Shivar		Pune	10.00	4.92	4.92
8.	Direct	Green India		PAN India	20.00	14.52	14.52
9.	Prafulla Dahanukar Art Foundation & Samvaad Foundation	Kalanand Art Programme-I	Promotion of Arts and Culture	Goa, Mumbai, Pune, Bangalore, Chandigarh, Kolkata, Indore	3.30	2.11	30.12
		Kalanand Art Programme-II			30.83	29.33	29.33
10.	Salaam Mumbai Foundation	Tobacco Control Programme	Promoting Health care	Yavatmal and Wardha	13.14	7.23	7.23
11.	Seva Sahayog	Shiksha Vikas – Bridge the Gap	Education Promotion	Mumbai, Pune & Jabalpur	12.03	9.63	9.63
<b>Total</b>					<b>157.19</b>	<b>108.48</b>	<b>153.18</b>

6. In case the Company fails to spend 2% of the average net profit of the last 3 financial years or any part thereof, the reasons for not spending the amount shall be stated in the Board report:

- There were delays in execution of the CSR Projects by the partner organisations;
- Each project is implemented phase wise and funds are released post monitoring the completion of each phase;
- The unspent amount since has been committed to various projects is being carried forward to FY 2017-18 with the approval of the Board of Directors.

**7. CSR Committee Responsibility statement:**

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company is in Compliance with the CSR objectives and CSR Policy of the Company.

Shekhar Bajaj  
Chairman  
DIN: 00089358

Anant Bajaj  
Member  
DIN: 00089460

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

# Annexure 'B' to Directors' Report

## SECRETARIAL AUDIT REPORT

### Form MR – 3

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

For the financial year ended 31 March, 2017

To,  
The Members,  
Bajaj Electricals Limited  
45/47, Veer Nariman Road  
Mumbai 400 001  
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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 31 March 2017, 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 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 31 March 2017 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;
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - 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, 1992 and 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 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 Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.



We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;
- (ii) The Legal Metrology Act, 2009 read with the Legal Metrology (Packaged Commodity) Rules, 2011;
- (iii) The Indian Copyright Act, 1957;
- (iv) The Patents Act, 1970;
- (v) The Trade Marks Act, 1999;
- (vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules/Scheme thereunder;
- (vii) Employers Liability Act, 1938;
- (viii) Equal Remuneration Act, 1976; and
- (ix) Employees' State Insurance Act, 1948 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards I and II issued by the Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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 the 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 meetings of the Board and its Committees, along with the agenda and detailed notes on agenda 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 by the Directors.

Majority decision is carried through 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:

The Company has allotted 341200 (Three Lakhs Forty One Thousand Two 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 Scheme and vested in their favour:

1. On 30 May 2016 – 101100 equity shares
2. On 12 August 2016 – 38000 equity shares
3. On 10 October 2016 – 89100 equity shares
4. On 13 December 2016 – 46750 equity shares
5. On 17 March 2017 – 66250 equity shares

For Anant B Khamankar & Co.

Anant Khamankar  
FCS No.: 3198  
CP No.: 1860

Date: 15 May 2017  
Place: Mumbai

## Annexure 'C' to Directors' Report

### 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]

#### I. CONSERVATION OF ENERGY

##### (i) Steps taken or impact on conservation of energy:

- Unity power factor maintained at RU 1 & 2, throughout FY 2016-17.
- Installed 26 LED Lights of 200 Watt in place of 400 Watt HPSV lamps at old TLT shop in RU1.
- Installed 30 LED light fittings in place of 28 Watt CFL lights in RU2.
- Installed Variable Frequency Drive for Hoist motor on EOT crane in RU1.
- Installed ON/OFF delay timers for air circulating fans in RU2.
- Chakan factory lights and fittings replaced by LED Battens, Highbays and Bulbs.

##### (ii) Steps taken by the Company for utilising alternate sources of energy: Nil

##### (iii) Capital investment on energy conservation equipments:

- 26 LED Lamps of 200 Watt are to be provided at RU1 HM shop in place of 400 Watt HPSV.

- 34 LED Lamps of 80 Watt are to be provided at RU1 protoshop in place of 150 Watt HPSV.
- Off-grid solar lighting to be provided to replace 5 streetlights at RU1.
- Installation of LED lights in place of HPSV for shop floor lighting at RU2.

##### (iv) Total energy consumption and energy consumption per unit of production:

Ranjangaon Unit: 102.33 units per ton / 2939814 KWH per annum

##### (v) 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 ₹ 11,46,979/- & ₹ 3,84,437/- for RU1 & RU2, respectively.
- Average unit per ton (RU1 & RU2) achieved in FY 2016-17 is 102.33 KWH/MT as compared to 100.58 KWH/MT in FY 2015-16.

Previous Lights & Fittings			New LED Batten & Highbay Fittings			Saving			Investment
CFL / Fluorescent Qty.	Watts	Power Consumption (watts)	LED lamp	Watts	Power Consumption (watts)	KW	KWH	₹/Year	₹
10	250	2500	10	80	800	1.7	5185	46,043	35,000
88	40	3520	65	20	1300	2.22	6771	60,126	13,000
27	18	486	25	9	225	0.261	796	7,069	1,250
26	18	468	17	20	340	0.128	390	3,467	3,400
11	36	396	11	20	220	0.176	537	4,767	2,200
2	20	40	2	12	24	0.016	49	433	140
<b>TOTAL</b>							<b>13728</b>	<b>1,21,905</b>	<b>54,990</b>

## II. TECHNOLOGY ABSORPTION

- (i) **Efforts made towards technology absorption:**  
Nil
- (ii) **Benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable
- (iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable
- (iv) **Expenditure incurred on Research and Development (R&D):**
- (a) Capital : ₹ 2,970.98 lakh
- (b) Recurring : ₹ 1,245.65 lakh

- (c) Total : ₹ 4,216.64 lakh
- (d) Total R&D expenditure as a percentage of total turnover : 0.98%

## III. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Foreign Exchange	Amount
Earned (Export sales)	₹ 4,545.01 lakh
Used (Import purchases)	₹ 34,609.80 lakh

# Annexure 'D' to Directors' Report

## FORM NO. MGT 9

### Extract of Annual Return

As on financial year ended on 31 March 2017

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

## I. REGISTRATION & OTHER DETAILS

1. CIN	L31500MH1938PLC009887
2. Registration Date	14 July 1938
3. Name of the Company	Bajaj Electricals Limited
4. Category/Sub-category of the Company	Public Company Limited by Shares / Indian Non-Government Company
5. Address of the registered office & contact details	45/47, Veer Nariman Road, Mumbai – 400 001 Tel.: (022) 61107800 E-mail: legal@bajajelectricals.com Website: www.bajajelectricals.com
6. Whether a listed company	Yes (Listed on BSE and NSE)
7. 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) 49186000 Fax: (022) 49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Consumer Products	3562, 3630, 3640, 3641, 3642, 3643, 3648, 3649, 3680	54.00
2.	EPC	3402, 3450, 3630, 3680	46.00

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Starlite Lighting Limited 6, MIDC, Satpur, Trimbak Road, Nashik - 422007	U31300MH1995PLC090213	Joint Venture	19.00	Sections 2(6) and 2(27) of the Companies Act, 2013
2.	Hind Lamps Limited Shikohabad, Firozabad, Uttar Pradesh - 283141	U27302UP1951PLC002355	Associate	19.00	

### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

#### A) 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	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual / HUF	23263878	-	23263878	23.04	23263878	-	23263878	22.97	(0.07)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	40954607	-	40954607	40.57	40954607	-	40954607	40.43	(0.14)
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Indian Promoters (A1)</b>	<b>64218485</b>	<b>-</b>	<b>64218485</b>	<b>63.61</b>	<b>64218485</b>	<b>-</b>	<b>64218485</b>	<b>63.40</b>	<b>(0.21)</b>
<b>2. Foreign</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of foreign Promoters (A2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoters (A) = (A1) + (A2)</b>	<b>64218485</b>	<b>-</b>	<b>64218485</b>	<b>63.61</b>	<b>64218485</b>	<b>-</b>	<b>64218485</b>	<b>63.40*</b>	<b>(0.21)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	5831728	5000	5836728	5.78	6824057	5000	6829057	6.74	0.96
b) Banks / FIs	65402	17880	83282	0.08	46150	16220	62370	0.06	(0.02)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FII's	8626879	156000	8782879	8.70	7490921	156000	7646921	7.55	(1.15)	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B1)</b>	<b>14524009</b>	<b>178880</b>	<b>14702889</b>	<b>14.56</b>	<b>14361128</b>	<b>177220</b>	<b>14538348</b>	<b>14.35</b>	<b>(0.21)</b>	
<b>2. Non – Institutions</b>										
a) Bodies Corp.										
i) Indian	2706600	17770	2724370	2.70	3084136	15110	3099246	3.06	0.36	
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals (including HUF)										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12273114	1215521	13488635	13.36	10699285	1089671	11788956	11.64	(1.72)	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1744510	750000	2494510	2.47	3259613	1081200	4340813	4.29	1.81	
c) Others										
Non-Resident Indians	605318	6000	611318	0.61	413657	1500	415157	0.41	(0.20)	
Non-Resident (Non-Repatriable)	490611	1500	492111	0.49	563925	1500	565425	0.56	0.07	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	-
Foreign Nationals	42600	-	42600	0.04	42600	-	42600	0.04	-	
Clearing Members	271920	-	271920	0.27	385641	-	385641	0.38	0.11	
Trusts	1902138	-	1902138	1.88	1895505	-	1895505	1.87	(0.01)	
<b>Sub-total (B2)</b>	<b>20036811</b>	<b>1990791</b>	<b>22027602</b>	<b>21.82</b>	<b>20344362</b>	<b>2188981</b>	<b>22533343</b>	<b>22.25</b>	<b>0.42</b>	
<b>Total Public Shareholding (B) = (B1)+(B2)</b>	<b>34560820</b>	<b>2169671</b>	<b>36730491</b>	<b>36.39</b>	<b>34705490</b>	<b>2366201</b>	<b>37071691</b>	<b>36.60</b>	<b>0.21</b>	
<b>C. Shares held by Custodian for GDR ADRs (C)</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	<b>98779305</b>	<b>2169671</b>	<b>100948976</b>	<b>100.00</b>	<b>98923975</b>	<b>2366201</b>	<b>101290176</b>	<b>100.00</b>	<b>-</b>	

\* The decrease in % of total shares of the Company from 63.61% to 63.40% is due to allotment of 341200 shares on exercise of stock options by the employees.

## B) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares	% of shares pledged / encumbered	No. of shares	% of total shares	% of shares pledged / encumbered	
<b>(A) Individual/HUF</b>								
1.	Anant Bajaj	4531823	4.49	-	4531823	4.47	-	(0.02)
2.	Deepa Bajaj	1000	0.00	-	1000	0.00	-	-

3.	Geetika Bajaj	8346	0.01	-	8346	0.01	-	-
4.	Kiran Bajaj	3086419	3.06	-	3086419	3.05	-	(0.01)
5.	Kiran Bajaj (as Trustee of Geetika Trust No. 2)	1210000	1.20	-	1210000	1.19	-	(0.01)
6.	Kriti Bajaj	90000	0.09	-	90000	0.09	-	-
7.	Kumud Bajaj	638200	0.63	-	638200	0.63	-	-
8.	Madhur Bajaj	2044835	2.03	-	2125035	2.10	-	0.07
9.	Minal Bajaj	367200	0.36	-	367200	0.36	-	-
10.	Neelima Bajaj Swamy	110000	0.11	-	110000	0.11	-	-
11.	Nimisha Jaipuria	90000	0.09	-	90000	0.09	-	-
12.	Niraj Bajaj	1631035	1.62	-	1711235	1.69	-	0.07
13.	Niraj Bajaj (as Trustee of Niravnayan Trust)	466200	0.46	-	466200	0.46	-	-
14.	Niravnayan Bajaj	251000	0.25	-	251000	0.25	-	-
15.	Pooja Bajaj	130000	0.13	-	130000	0.13	-	-
16.	Rahul Kumar Bajaj	124180	0.12	-	124180	0.12	-	-
17.	Sanjivnayan Bajaj	10735	0.01	-	10735	0.01	-	-
18.	Shefali Bajaj	30000	0.03	-	30000	0.03	-	-
19.	Shekhar Bajaj	4841135	4.80	-	4680735	4.63	-	(0.17)
20.	Shekhar Bajaj (held on account of Bajaj Trading Co.)	2536800	2.51	-	2536800	2.50	-	(0.01)
21.	Suman Jain	84645	0.08	-	84645	0.08	-	-
22.	Suman Jain	15000	0.01	-	15000	0.01	-	-
23.	Sunaina Kejriwal	965325	0.96	-	965325	0.96	-	-
	<b>(A)</b>	<b>23263878</b>	<b>23.05</b>	<b>(A)</b>	<b>23263878</b>	<b>22.97</b>	-	<b>(0.08)</b>
	<b>(B) Bodies Corporate</b>							
24.	Bachhraj and Company Private Limited	1000	0.00	-	1000	0.00	-	-
25.	Bachhraj Factories Private Limited	95000	0.09	-	95000	0.09	-	-
26.	Bajaj Holdings & Investment Limited	16697840	16.54	-	16697840	16.48	-	(0.05)
27.	Bajaj International Private Limited	800000	0.79	-	800000	0.79	-	-
28.	Bajaj Sevashram Private Limited	5000	0.01	-	5000	0.00	-	-
29.	Baroda Industries Private Limited	770000	0.76	-	770000	0.76	-	-
30.	Hercules Hoists Limited	554937	0.55	-	554937	0.55	-	-
31.	Hind Musafir Agency Limited	1258000	1.25	-	1258000	1.24	-	(0.01)
32.	Jamnallal Sons Private Limited	19872830	19.69	-	19872830	19.62	-	(0.06)
33.	Kamalnayan Investment and Trading Private Limited	1000	0.00	-	1000	0.00	-	-



34.	Madhur Securities Private Limited	1000	0.00	-	1000	0.00	-	-
35.	Niraj Holdings Private Limited	1000	0.00	-	1000	0.00	-	-
36.	Rahul Securities Private Limited	415000	0.41	-	415000	0.41	-	-
37.	Rupa Equities Private Limited	1000	0.00	-	1000	0.00	-	-
38.	Sanraj Nayan Investments Private Limited	1000	0.00	-	1000	0.00	-	-
39.	Shekhar Holdings Private Limited	480000	0.48	-	480000	0.47	-	(0.01)
	<b>(B)</b>	<b>40954607</b>	<b>40.57</b>	-	<b>40954607</b>	<b>40.43</b>	-	<b>(0.13)</b>
	<b>(A) + (B)</b>	<b>64218485</b>	<b>63.61</b>	-	<b>64218485</b>	<b>63.40*</b>	-	<b>(0.21)</b>

\* The decrease in % of total shares of the Company from 63.61% to 63.40% is due to allotment of 341200 shares on exercise of stock options by the employees.

### C) Shareholding of Promoter

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	<b>At the beginning of the year 1 April 2016</b>	<b>64218485</b>	<b>63.61</b>		
	<b>Date-wise increase/(decrease)</b>				
<b>1</b>	<b>Shekhar Bajaj</b>				
	20-Dec-2016 – Transfer (Inter se)	(160400)	(0.17)	64058085	63.28
<b>2.</b>	<b>Madhur Bajaj</b>				
	20-Dec-2016 – Transfer (Inter se)	80200	0.07	64138285	63.36
<b>3.</b>	<b>Niraj Bajaj</b>				
	20-Dec-2016 – Transfer (Inter se)	80200	0.07	64218485	63.44
	<b>At the end of the year 31 March 2017</b>			<b>64218485</b>	<b>63.40*</b>

\* The decrease in % of total shares of the Company from 63.61% to 63.40% is due to allotment of 341200 shares on exercise of stock options by the employees.

### D) Shareholding pattern of top ten shareholders

(Other than directors, promoters and holders of GDRs and ADRs)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>HDFC Trustee Company Limited</b>				
	At the beginning of the year 1 April 2016	2947131	2.92		
	<b>Date-wise increase/(decrease)</b>				
	8 April 2016 – Transfer	284500	0.27	3231631	3.19
	15 April 2016 – Transfer	214700	0.21	3446331	3.40

	5 August 2016 – Transfer	140000	0.14	3586331	3.54
	12 August 2016 – Transfer	(18357)	(0.02)	3567974	3.52
	2 September 2016 – Transfer	(20000)	(0.02)	3547974	3.50
	24 February 2017 – Transfer	(285600)	(0.28)	3262374	3.22
	3 March 2017 – Transfer	(442500)	(0.44)	2819874	2.78
	At the end of the year 31 March 2017			2819874	2.78
<b>2.</b>	<b>MFS International New Discovery Fund</b>				
	At the beginning of the year 1 April 2016	2216380	2.20		
	Date-wise increase/(decrease)				
	8 April 2016 – Transfer	(246183)	(0.25)	1970197	1.95
	15 April 2016 – Transfer	(186394)	(0.18)	1783803	1.76
	22 April 2016 – Transfer	(267000)	(0.26)	1516803	1.50
	29 April 2016 – Transfer	(589203)	(0.58)	927600	0.92
	6 May 2016 – Transfer	(50708)	(0.05)	876892	0.87
	13 May 2016 – Transfer	(222527)	(0.22)	654365	0.65
	20 May 2016 – Transfer	(95116)	(0.09)	559249	0.55
	27 May 2016 – Transfer	(193153)	(0.19)	366096	0.36
	3 June 2016 – Transfer	(225945)	(0.22)	140151	0.14
	10 June 2016 – Transfer	(67449)	(0.07)	72702	0.07
	17 June 2016 – Transfer	(29517)	(0.03)	43185	0.04
	24 June 2016 – Transfer	(20987)	(0.02)	22198	0.02
	1 July 2016 – Transfer	(22198)	(0.02)	-	-
	At the end of the year 31 March 2017			-	-
<b>3.</b>	<b>Reliance Capital Trustee Company Limited</b>				
	At the beginning of the year 1 April 2016	1494300	1.48		
	Date-wise increase/(decrease)				
	1 July 2016 – Transfer	150000	0.15	1644300	1.63
	8 July 2016 – Transfer	388790	0.38	2033090	2.01
	15 July 2016 – Transfer	630000	0.62	2663090	2.63
	26 August 2016 – Transfer	60000	0.06	2723090	2.69
	2 September 2016 – Transfer	95700	0.09	2818790	2.78
	9 September 2016 – Transfer	77541	0.08	2896331	2.86
	16 September 2016 – Transfer	37459	0.04	2933790	2.90
	25 November 2016 – Transfer	37000	0.04	2970790	2.94
	20 January 2017 – Transfer	460000	0.45	3430790	3.39
	17 March 2017 – Transfer	(726235)	(0.72)	2704555	2.67
	24 March 2017 – Transfer	(391321)	(0.39)	2313234	2.28
	At the end of the year 31 March 2017			2313234	2.28

<b>4. Swiss Finance Corporation (Mauritius) Limited</b>				
At the beginning of the year 1 April 2016	1459947	1.45		
Date-wise increase/(decrease)				
7 October 2016 – Transfer	(60369)	(0.07)	1399578	1.38
14 October 2016 – Transfer	(1399578)	(1.38)	-	-
At the end of the year 31 March 2017			-	-
<b>5. UTI Infrastructure Fund</b>				
At the beginning of the year 1 April 2016	1080278	1.07		
Date-wise increase/(decrease)				
15 April 2016 – Transfer	29417	0.03	1109695	1.10
22 April 2016 – Transfer	19000	0.02	1128695	1.11
29 April 2016 – Transfer	27000	0.03	1155695	1.14
6 May 2016 – Transfer	(517741)	(0.51)	637954	0.63
13 May 2016 – Transfer	(22814)	(0.02)	615140	0.61
30 June 2016 – Transfer	19000	0.02	634140	0.63
At the end of the year 31 March 2017			634140	0.63
<b>6. Ocean Dial Gateway to India Mauritius Limited</b>				
At the beginning of the year 1 April 2016	1000000	0.99		
Date-wise increase/(decrease)				
8 April 2016 – Transfer	33336	0.03	1033336	1.02
20 May 2016 – Transfer	15664	0.02	1049000	1.04
6 January 2017 – Transfer	(223576)	(0.23)	825424	0.81
10 February 2017 – Transfer	(25424)	(0.02)	800000	0.79
3 March 2017 – Transfer	(108124)	(0.11)	691876	0.68
10 March 2017 – Transfer	(691876)	(0.68)	-	-
At the end of the year 31 March 2017			-	-
<b>7. Bajaj Auto Employees Welfare Fund No.2</b>				
At the beginning of the year - No change during the year ended 31 March 2017	961900	0.95	961900	0.95
<b>8. Niraj Bajaj</b>				
At the beginning of the year - No change during the year ended 31 March 2017	750000	0.79	750000	0.79
<b>9. Morgan Stanley Asia (Singapore) Pte.</b>				
At the beginning of the year 1 April 2016	706572	0.70		
Date-wise increase/(decrease)				
8 April 2016 – Transfer	(23040)	(0.03)	683532	0.67
15 April 2016 – Transfer	(27000)	(0.03)	656532	0.64
22 April 2016 – Transfer	(11415)	(0.01)	645117	0.63
29 April 2016 – Transfer	(77621)	(0.07)	567496	0.56
13 May 2016 – Transfer	1146	0.00	568642	0.56

	20 May 2016 – Transfer	472	0.00	569114	0.56
	17 June 2016 – Transfer	(2609)	(0.00)	566505	0.56
	15 July 2016 – Transfer	5754	0.01	572259	0.57
	22 July 2016 – Transfer	262	0.00	572521	0.57
	26 August 2016 – Transfer	(6016)	(0.01)	566505	0.56
	9 September 2016 – Transfer	(372)	(0.00)	566133	0.56
	14 October 2016 – Transfer	(1943)	(0.00)	564190	0.56
	28 October 2016 – Transfer	(94186)	(0.10)	470004	0.46
	16 December 2016 – Transfer	(8983)	(0.01)	461021	0.45
	20 January 2017 – Transfer	(461021)	(0.45)	-	-
	At the end of the year 31 March 2017			-	-
<b>10.</b>	<b>Lansforsakringar Fondforvaltning Aktiebolag A/c Lansforsakringar Asienfond</b>				
	At the beginning of the year 1 April 2016	490327	0.49		
	Date-wise increase/(decrease)				
	11 November 2016 – Transfer	(199497)	(0.20)	290830	0.29
	18 November 2016 – Transfer	(12500)	(0.01)	278330	0.27
	25 November 2016 – Transfer	(40530)	(0.04)	237800	0.23
	At the end of the year 31 March 2017			237800	0.23
<b>11.</b>	<b>Bajaj Auto Employees Welfare Fund No.1</b>				
	At the beginning of the year - No change during the year ended 31 March 2017	500000	0.50	500000	0.49
<b>12.</b>	<b>Long Term India Fund</b>				
	At the beginning of the year 1 April 2016	410000	0.41		
	Date-wise increase/(decrease)				
	13 May 2016 – Transfer	91946	0.09	501946	0.50
	8 July 2016 – Transfer	32275	0.03	534221	0.53
	15 July 2016 – Transfer	141799	0.14	676020	0.67
	10 February 2017 – Transfer	30500	0.03	706520	0.70
	17 February 2017 – Transfer	125480	0.12	832000	0.82
	At the end of the year 31 March 2017			832000	0.82
<b>13.</b>	<b>Principal Trustee Company Private Limited</b>				
	At the beginning of the year 1 April 2016	300000	0.30		
	Date-wise increase/(decrease)				
	6 May 2016 – Transfer	15000	0.01	315000	0.31
	27 May 2016 – Transfer	150000	0.15	465000	0.46
	3 June 2016 – Transfer	160800	0.16	625800	0.62
	10 June 2016 – Transfer	12000	0.01	637800	0.63
	17 June 2016 – Transfer	6000	0.01	643800	0.64

30 June 2016 – Transfer	18000	0.01	661800	0.65
8 July 2016 – Transfer	(51000)	(0.05)	610800	0.60
15 July 2016 – Transfer	6000	0.01	616800	0.61
22 July 2016 – Transfer	12000	0.01	628800	0.62
5 August 2016 – Transfer	7800	0.01	636600	0.63
19 August 2016 – Transfer	145200	0.14	781800	0.77
26 August 2016 – Transfer	(160000)	(0.16)	621800	0.61
2 September 2016 – Transfer	(47600)	(0.05)	574200	0.56
13 January 2017 – Transfer	234000	0.24	808200	0.80
20 January 2017 – Transfer	36000	0.03	844200	0.83
3 February 2017 – Transfer	9000	0.01	853200	0.84
17 February 2017 – Transfer	18000	0.02	871200	0.86
10 March 2017 – Transfer	22134	0.02	893334	0.88
17 March 2017 – Transfer	(53545)	(0.05)	839789	0.83
31 March 2017 – Transfer	15000	0.01	854789	0.84
At the end of the year 31 March 2017			854789	0.84
<b>14. Lakshmi Capital Investments Limited</b>				
At the beginning of the year 1 April 2016	40702	0.04		
Date-wise increase/(decrease)				
8 April 2016 – Transfer	25000	0.02	65702	0.06
29 April 2016 – Transfer	20000	0.02	85702	0.08
27 May 2016 – Transfer	2801	0.00	88503	0.09
3 June 2016 – Transfer	21611	0.02	110114	0.11
24 June 2016 – Transfer	10000	0.01	120114	0.12
22 July 2016 – Transfer	20000	0.02	140114	0.14
29 July 2016 – Transfer	20000	0.02	160114	0.16
12 August 2016 – Transfer	30000	0.03	190114	0.19
19 August 2016 – Transfer	25000	0.02	215114	0.21
26 August 2016 – Transfer	32850	0.03	247964	0.24
16 September 2016 – Transfer	25000	0.03	272964	0.27
25 November 2016 – Transfer	6800	0.01	279764	0.28
2 December 2016 – Transfer	18000	0.01	297764	0.29
16 December 2016 – Transfer	25000	0.03	322764	0.32
23 December 2016 – Transfer	26525	0.02	349289	0.34
30 December 2016 – Transfer	56975	0.06	406264	0.40
13 January 2017 – Transfer	32357	0.03	438621	0.43
27 January 2017 – Transfer	40000	0.04	478621	0.47
10 February 2017 – Transfer	80000	0.08	558621	0.55
3 March 2017 – Transfer	31700	0.03	590321	0.58
10 March 2017 – Transfer	36300	0.04	626621	0.62
24 March 2017 – Transfer	135000	0.13	761621	0.75

	At the end of the year 31 March 2017			761621	0.75
<b>15.</b>	<b>Caisse DE Depot ET Placement DU Quebec - Enam Asset Management</b>				
	At the beginning of the year 1 April 2016	-	-		
	Date-wise increase/(decrease)				
	2 September 2016 – Transfer	189844	0.19	189844	0.19
	9 September 2016 – Transfer	35033	0.03	224877	0.22
	16 September 2016 – Transfer	90502	0.09	315379	0.31
	7 October 2016 – Transfer	2040	0.00	317419	0.31
	14 October 2016 – Transfer	5396	0.01	322815	0.32
	28 October 2016 – Transfer	1300	0.00	324115	0.32
	4 November 2016 – Transfer	175885	0.18	500000	0.50
	18 November 2016 – Transfer	12713	0.01	512713	0.51
	25 November 2016 – Transfer	37287	0.03	550000	0.54
	27 January 2017 – Transfer	450000	0.45	1000000	0.99
	3 February 2017 – Transfer	110632	0.11	1110632	1.10
	10 February 2017 – Transfer	89368	0.08	1200000	1.18
	17 February 2017 – Transfer	94600	0.10	1294600	1.28
	24 February 2017 – Transfer	205400	0.20	1500000	1.48
	At the end of the year 31 March 2017			1500000	1.48
<b>16.</b>	<b>Madhulika Agarwal</b>				
	At the beginning of the year 1 April 2016	-	-		
	Date-wise increase/(decrease)				
	10 March 2017 – Transfer	711700	0.70	711700	0.70
	17 March 2017 – Transfer	115124	0.12	826824	0.82
	At the end of the year 31 March 2017			826824	0.82
<b>17.</b>	<b>Ashish Kacholia</b>				
	At the beginning of the year 1 April 2016	-	-		
	Date-wise increase/(decrease)				
	3 March 2017 – Transfer	469245	0.46	469245	0.46
	17 March 2017 – Transfer	200000	0.20	669245	0.66
	24 March 2017 – Transfer	137193	0.14	806438	0.80
	31 March 2017 – Transfer	9672	0.01	816110	0.81
	At the end of the year 31 March 2017			816110	0.81

#### E) Shareholding of directors and key managerial personnel

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Shekhar Bajaj</b>				
	At the beginning of the year 1 April 2016 [Refer Note 2]	7377935	7.31		



	Date-wise increase/(decrease)				
	20 Dec 2016 – Transfer (Inter se)	(160400)	(0.17)	7217535	7.13
	At the end of the year 31 March 2017 [Refer Note 2]			7217535	7.13
<b>2.</b>	<b>Anant Bajaj</b>				
	At the beginning of the year - No change during the year ended 31 March 2017	4531823	4.49	4531823	4.47
<b>3.</b>	<b>Madhur Bajaj</b>				
	At the beginning of the year 1 April 2016	2044835	2.03		
	Date-wise increase/(decrease)				
	20 Dec 2016 – Transfer (Inter se)	80200	0.07	2125035	2.10
	At the end of the year 31 March 2017			2125035	2.10
<b>4.</b>	<b>Anant Purandare (CFO)</b>				
	At the beginning of the year 1 April 2016	26846	0.03		
	Date-wise increase/(decrease)				
	30 May 2016 – ESOP	12500	0.01	39346	0.04
	6 September 2016 – Transfer	(2415)	(0.00)	36931	0.04
	8 September 2016 – Transfer	(1611)	(0.00)	35320	0.03
	10 March 2017 – Transfer	(8474)	(0.01)	26846	0.03
	14 March 2017 – Transfer	(20000)	(0.02)	6846	0.01
	At the end of the year 31 March 2017			6846	0.01
<b>5.</b>	<b>Mangesh Patil (CS)</b>				
	At the beginning of the year 1 April 2016	13390	0.01		
	3 March 2017 – Transfer	(124)	(0.00)	13266	0.01
	6 March 2017 – Transfer	(3676)	(0.00)	9590	0.01
	9 March 2017 – Transfer	(2000)	(0.00)	7590	0.01
	10 March 2017 – Transfer	(2500)	(0.00)	5090	0.01
	23 March 2017 – Transfer	(1000)	(0.00)	4090	0.00
	27 March 2017 – Transfer	(2000)	(0.00)	2090	0.00
	At the end of the year 31 March 2017			2090	0.00

Notes:

1. Shareholding of all the other Directors–Nil.
2. Shareholding considering 2536800 equity shares held on account of Bajaj Trading Co.

## V. INDEBTEDNESS

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

(Amount: ₹ in lakh)

Sr. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>A</b>	<b>Indebtedness at the beginning of the financial year</b>				
	(i) Principal Amount	20,692.53	69,157.91	-	89,850.44
	(ii) Interest due but not paid	-	34.19	-	34.19
	(iii) Interest accrued but not due	2,375.18	4.05	-	2,379.23

	<b>Total [(i) +(ii)+(iii)]</b>	<b>23,067.71</b>	<b>69,196.15</b>	<b>-</b>	<b>92,263.86</b>
<b>B</b>	<b>Change in Indebtedness during the financial year</b>				
	Addition	12,717.76	76,255.40	-	88,973.16
	Reduction	16,935.17	99,463.99	-	116,399.16
	<b>Net Change</b>	<b>(4,217.41)</b>	<b>(23,208.59)</b>	<b>-</b>	<b>(27,426.00)</b>
<b>C</b>	<b>Indebtedness at the end of the financial year</b>				
	(i) Principal Amount	16,475.12	45,949.32	-	62,424.44
	(ii) Interest due but not paid	0.02	9.65	-	9.67
	(iii) Interest accrued but not due	2,257.33	-	-	2,257.33
	<b>Total [(i) +(ii)+(iii)]</b>	<b>18,732.47</b>	<b>45,958.97</b>	<b>-</b>	<b>64,691.44</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount: ₹ in lakh)

Sr. No.	Particulars of remuneration	Shekhar Bajaj (CMD)	Anant Bajaj (JMD)	Total
1.	Gross salary			
	(a) Salary as per the provisions contained in Section 17(1) of the Income-tax Act, 1961	177.40	154.67	332.07
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	44.48	35.80	80.28
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission provided for FY 2016-17 as % of profit	400.99 2	200.49 1	601.48 3
5.	Others			
	- Co. Contribution to PF	20.04	14.88	34.92
	- Gratuity	13.91	10.33	24.24
	<b>Total (A)</b>	<b>656.82</b>	<b>416.17</b>	<b>1,072.99</b>
	Ceiling as per the Act	₹ 1,992.06 lakh (being 10% of the net profit of the Company calculated as per Section 198 of the Act)		

### B. Remuneration to other Directors

(Amount: ₹ in lakh)

Sr. No.	Name	Fee for attending Board / Committee meetings	Commission provided for financial year 2016-17	Others, please specify	Total
<b>1</b>	<b>Independent Director(s)</b>				
	1. H. V. Goenka	4.50	4.00	-	8.50
	2. Ashok Jalan	16.00	11.00	-	27.00
	3. V. B. Haribhakti	13.50	11.00	-	24.50
	4. Dr. (Smt.) Indu Shahani	9.00	6.00	-	15.00

5. Dr. R. P. Singh	6.50	6.00	-	12.50
6. Anuj Poddar	5.50	5.00	-	10.50
7. Siddharth Mehta	6.50	6.00	-	12.50
<b>Total (B1)</b>	<b>61.50</b>	<b>49.00</b>	-	<b>110.50</b>
<b>2. Other Non-executive Director(s)</b>				
1. Madhur Bajaj	6.00	6.00	-	12.00
<b>Total (B2)</b>	<b>6.00</b>	<b>6.00</b>	-	<b>12.00</b>
<b>Total (B1) + (B2)</b>	<b>67.50</b>	<b>55.00</b>	-	<b>122.50</b>
<b>Overall ceiling as per the Act*</b>				<b>199.21</b>

\* 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%.

### C. Remuneration to key managerial personnel other than MD/WTD/Manager:

(Amount: ₹ in lakh)

Sr. No.	Particulars of remuneration	Anant Purandare (CFO)	Mangesh Patil (CS)	Total
	Gross salary			
1.	(a) Salary as per the provisions contained in Section 17(1) of the Income-tax Act, 1961	69.21	52.91	122.12
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	2.83	2.46	5.29
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	6.08	-	6.08
3.	Sweat Equity	-	-	-
4.	Commission provided for financial year 2016-17 as % of profit	-	-	-
5.	Others			
	- Co. Contribution to PF	1.89	1.71	3.60
	- Gratuity	0.74	0.67	1.41
	<b>Total</b>	<b>80.75</b>	<b>57.75</b>	<b>138.50</b>

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

During the year 2016-17, there were no penalties/punishment/compounding of offences under the Companies Act, 2013.

## Annexure 'E' to Directors' Report

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

- I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2016-17 & the percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the said financial year:

Director & Key Managerial Personnel (KMP)	Remuneration (Amt.: ₹ in lakh)		Ratio of remuneration to median remuneration	% Increase (decrease) in remuneration
	2016-17	2015-16		
Shekhar Bajaj (Director & KMP)	656.82	564.50	87.69 : 1	16.35
Anant Bajaj	416.17	316.22	55.56 : 1	31.61
H. V. Goenka	8.50	7.20	1.14 : 1	Refer Note below
Ashok Jalan	27.00	13.60	3.61 : 1	
V.B.Haribhakti	24.50	12.80	3.27 : 1	
Dr.(Smt.) Indu Shahani	15.00	8.80	2 : 1	
Dr. R.P. Singh	12.50	6.20	1.67 : 1	
Madhur Bajaj	12.00	4.00	1.60 : 1	
Anuj Poddar	10.50	-	1.40 : 1	
Siddharth Mehta	12.50	-	1.67 : 1	
Anant Purandare (KMP)	80.75	68.98	10.79 : 1	
Mangesh Patil (KMP)	57.75	57.55	7.72 : 1	0.35

Notes: Effective 1 April 2016, the sitting fees payable to the Non-Executive Directors for attending the meetings was revised as under:

- (i) Board Meeting – ₹ 1,00,000/- per meeting (100% increase);
- (ii) Audit Committee Meeting – ₹ 1,00,000/- per meeting (100% increase);
- (iii) Other Committees Meetings – ₹ 50,000/- per meeting (150% increase).

Also, effective 1 April 2016, the Commission payable to the Non-Executive Directors for attending Board and Audit Committee Meetings was revised to ₹ 1,00,000 (100% increase) per meeting attended.

- II. The percentage increase in the median remuneration of employees in the financial year: 20.35%
- III. The number of permanent employees on the roll of Company as on 31 March 2017: 2,792.
- IV. The explanation on the relationship between average increase in remuneration and Company performance: Remuneration of employees has a close linkage with the performance of the Company. The performance pay policy links the performance pay of each officer to his/her individual, business unit and overall Company's performance on parameters aligned to Company's objectives.

The compensation structure is benchmarked from time to time and salary increases during the year are aligned to market forces.

- V. Ratio of Remuneration of KMP against the performance of the Company:

Director & Key Managerial Personnel (KMP)	Remuneration (Amt.: ₹ in lakh)		Ratio to median Remuneration	Ratio to median Remuneration	Ratio of 2016-17 remuneration to	
	2016-17	2015-16			Revenue	Net Profit
Shekhar Bajaj, CMD & CEO	656.82	564.50	87.69 : 1	16.35	0.15 : 1	6.10 : 1
Anant Purandare, CFO	80.75	68.98	10.79 : 1	17.06	0.02 : 1	0.75 : 1
Mangesh Patil, CS & Compliance Officer	57.75	57.55	7.72 : 1	0.35	0.01 : 1	0.54 : 1

- VI. The ratio of remuneration of the highest paid Director to that employees who are not Directors but receive remuneration in excess of the highest paid Directors during year: Not Applicable

VII. We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the Remuneration Policy of the Company.

VIII. Other information:

	As at 31 March 2017	As at 31 March 2016	Variation
Market Capitalisation of the Company (₹ in crore)	3,170.89	1,918.03	65.32%
Price Earnings Ratio	29.84	19.95	49.59%
Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies	Last public offer # (right issue) of the Company was made in October, 2003. Since then the equity share of the Company has given 10425% (104.25 times) returns to its loyal investors.		

# QIP not considered as public offer.

## Annexure 'F' to Directors' Report

### FORM AOC-I

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

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" - Subsidiaries: Not Applicable

Part "B" - Associates and Joint Ventures:

	Particulars	Starlite Lighting Limited (Joint Venture)	Hind Lamps Limited (Associate)
1.	Latest audited Balance Sheet Date	31 March 2016	31 March 2016
2.	Shares of Associate held by the Company on the year end		
	Number of equity shares	23,75,000	11,40,000
	Amount of Investment in Associate	₹ 1,067 lakh	₹ 685 lakh
3.	Description of how there is significant influence	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 company of the company having such influence and includes a joint venture company. For the purposes of this clause, "significant influence" means control of at least twenty percent of total share capital, or of business decisions under an agreement. Though, the holding of the Company in the equity share capital of SLL and HLL is less than 20%, the Company is in a position to influence the operating and financial policies of these companies and hence the financial statements of SLL and HLL are consolidated with the Company's financial statements considering them as Joint Venture and Associate of the Company, respectively.	
4.	Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	(₹ 426.92 lakh)	(₹ 808.56 lakh)
6.	Profit / (Loss) for the year		
	i. Considered in Consolidation	(₹ 2,139.60 lakh)	(₹ 804.72 lakh)
	ii. Not Considered in Consolidation	-	-

# Report on Corporate Governance

*“Trust - This simple word contains a whole philosophy which was handed down by a man who valued honesty over profit, actions over words and common good over individual gain.”*

- Jamnalal Bajaj

The ethical values is the foundation of Company's governance philosophy which over the past 77 years of the Company's existence has become a part of its culture. We feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. We strongly believe that in business, there is something more important than just top line and bottom line and hence, each of us needs to strive towards producing our very best in all we do so that, we not only fulfill the needs of each and every consumer, but also far exceed their expectations. This is what has set us apart and this may be the very reason that we have been able to enjoy a very special relationship with our consumers. After all, when you strive, with every sinew to be the best you can be, it will show.

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

The Board of Directors is responsible for and committed to sound principles of corporate governance in the Company. The Board of Directors plays a crucial role in overseeing how the management serves the short and long term interests of all the stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

This Report on compliance with the principles of corporate governance as prescribed by SEBI in Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“Listing Regulations”) is given below:

## BOARD OF DIRECTORS

The Board is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board reviews and

approves management's strategic business plan & business objectives and monitors the Company's strategic direction. The Corporate Management Committee of the Company is headed by the Chairman & Managing Director and has business/functional heads as its members, which look after the management of the day-to-day affairs of the Company.

In keeping with the commitment of the management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of Executive and Independent Directors to maintain the independence of the Board and to separate the Board functions of governance and management.

## Composition

The Board comprises of a majority of Independent Directors. It has a good mix of Executive, Non-Executive and Independent Directors including one Woman Director as required under applicable legislation. As on the date of this Report, the Board of Directors of the Company comprises of ten Directors, of whom one is Executive Chairman & Managing Director, one is Executive Joint Managing Director and eight Non-Executive Directors of which seven Directors are Independent (including one Woman Director). The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

During the year under review, the Board of Directors had appointed Shri Anuj Poddar and Shri Siddharth Mehta, as Additional Directors of the Company with effect from 30 May 2016 and recommended their appointment as Independent Directors for the approval of the Members. The Members at the Annual General Meeting (AGM) held on 4 August 2016, approved their appointment as Independent Directors of the Company for a term of five years, effective 30 May 2016.

According to Regulation 17 of the Listing Regulations, in case the Company does not have a regular Non-Executive Chairman, at least half of the Board should consist of independent directors. Table 1 below shows that the Company is in compliance with the requirements.



The details of each member of the Board along with the number of directorship(s)/committee membership(s)/chairmanship(s) and date of joining the Board are provided hereinbelow :

**Table 1:** Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31 March 2017

Name	Category	Date of joining the Board	Directorship in other Companies*	Membership(s) of Committees of other Companies**	Chairmanship(s) of Committees of other Companies**
Shekhar Bajaj	Promoter; Non-Independent; Executive	1-Nov-1984	6	1	-
Anant Bajaj	Promoter; Non-Independent; Executive	1-Feb-2006	2	-	-
Madhur Bajaj	Promoter; Non-Independent; Non-Executive	28-Nov-1994	5	-	-
H.V.Goenka	Independent; Non-Executive	17-Sep-1984	6	-	-
Ashok Jalan	Independent; Non-Executive	18-Jan-1989	4	-	-
V.B.Haribhakti	Independent; Non-Executive	12-Aug-1991	2	-	1
Dr. (Smt.) Indu Shahani	Independent; Non-Executive	31-Mar-2006	4	5	-
Dr. R.P.Singh	Independent; Non-Executive	28-May-2009	3	1	-
Anuj Poddar	Independent; Non-Executive	30-May-2016	-	-	-
Siddharth Mehta	Independent; Non-Executive	30-May-2016	1	-	-

\* Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

\*\* Includes only Audit Committee and Stakeholders' Relationship Committee.

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 ("Act") and Listing Regulations.

#### Appointment and Tenure

The Directors of the Company are appointed by Members at the general meetings. All Directors, except the Chairman & Managing Director and Independent Directors of the Company, retire at the AGM by rotation and, if eligible, offer themselves for re-election. The Chairman & Managing Director and the Joint Managing Director of the Company are appointed for a term of five years as per the requirement of the statute. As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.

- The Independent Directors will serve a maximum of two terms of five years each.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Act.

#### Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of Listing Regulations and Section 149(6) of the Act. Based on the confirmations/disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than Shri Madhur Bajaj are Independent in terms of Regulation 16 of Listing Regulations and Section 149(6) of the Act.

#### Meetings of the Board

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other business. The Board and Board Committees meetings are pre-

scheduled and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance in order to facilitate and assist the Directors to plan their schedules for the meetings. Additional meetings are held, when considered necessary. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is/are confirmed in the next Board meeting.

The notice of the Board meeting is given to all the Directors at least fifteen days before the meeting. Meetings of the Board are held in Mumbai. The agenda for Board and Committees meetings are set by the Company Secretary in consultation with the Chairman of the Board/Committees. The agenda is circulated a week prior to the date of the meeting. The agenda for the Board and Committees meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to the items which are required to be placed before the Board for its noting and/or approval, information is provided on various significant items. In terms of quality and importance, the information supplied by the management to the Board of the Company is far ahead of the list mandated under Schedule II of the Listing Regulations. In addition to the matters statutorily required to be placed before the Board for its approval, all other matters of significant importance are also considered by the Board.

During FY 2016-17, the Board met six (6) times, viz. 30 May 2016, 12 August 2016, 10 October 2016, 10 November 2016, 9 February 2017 and 29 March 2017. The interval between any two meetings was well within the maximum allowed gap of 120 days.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves

quarterly/half yearly unaudited financial statements and the annual audited financial statements, declaration/recommendation of dividend, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance and reviews such other items which require Board's attention viz. quarterly and annual business performance of the Company, the annual report and accounts for adoption by the Members, progress of various functions and businesses of the Company, foreign exchange exposure and steps taken by the management to limit the risks of adverse exchange rate movement, Board Remuneration Policy and individual remuneration packages of Directors, appointing Directors on the Board and members of Management Committee, the Corporate Social Responsibility Policy of the Company and monitoring implementation thereof, the details of risk evaluation and internal controls, monitoring and reviewing board evaluation framework. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations.

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the agenda and convening of the Board and Committees meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises/assures the Board on compliance and governance principles and ensures appropriate recording of minutes of the meetings. The draft minutes of the proceedings of the meetings of the Board/Committees are circulated amongst the members of the Board and Committees. Comments and suggestions, if any, received from the members of the Board and Committees are incorporated in the minutes, in consultation with the Chairman of the Board/Committees. The minutes are confirmed by the members of the Board/Committees at the next Board/Committees meeting.

**Table 2:** Composition of the Board during FY 2016-17

Name of Director	Category	Relationship with other Directors
Shekhar Bajaj	Promoter; Non-Independent; Executive	Father of Anant Bajaj and brother of Madhur Bajaj
Anant Bajaj	Promoter; Non-Independent; Executive	Son of Shekhar Bajaj and nephew of Madhur Bajaj
Madhur Bajaj	Promoter; Non-Independent; Non-Executive	Brother of Shekhar Bajaj and uncle of Anant Bajaj
H.V.Goenka	Independent; Non-Executive	-
Ashok Jalan	Independent; Non-Executive	-

V.B.Haribhakti	Independent; Non-Executive	-
Dr. (Smt.) Indu Shahani	Independent; Non-Executive	-
Dr. R.P.Singh	Independent; Non-Executive	-
Anuj Poddar*	Independent; Non-Executive	-
Siddharth Mehta*	Independent; Non-Executive	-

\* Appointed as an Independent Director w.e.f. 30 May 2016.

### **Pecuniary relationship or transactions of Non-Executive Directors**

During the year under review, there were no pecuniary relationships or transactions with any Non-Executive Directors of the Company except for the sitting fees and commission paid/payable to them for the Board and Committee meetings attended by them, wherever applicable.

The register of contracts is maintained by the Company under Section 189 of the Act and the same is signed by all the Directors present at the respective Board meetings.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard – 18 is set out separately in this Annual Report.

### **Orderly succession to Board and Senior Management**

The Board of the Company satisfied itself that the plans are in place for orderly succession for appointments to the Board and to the Senior Management.

### **Board Diversity Policy**

In compliance with the provisions of Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board has devised a Policy on Board Diversity (“Policy”) with the objective to ensure that the Board is comprised of adequate number of members with diverse experience, knowledge, skills, perspective, background, gender, age and culture, such that it best serves the governance and strategic needs of the Company and the said Policy is approved by the Board. Your Company has over the years been fortunate to have eminent persons from diverse fields as directors on its Board and therefore, the composition of the Board of the Company at present meets with the above objective.

Under the said Policy, the Committee while recommending appointment of directors shall keep in view the following:

- i) The persons being recommended are persons of eminence in areas such as profession, business, industry, finance, law, administration, research etc., and bring with them experience/skills which add value to the performance of the Board with greater diversity.

- ii) Recommendations shall be purely on merit and no discrimination shall be made based on race, colour, religion or gender.

The said Policy is placed on the Company’s website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

### **Independent Directors**

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination and Remuneration Committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment.

None of the Independent Directors serve as “Independent Directors” in more than seven listed companies.

The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act and the Listing Regulations.

In compliance with Schedule IV to the Act & Regulation 25 of the Listing Regulations, during the year under review, one separate meeting of the Independent Directors was held on 29 March 2017, inter-alia, to :

- a) review the performance of Non-Independent Directors and the Board as a whole;
- b) review the performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors; and
- c) assess the quality, quantity and timeliness of flow of information between the Company management and

the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors deliberated on the above and expressed their satisfaction. The meeting was attended by all the Independent Directors.

#### **Induction programme for new Directors and familiarisation programme for Independent Directors**

An appropriate induction programme for new Directors and ongoing familiarisation with respect to the business/working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to him/her which, inter-alia, explains his/her role, function, duties and responsibilities and the Board's expectations from him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Act, SEBI Regulations and other relevant regulations and his/her affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is shared with the organisation structure of the Company, the functioning of various business units and department, the Company's market share and the markets in which it operates, latest annual report, a house magazine on the CSR activities pursued by the Company and other relevant information pertaining to the Company's business.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfil his/her role as a Director of the Company.

As required under Regulation 25 of the Listing Regulations, the Company held various familiarisation programmes for the Independent Directors throughout the year on an ongoing and continuous basis with a view to familiarising the independent directors with the Company's operations. The familiarisation programmes carried out during the year include:-

1. Presentations made by business and functional heads of the Company from time to time on their respective different functional and business areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and Listing Regulations.

The familiarisation programme of the Company for its Independent Directors has been disclosed on the

Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### **Performance Evaluation of the Board, Committees and Individual Directors**

In terms of the requirements of the Act and Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the Directors.

- Based on the revised annual performance evaluation criteria determined in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5 January 2017 and approved by the Board, rating sheets were filled in by each of the directors towards the end of the year with regard to evaluation of performance of the Board, its Committees and Directors (except for the director being evaluated) for the year under review. The criteria are placed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).
- A consolidated summary of the ratings given by each of the directors was then prepared, based on which a report of performance evaluation was prepared by the Chairman in respect of the performance of the Board, its Committees and Directors during the year under review.
- The report of performance evaluation so arrived at was then discussed and noted by the Board.
- As per the report of performance evaluation, the Board shall determine inter-alia whether to continue the term of appointment of the director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the directors and hence the question of taking a decision on their re-appointment did not arise.

Based on the outcome of the evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees.

#### **AUDIT COMMITTEE**

The Company set up its independent Audit Committee way back in 1998. Since then, the Company has been reviewing and making appropriate changes in the composition and working of the Committee from time to time to bring about greater effectiveness and to comply with various requirements under the Act and SEBI Regulations.

As on 31 March 2017, the Audit Committee consisted of Shri V. B. Haribhakti as the Chairman and Shri Ashok Jalan and Dr.(Smt.) Indu Shahani as its members. All members of the Audit Committee are independent, non-executive directors

and possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls. The Company Secretary acts as the secretary to the Audit Committee.

The terms of reference of the Audit Committee are extensive and as stated below, go beyond what is mandated in Regulation 18 of the Listing Regulations and Section 177 of the Act.

Role & Responsibilities of Committee:

- a) Hold discussions with the Auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems;
- b) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- c) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditor and their terms of appointment;
- d) Reviewing with the management the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on –
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - Any changes in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on exercise of judgement by management.
  - Qualifications in draft audit report.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with listing and other legal requirements concerning financial statements.
  - Disclosure of any related party transactions, i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may

have potential conflict with the interests of the Company at large.

- e) Monitoring the end use of funds raised through public offers and related matters;
- f) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- g) Approval or any subsequent modification of transactions of the Company with related parties;
- h) Scrutiny of inter-corporate loans and investments;
- i) Valuation of undertakings or assets of the Company, wherever it is necessary;
- j) Reviewing with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
- k) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- l) Discussion with internal auditors on any significant findings and follow up thereon;
- m) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- n) Discussion with the statutory auditors before the audit commences on the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- o) Reviewing of Company's financial controls and risk management systems;
- p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- q) Review the functioning of the whistle blower mechanism;
- r) Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- s) Carrying out any other function as may be required by the Board.



The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

During FY 2016-17, the Audit Committee met five (5) times i.e. on 30 May 2016, 12 August 2016, 10 November 2016, 9 February 2017 and 29 March 2017. The meetings were scheduled well in advance. In addition to the members of the Audit Committee, these meetings were attended by other Directors as invitees, the heads of finance, internal audit functions and the statutory auditors of the Company and those executives who were considered necessary for providing inputs to the Committee.

Shri V. B. Haribhakti, Chairman of the Audit Committee was present at the AGM of the Company held on 4 August 2016 to answer shareholders' queries.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is governed by a Charter. As on 31 March 2017, the Nomination and Remuneration Committee consisted of Shri V. B. Haribhakti as the Chairman and Shri Ashok Jalan and Dr. (Smt.) Indu Shahani as its members. All the members of the Committee are Independent Directors.

The terms of reference of the Committee are as under:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
2. To carry out evaluation of every director's performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

4. While formulating the policy, to ensure that –
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
5. To take into account financial position of the Company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders;
6. To lay down/formulate the evaluation criteria for performance evaluation of independent directors and the Board;
7. To devise a policy on Board diversity;
8. To undertake specific duties as may be prescribed by the Board from time to time;
9. To engage/retain advisors, at the expense of the Company, to assist in connection with its functions, if necessary;
10. To determine the quantum of stock options to be granted to the employees under Company's Employee Stock Option Plan (ESOP) determine eligibility for grant of stock option; decide the procedure for making a fair and reasonable adjustment in case of corporate actions; procedure and terms for the grant, vest and exercise of stock option; procedure for cashless exercise of stock options, etc.

During the year under review, the Committee met four (4) times i.e. on 30 May 2016, 12 August 2016, 10 November 2016 and 29 March 2017.

Shri V. B. Haribhakti, Chairman of the Nomination and Remuneration Committee was present at the AGM of the



Company held on 4 August 2016, to answer shareholders' queries.

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprises of Shri V. B. Haribhakti as its Chairman and Dr. (Smt.) Indu Shahani, as its member, both Independent Directors.

The Committee is entrusted with the responsibility of addressing the shareholders' and investors' complaints, if any, with respect to transfer and transmission of shares, non-receipt of annual report, non-receipt of declared dividend, payment of unclaimed dividends, to facilitate better security holders services and relations, etc.

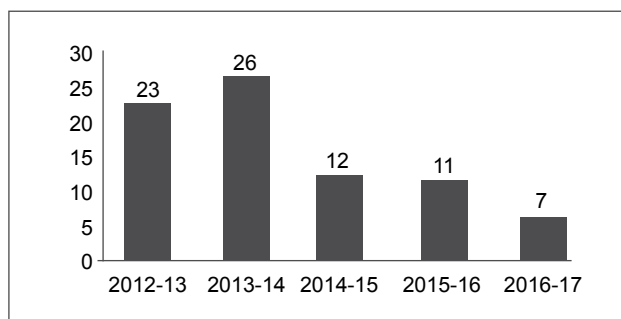
Shri Mangesh Patil, EVP – Legal & Taxation and Company Secretary has been designated as Compliance Officer of the Company.

Shri V. B. Haribhakti, Chairman of Stakeholders' Relationship Committee was present at the AGM of the Company held on 4 August 2016, to answer shareholders' queries.

**Table 3:** Complaints attended & resolved during FY 2016-17:

Investors Complaints	Attended/ Resolved
Pending at the beginning of the year	Nil
Received during the year	7
Disposed of during the year	7
Remaining unresolved at the end of the year	Nil

Trend of shares related complaints during last 5 years:



At every meeting of the Board, the Compliance Officer provides to the Directors, status as to the shareholders' grievances, which is taken on record by the Board.

Since all the complaints of the shareholders were resolved at the executive level, the Committee had no occasion to

consider the unresolved complaints from the shareholders during FY 2016-17.

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

The CSR Committee of the Company comprises of Shri Shekhar Bajaj as its Chairman and Shri Anant Bajaj and Dr. (Smt.) Indu Shahani, as its members.

The Committee's responsibilities with regard to corporate social responsibility matters include:

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

During the year under review, the Committee met two (2) times i.e. on 10 October 2016 and 29 March 2017.

The CSR Policy statement and the CSR Report forms part of the Board's Report to the Members of the Company.

## COMMITTEE FOR ALLOTMENT OF SHARES UNDER ESOPS

The Committee for allotment of shares under ESOPs has been constituted as per the requirement of relevant regulations to expedite the process of allotment and issue of

shares to the eligible employees of the Company under the ESOPs of the Company. The Share Allotment Committee comprises of three Directors viz. Shri Shekhar Bajaj, Shri Anant Bajaj and Shri Ashok Jalan as its members. The Company Secretary acts as the convenor of the Committee.

## ATTENDANCE RECORD OF DIRECTORS AT BOARD & COMMITTEES MEETINGS AND LAST AGM

**Table 4:** Details of attendance of Directors at the Board and Committees meetings and AGM held during FY 2016-17.

Name	Board	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Share Allotment Committee	Independent Directors' Meeting	Whether attended last AGM
Shekhar Bajaj	6 / 6	NA	NA	2 / 2	5 / 5	NA	Yes
Anant Bajaj	6 / 6	NA	NA	2 / 2	5 / 5	NA	Yes
Madhur Bajaj	6 / 6	NA	NA	NA	NA	NA	Yes
H.V.Goenka	4 / 6	NA	NA	NA	NA	1 / 1	Yes
Ashok Jalan	6 / 6	5 / 5	4 / 4	NA	5 / 5	1 / 1	Yes
V.B.Haribhakti	6 / 6	5 / 5	4 / 4	NA	NA	1 / 1	Yes
Dr. (Smt.) Indu Shahani	3 / 6	3 / 5	3 / 4	2 / 2	NA	1 / 1	Yes
Dr. R.P.Singh	6 / 6	NA	NA	NA	NA	1 / 1	Yes
Anuj Poddar	5 / 6	NA	NA	NA	NA	1 / 1	Yes
Siddharth Mehta	6 / 6	NA	NA	NA	NA	1 / 1	Yes

## REMUNERATION POLICY/REMUNERATION OF DIRECTORS

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

### a) Non-Executive Directors' remuneration

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company.

The remuneration of the Non-Executive Directors is determined within the limits prescribed under Section 179 read with the rules framed thereunder and Schedule V to the Act and Listing Regulations.

The Non-Executive Directors of the Company receive remuneration by way of sitting fees for attending the

Board and Committee Meetings and Commission as detailed below:

- (i) Sitting fees of ₹ 1,00,000/- for each meeting of the Board and Audit Committee, and ₹ 50,000/- for each meeting of other Committees attended by the Director, as approved by the Board of Directors within the overall limits prescribed under the Act;
- (ii) Pursuant to the approval of the Members in AGM held on 31 July 2014, payment of commission on an annual basis, of ₹ 1,00,000/- for each meeting of the Board and Audit Committee attended by the Director, subject to the ceiling of 1% of the net profit of the Company prescribed under the Act;
- (iii) Reimbursement of traveling and other related expenses incurred by the Non-Executive Directors for attending the Board and Committee meetings;
- (iv) The Independent Directors of the Company are not entitled to participate in the ESOPs of the Company.

The service contract, notice period and severance fees are not applicable to Non-Executive Directors.

**Table 5:** Details of remuneration paid to Non-Executive Directors during the year by way of sitting fees and commission:  
 (Amount in ₹)

Name of Director	Sitting Fees (Gross)	Commission (Gross) (Refer Note below)	Total
H. V. Goenka	4,50,000	3,50,000	8,00,000
Ashok Jalan	16,00,000	6,00,000	22,00,000
V. B. Haribhakti	13,50,000	6,00,000	19,50,000
Madhur Bajaj	6,00,000	2,00,000	8,00,000
Dr. (Smt.) Indu Shahani	9,00,000	4,00,000	13,00,000
Dr. R. P. Singh	6,50,000	3,00,000	9,50,000
Anuj Poddar	5,50,000	-	5,50,000
Siddharth Mehta	6,50,000	-	6,50,000

*Note: Commission relates to FY 2015-16 which was paid during the financial year under review. Commission for FY 2016-17 has been provided as payable to NEDs in the accounts for the year ended 31 March 2017, based on the number of meetings of the Board and Audit Committee attended by them.*

As on the date of this report, Shri Madhur Bajaj holds 2125035 equity shares in the Company. None of the other Non-Executive Directors holds any shares in the Company.

**b) Executive Directors' remuneration**

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the Executive Directors. Salaries paid to Executive Directors namely Shri Shekhar Bajaj, Chairman & Managing Director and Shri Anant Bajaj, Joint Managing Director of the Company are within the range approved by the Shareholders. The Commission paid/payable to the Chairman & Managing Director and Joint Managing Director is calculated at the rate of 2% and 1%, respectively, with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year, subject to the overall ceilings stipulated in Section 197 of the Act.

Executive Directors are entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which forms part of the perquisites allowed to them. The terms of Managing Director and Joint Managing Directors do not exceed five years.

The Company has no stock option plans for the promoter executive directors/non-executive directors and hence, it does not form part of the remuneration package payable to them.

During FY 2016-17, the Company did not advance any loans to any of the non-executive directors and/or executive directors.

Details of remuneration paid/payable to directors during FY 2016-17 are provided in the Annexure to the Directors' Report in 'Form MGT-9'.

**c) Remuneration Policy for the Key Managerial Personnel and the Corporate Management Committee members**

Remuneration of Key Managerial Personnel and the Corporate Management Committee members largely consists of basic salary, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him/her, his/her annual performance, etc. The performance pay policy links the performance pay of each officer to his/her individual, business unit and overall Company's performance on parameters aligned to the Company's objectives.

**SHAREHOLDING OF DIRECTORS**

Information on shares held by directors in the Company as on 31 March 2017 is provided in the Annexure to the Directors' Report in 'Form MGT - 9'.

**SUBSIDIARIES**

The Company has no subsidiary as on 31 March 2017. Also, the Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the

Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year.

However, as an abundant precaution, on the recommendations of the Audit Committee, the Board of Directors in its meeting held on 31 July 2014 adopted a Policy for Determining 'Material' Subsidiaries and its approval/reporting mechanism ('Policy'). The said Policy has been displayed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### RELATED PARTY TRANSACTIONS (RPTs)

During FY 2016-17, the RPTs were placed before Audit Committee for its prior approval. A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year. Suitable disclosures, as required by the Accounting Standard - 18 have been made in the financial statements.

Details of 'material' transactions, if any, with the related parties are disclosed quarterly along with the compliance report on Corporate Governance.

There were no material transactions entered into with related parties, during the year under review, which may have had any potential conflict with the interests of the Company.

A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board and the same is placed on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

#### DISCLOSURE OF MATERIAL TRANSACTIONS

Under the provisions of the Listing Regulations, senior management personnel are required to make periodical disclosures to the Board relating to all material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. Provision regarding the above has been adhered to during the year.

#### CODE OF BUSINESS CONDUCT & ETHICS

The Board of Directors has approved a Code of Business Conduct & Ethics ("the Code") which is applicable to the Members of the Board and to all employees. The Code is the Company's statement of values and represents the standard of conduct which all the directors and employees are expected to observe in their business endeavors and reflects the Company's commitment to the principles of integrity, transparency and fairness.

The Code is available on the website of the Company [www.bajajelectricals.com](http://www.bajajelectricals.com). All directors and senior management personnel have affirmed compliance with the Code for FY 2016-17. All employees were required to confirm on e-module compliance to the Code. A declaration to this effect signed by the Chairman & Managing Director is given below:

To the Members of Bajaj Electricals Limited

#### Sub: Compliance with Code of Business Conduct & Ethics

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that, to the best of my knowledge and belief, all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Business Conduct & Ethics for the year ended 31 March 2017.

Date: 29 May 2017

Place: Mumbai

Shekhar Bajaj  
Chairman & Managing Director

#### CODE FOR PREVENTION OF INSIDER TRADING PRACTICE

The Company had in place a 'Code of Conduct for Prevention of Insider Trading', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. These regulations have been substituted by SEBI with a new set of Regulations, which came into effect from 15 May 2015.

Accordingly, the Board at its meeting held on 23 March 2015, approved and adopted,

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and
- b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons.

The said Codes are posted on Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com) and are being adhered to with effect from 15 May 2015.

## **INTERNAL CONTROLS AND RISK MANAGEMENT FRAMEWORK**

The Company has robust systems for internal audit. The internal audit covers all the factories, branch offices, warehouses and businesses and functions controlled centrally. The annual internal audit cover plan is approved by the Audit Committee at the beginning of every year. Every quarter, the Audit Committee of the Board is presented with key control issues and actions taken on past issues.

Pursuant to Regulation 21 of the Listing Regulations, the provision in respect of forming Risk Management Committee is not applicable to the Company. However, the Company also has in place a mechanism to inform Board about the risk assessment and minimisation procedures and periodical review to ensure that executive management controls risk through means of a properly defined framework.

A detailed note on risk management is given in the Management Discussion and Analysis section of the Board's Report.

## **WHISTLE BLOWER POLICY/VIGIL MECHANISM AND AFFIRMATION**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for any whistle blower to raise concerns about any poor or unacceptable practice and any event of misconduct.

Pursuant to Section 177(9) of the Act, the Board of Directors at its meeting held on 12 February 2015, amended the existing Whistle Blower Policy ("Policy") to extend its applicability to other persons dealing with the Company viz. contractors, vendors, customers and business consultants in addition to employees and directors.

The Policy provides a mechanism for the directors, employees or such other persons having dealings with the Company to report to the management, without fear of victimisation, any unethical behavior, suspected or actual fraud, violation of the Code of Conduct, etc. which are detrimental to the Company's interest. This mechanism provides safeguards to the whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board. The Directors in all cases

& employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The Policy has been appropriately communicated to the employees within the organisation and posted on the Company's website: [www.bajajelectricals.com](http://www.bajajelectricals.com).

## **DISCLOSURES**

### **i. Accounting treatment**

In the preparation of financial statements, the Company has not followed a treatment different from that prescribed in the Accounting Standards.

### **ii. Audit qualifications**

The Company always endeavors to present unqualified financial statements. There are no audit qualifications in the Company's standalone financial statements for the year under review.

The Board of Directors of the Company have provided appropriate explanation on the qualification and reservation or adverse remark or disclaimer made by the Auditors in their Report on consolidated financial statements based on the qualified opinion expressed by the auditors of Hind Lamps Limited, the associate of the Company, with regards to the recognition of deferred tax assets in absence of convincing evidence of availability of adequate future taxable profits to demonstrate virtual certainty of reversal of such deferred tax assets. The impact of the qualified opinion is insignificant.

### **iii. Disclosure of pending cases and instances of non-compliance**

There were no instances of non-compliance by the Company, nor has there been any penalties and strictures imposed on the Company by the stock exchanges or SEBI or any other statutory authority/regulatories on any matter related to capital markets, during the last three years.

### **iv. CEO/CFO certification**

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations. The joint certificate from CEO and CFO is contained in this Annual Report.

### **v. Report on corporate governance**

This section, read together with the information given in the Directors' Report, Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on corporate governance during FY 2016-17.



**vi. Auditors' certificate on corporate governance**

The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in Regulation 34 of the Listing Regulations. This Certificate is contained in this Annual Report and will be sent to the stock exchanges along with the Annual Report to be filed by the Company.

**vii. Compliance of discretionary requirements specified under Regulation 27 of the Listing Regulations**

The Company is complying with all the mandatory requirements of the Listing Regulations. The Company has also complied with the discretionary requirement with respect to the regime of financial statements with unmodified audit opinion.

**MEANS OF COMMUNICATION**

i. **Quarterly results:** Quarterly results of the Company are submitted to stock exchanges and are displayed on the Company's website: [www.bajaelectricals.com](http://www.bajaelectricals.com) and extract thereof published in the newspapers namely 'Free Press Journal' and 'Navshakti'. The official press release is also issued.

ii. **Annual audited financial results:** The Company publishes the annual audited financial results within the stipulated period of sixty days from the close of the financial year as required under the Listing Regulations and hence, the unaudited results for the last quarter of the financial year are not published.

The annual financial results are also communicated to the stock exchanges where the Company's shares are listed and displayed on the Company's website; whereas extracts thereof are published in the newspapers.

iii. **News releases, presentations, etc.:** Official news releases and media releases are sent to the stock exchanges.

iv. **Presentation to institutional investors / analysts:** Detailed presentations are made to institutional investors and financial analysts, on the unaudited quarterly financial results as well as the annual audited financial results of the Company.

v. **Electronic communication to promote green initiatives:** Sections 20 & 129 of the Act read with the Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically on the registered members'/ shareholders' email addresses.

The Company, during the year under review, sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report, etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form, upon request.

vi. **Website:** The Company's website [www.bajaelectricals.com](http://www.bajaelectricals.com) contains a separate dedicated section 'Investor Relations' where shareholders information is available.

Amongst others, the Company also files the information, statements and reports on its website as specified by SEBI under Regulations 30, 46 and 62 of the Listing Regulations.

vii. **Annual Report:** Annual Report containing, inter-alia, audited annual accounts, directors' report, auditors' report and other information is circulated to members and others entitled thereto.

viii. **Reminder to investors:** Reminders for unclaimed dividend are sent to the shareholders as per records every year.

ix. **NSE Electronic Application Processing System (NEAPS):** NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are filed electronically on NEAPS.

x. **BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are filed electronically on the Listing Centre.

xi. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of action taken reports by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

**FOREIGN CURRENCY EXPOSURE AND ITS HEDGING**

The Company has following foreign exchange exposure in its books:



- a) Liability towards imports for purchases of goods and services.
- b) Liability towards foreign currency loans such as buyers credit, foreign currency term loans, etc.
- c) Liability towards royalty payable for use of 'morphy richards' brand.
- d) Forex exposure in terms of receivables against its exports made to various countries.

The Company has EEFC account with the bank to reduce the impact of foreign exchange exposure to a certain extent. For other liabilities and loans, the Company takes forward cover, either in part or in full, to hedge the liability as and when it considers appropriate to do so.

### COMMODITY PRICE RISK

The Company deals in the lighting products, small consumer durables appliances and fans which it largely procures from other vendors, while a small quantity of ceiling fans are produced in-house. The terms of payment with vendors are on cost plus basis. The Company is also into EPC segment, wherein it takes turnkey contracts for transmission line towers, high masts and poles, street lighting, etc. This exposes the Company to commodity price risk for products such as copper, aluminium, plastic, steel, zinc, etc.

Presently, the Company does not hedge its exposure to commodity price risks.

### NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of the registered shareholder(s). The prescribed nomination form (SH-13) will be sent by the share transfer agent of the Company upon such request and is also available on the Company's website. Nomination facility for shares held in electronic form is also available with depository participant as per the bye-laws and business rules applicable to NSDL and CDSL.

### VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Act and the Rules made thereunder, every listed company is required to provide its members facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with CDSL, the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of AGM, through such e-voting method. Further, in accordance with the amended Companies (Management & Administration) Rules, 2014, the Company shall also be making arrangements to provide for voting facility at the venue of the AGM to those shareholders who have not cast their vote through remote e-voting.

Those shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

The cut-off date for e-voting, as per the amended Rules, shall be 28 July 2017 and the remote e-voting shall open for a period of three (3) days, from 31 July 2017 (10.00 a.m.) till 2 August 2017 (5.00 p.m.). The Board has appointed M/s. Anant B. Khamankar & Co., Practicing Company Secretaries as scrutinizer for scrutinizing the remote e-voting process as well as voting through ballot paper at the AGM, in a fair and transparent manner.

Detailed procedure is given in the Notice of the AGM. Shareholders may get in touch with the Company Secretary for further assistance.

### GENERAL SHAREHOLDER INFORMATION

#### (a) Company Information Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L31500MH1938PLC009887.

#### (b) Information on General Body Meetings

##### i. Seventy Eight (78th) Annual General Meeting:

Day, date, time and venue	Thursday, the 3 August 2017 at 11.30 A.M. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020
Last date for receipt of proxy forms	Tuesday, the 1 August 2017 (before 11.30 A.M. at the Registered Office of the Company)
Book closure dates	29 July 2017 to 3 August 2017 (both days inclusive)

## ii. Previous three Annual General Meetings:

AGM	Financial Year	Day, Date & Time of AGM	Venue of Meeting
75th AGM	2013-14	Thursday, 31 July 2014, at 11.30 A.M	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021
76th AGM	2014-15	Thursday, 6 August 2015, at 12.30 P.M	
77th AGM	2015-16	Thursday, 4 August 2016, at 11.00 A.M.	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020

## iii. Details of special resolution(s) passed during the previous three AGMs:

No special resolution was passed at the general meetings held during the previous three AGMs.

None of the businesses proposed to be transacted in the ensuing AGM require passing a special resolution through postal ballot.

## iv. Details of special resolution(s) passed through postal ballot during the previous year:

During FY 2016-17, a special resolution was passed through postal ballot to approve the re-appointment of Shri Anant Bajaj as the Joint Managing Director of the Company and remuneration payable to him

Particulars	Total number of Shares	Percentage (%)
Total number of shares polled in FAVOUR of Special Resolution	44973842	99.96
Total number of shares polled AGAINST Special Resolution	18571	0.04
Total number of valid votes	44992413	100.00

The Company conducted the postal ballot exercise in the manner provided under the provisions of Section 110 and other applicable provisions, if any, of the Act read together with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Company had provided electronic voting ("remote e-voting") facility as an alternate, to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company had engaged the services of CDSL to provide e-voting facility to its Members.

The notice of postal ballot was accompanied with detailed instructions kit to enable the members to understand the procedure and manner in which postal ballot voting (including remote e-voting) to be carried out.

The Board Meetings for approval of financial results during the year ended 31 March 2017 were held on the following dates:

First Quarter Results	12 August 2016
Second Quarter and Half Yearly Results	10 November 2016
Third Quarter Results	9 February 2017
Fourth Quarter and Annual Results	29 May 2017

(c) **Financial calendar: Financial Year – 1 April to 31 March**

The tentative dates of Board Meetings for consideration of financial results for FY 2017-18 are as follows:

First Quarter Results	First Week of August 2017
Second Quarter and Half Yearly Results	Second Week of November 2017
Third Quarter Results	Second Week of February 2018
Fourth Quarter and Annual Results	Fourth Week of May 2018

(d) **Dividend, Dividend payment date & mode of payment**

## i) Dividend:

The Board of Directors of the Company has proposed a dividend of ₹ 2.80 per equity share (140 per cent) for the financial year 2016-17, subject to approval by the shareholders at the

ensuing AGM. Dividend paid in the previous year was also ₹ 2.80 per equity share (140 per cent).

ii) Dividend payment date:

Dividend on equity shares, if declared at the AGM, will be credited/dispatched within 30 days from 3 August 2017 :-

- a) to all those beneficial owners holding shares in electronic form, as per the ownership data made available to the Company by NSDL and CDSL as of the close of business hours on Friday, 28 July 2017; and
- b) to all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company on or before the close of business hours on Friday, 28 July 2017.

iii) Mode of Payment:

As per the Listing Regulations, the Company shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Where dividend payments are made through electronic mode, intimations regarding such remittance would be sent separately to the members. Where the dividend cannot be paid through electronic mode, the same will be paid by warrants with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on the warrants.

For enabling the payment of dividend through electronic mode, members holding shares in

physical form are requested to furnish, updated particulars of their bank account, to the share transfer agent of the Company i.e., Link Intime India Private Limited along with a photocopy of a 'cancelled' cheque of the bank account and self-attested copy of PAN card.

Beneficial owners holding shares in electronic form are requested to furnish their bank account details to their respective depository participants and make sure that such changes are recorded by them correctly. The request for updation of particulars of bank account should be signed as per the specimen signature registered with Link Intime/depository participants, as the case may be.

**(e) Unclaimed Dividends/Shares**

The shareholders who have not encashed their dividend warrants for the years 2009-10 onwards are requested to claim the amount from the Company.

As required under Section 124(5) of the Act, all unpaid or unclaimed dividends for a period of seven (7) years are transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unpaid/unclaimed dividend for 2009-10 shall become transferable to the IEPF in August 2017. Shareholders are requested to verify their records and send claims, if any, before the amount becomes due for transfer to the IEPF.

As per the IEPF Rules, the Company regularly upload on its website as also on the website of the Ministry of Corporate Affairs, Government of India, full details of all pending unpaid or unclaimed dividends.

**Table 6:** Details of unclaimed dividends as on 31 March 2017 are as under:

Financial Year	Dividend Type	Amount of Dividend (₹)	Dividend Unclaimed (₹)	Unclaimed (%)	Due date for transfer to IEPF
2009-10	Final	23,56,33,188.00	9,25,586.40	0.39	27.08.2017
2010-11	Final	27,88,02,930.00	14,39,653.60	0.52	27.08.2018
2011-12	Final	27,90,75,454.00	11,89,493.20	0.43	25.08.2019
2012-13	Final	19,95,10,662.00	8,94,954.00	0.45	05.09.2020
2013-14	Final	15,04,09,971.00	9,33,880.50	0.62	30.08.2021
2014-15	Final	15,12,20,994.00	9,71,971.50	0.64	05.09.2022
2015-16	Interim	28,26,57,132.80	19,37,955.60	0.69	09.04.2023

As per Section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall also be transferred to IEPF. Ministry of Corporate Affairs vide its notifications dated 5 September 2016 and 28 February 2017 has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 respectively (together referred to as the "Rules") containing, inter-alia, the provisions for transfer of such shares to an 'IEPF Suspense Account'.

Pursuant to the said Rules, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to IEPF Suspense Account as per the procedure stipulated in the Rules. The details of shares transferred to IEPF Suspense Account shall be made available on the website of the Company.

The shareholders whose amounts and shares are transferred to IEPF as above, are entitled to get refund of the dividend and claim the transfer of shares from IEPF after complying with the provisions of Rule 7 of the said Rules. For the ready reference of the shareholder, the Rules are made available under the 'Investors' section on the website of the Company.

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

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

**(f) Listing on stock exchanges & stock code**

Shares of the Company are currently listed on the following stock exchanges:

Name	Address	Stock Code
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	500031
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051	BAJAJELEC

The ISIN Number allotted to the Company's equity shares of face value of ₹ 2 each under the depository (NSDL and CDSL) system is INE193E01025.

For FY 2017-18, the Company has paid annual listing fees to both the stock exchanges and annual custody/issuer fees to both the depositories.

**(g) Market Price Data**

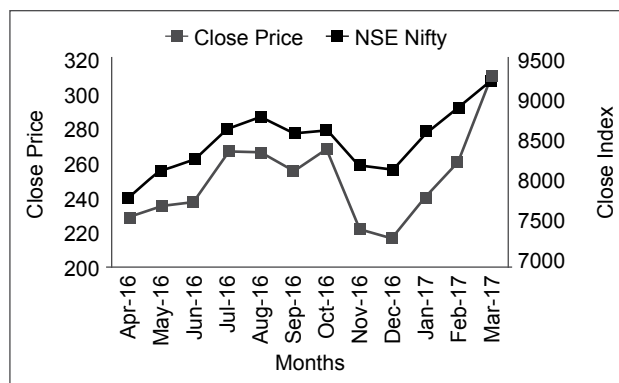
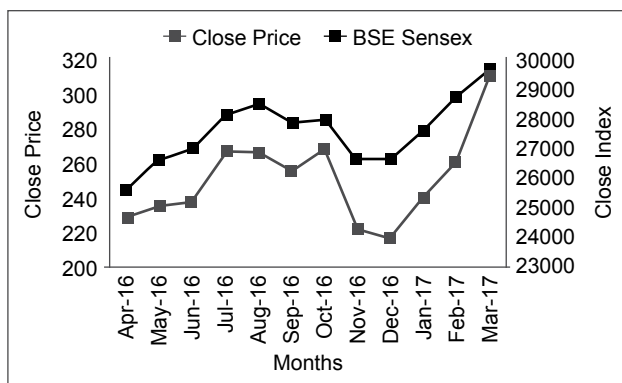
**Table 7:** Monthly high and low prices and trading volumes of the Company's equity shares at BSE and NSE during FY 2016-17:

Month	BSE			NSE		
	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)	No. of shares traded
Apr 2016	234.90	186.05	1091538	235.00	185.10	6305703
May 2016	257.00	223.80	1206045	256.95	224.00	8323978

Jun 2016	239.25	209.30	587772	239.70	205.95	3299916
Jul 2016	270.60	231.80	1153251	270.80	228.50	4934649
Aug 2016	280.00	243.00	1427799	282.00	242.60	5206368
Sep 2016	277.25	243.20	379112	277.50	245.05	1747344
Oct 2016	269.40	252.50	1182932	272.00	254.00	3287461
Nov 2016	268.20	202.50	551020	268.50	202.00	2716807
Dec 2016	225.00	203.80	172422	225.35	204.00	1229699
Jan 2017	247.20	217.00	1559358	249.35	216.00	2443829
Feb 2017	272.00	240.00	927438	272.00	238.80	3851628
Mar 2017	334.90	255.75	2880803	329.80	255.25	11877289

(Source: BSE and NSE Websites)

Share Price Performance in comparison to broad based indices – BSE Sensex & NSE Nifty:



#### (h) Share Transfer system

Share transfers received by the Share Transfer Agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects and the shares under transfer are not under any dispute.

#### (i) Reconciliation of Share Capital Audit

As required by SEBI, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The auditors' certificate in regard to the same is submitted to BSE and NSE and is also placed before the Board of Directors.

#### (j) Distribution of shareholding

**Table 8:** Distribution of shareholding across categories

Categories	31 March 2017		31 March 2016	
	No. of shares	% of total capital	No. of shares	% of total capital
Promoters	64218485	63.40	64218485	63.61
Foreign Institutional Investors	7646921	7.55	8782879	8.70
Mutual Funds	6829057	6.74	5836728	5.78
Nationalised and other banks and Financial Institutions	62370	0.06	83282	0.08
NRIs and OCBs	980582	0.97	1103429	1.10
Others	21552761	21.28	20924173	20.73
<b>Total</b>	<b>101290176</b>	<b>100.00</b>	<b>100948976</b>	<b>100.00</b>

**Table 9:** Distribution of shareholding according to size class as on 31 March 2017

Categories	No. of shareholders	% to total shareholders	No. of shares	% to total shares
1 to 500	26777	87.20	2636170	2.60
501 to 1000	1563	5.09	1247936	1.23
1001 to 2000	980	3.19	1473929	1.46
2001 to 3000	420	1.37	1078540	1.06
3001 to 4000	160	0.52	578303	0.57
4001 to 5000	164	0.53	769508	0.76
5001 to 10000	282	0.92	2075124	2.05
10001 and above	362	1.18	91430666	90.27
<b>Total</b>	<b>30708</b>	<b>100.00</b>	<b>101290176</b>	<b>100.00</b>

**Dematerialisation of shares and liquidity**

As on 31 March 2017, 98923975 (97.66%) equity shares of the Company were held in dematerialised form, compared to 98779305 (97.85%) equity shares as on 31 March 2016. Shares held in physical and electronic mode as on 31 March 2017 are given in Table 10 herein below.

**Table 10:** Shares held in physical and electronic mode

	Position as on 31 March 2017		Position as on 31 March 2016		Net change during 2016-17	
	No. of shares	% of total share holding	No. of shares	% of total share holding	No. of shares	% of total share holding
Physical (A)	2366201	2.34	2169671	2.15	196530	0.19
Demat (B)						
NSDL	96069742	94.84	94835324	93.94	1234418	0.90
CDSL	2854233	2.82	3943981	3.91	(1089748)	(1.09)
Sub-Total (B)	98923975	97.66	98779305	97.85	144670	(0.19)
<b>Total (A) + (B)</b>	<b>101290176</b>	<b>100.00</b>	<b>100948976</b>	<b>100.00</b>	<b>341200</b>	<b>-</b>

(k) **Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity :** Not Applicable

**(l) Address for Correspondence**

All Shareholders' correspondence should be forwarded to Link Intime India Private Limited, the Registrar & Share Transfer Agents of the Company or to the Legal & Secretarial Department of the Company at the following addresses:

Link Intime India Private Limited C101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083. Tel.No.: 022-4918 6000 Fax No.: 022-4918 6060 E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.com">www.linkintime.com</a>	Mangesh Patil, Compliance Officer Legal & Secretarial Department Bajaj Electricals Limited 45/47, Veer Nariman Road, Mumbai 400 001 Tel.No.: 022-6110 7800 / 6149 7000 E-mail: <a href="mailto:legal@bajajelectricals.com">legal@bajajelectricals.com</a> Website: <a href="http://www.bajajelectricals.com">www.bajajelectricals.com</a>
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(m) **Debenture Trustee** : Axis Trustee Services Limited  
 2nd Floor 'E', Axis House, Bombay Dyeing Mills Compound,  
 Pandurang Budhkar Marg, Worli, Mumbai – 400 025  
 Tel. No.: 022-2425 5215/5216, Fax: 022-2425 4200  
 Email: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)  
 Website: [www.axistrustee.com](http://www.axistrustee.com)

(n) **Factories/Plants Location**

Chakan Unit	Ranjangaon Unit	Wind Farm
Village Mahalunge, Chakan, Chakan Talegaon Road, Tal: Khed, Dist: Pune, Maharashtra – 410 501	MIDC – Ranjangaon Village : Dhoksanghavi Tal: Shirur, Dist: Pune Maharashtra – 412 210	Village Vankusawade Tal: Patan Dist: Satara Maharashtra – 415 206

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF  
 CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of Bajaj Electricals Limited

We have examined the compliance of conditions of Corporate Governance by Bajaj Electricals Limited, for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For Dalal & Shah LLP  
 Firm Registration Number: 102021W/W100110  
 Chartered Accountants

Anish Amin  
 Partner

Membership Number: 40451

Place: Mumbai  
 Date: May 29, 2017

**CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

The Board of Directors,  
Bajaj Electricals Limited  
Mumbai.

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

- (a) We have reviewed the financial statement and the cash flow statement for the financial year ended 31 March 2017 and to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Business Conduct Ethics.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies, in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Auditors and Audit Committee :-
- a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarise and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
  - b. Any significant changes in internal controls during the year covered by this report;
  - c. Any significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements; and
  - d. Any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.
- (e) We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
- (f) We hereby declare that all the members of the Board of Directors and Corporate Management Committee have confirmed compliance with the Code of Business Conduct & Ethics for the year covered by this report.

Mumbai, May 29, 2017

Shekhar Bajaj  
Chairman & Managing Director and CEO

Anant Purandare  
President & CFO

# Management Discussion and Analysis

The Management Discussion and Analysis presented in this Annual Report focuses on reviewing the performance of the Company for FY 2016-17, the financial statements of which have been prepared in compliance with the requirements of the provisions of the Companies Act, 2013 (“Act”) read with applicable rules, guidelines issued by the Securities and Exchange Board of India and the Indian Accounting Standards. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

## ECONOMY

In the aftermath of the global financial crisis that surfaced in 2008, the economic recovery in most advanced nations remained fragile over past several years. The rise in median income levels was muted and job markets took longer than expected to absorb the shocks of the financial crisis. On this backdrop, the “Zero-Sum” policy approaches seemed to be gathering a pace of late in some advanced economies. National referendums in some advanced economies clearly shifted in favour of economic protectionism. This trend has a potential of causing disruptions in the collaborative trade policies and practices that fueled growth in the past.

Amidst such a vastly changing geopolitical environment, the global economy registered a flat growth of 3.1% in 2016. Change in the regime and unwinding of ultra-accommodative monetary policy in the world’s largest economy, the USA, caused massive disruptions in the global currency markets. Emerging market currencies depreciated sharply against US\$. Developing countries dependent on exports were impacted in particular due to currency jitters.

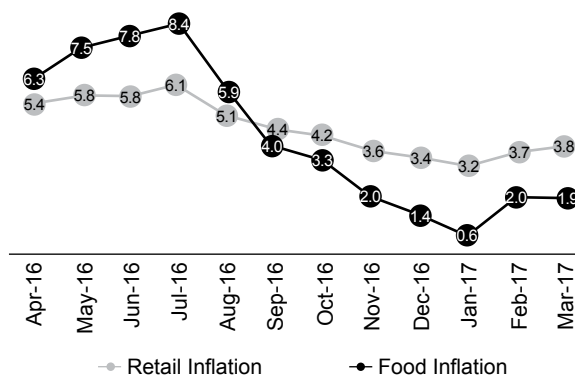
On the brighter side, job market situation seemed to have improved in the USA and disinflationary risks have begun to fade away gradually. Stable growth in the USA and China and restored optimism about the growth prospects of the Eurozone resulted in a sharp rebound in the commodity cycle. Revival in the trade and investment cycle is likely to support the global growth in future.

International Monetary Fund (IMF) expects the global economy to grow at 3.5% in 2017 and 3.6% in 2018.

Back home, the economic growth was affected by global as well as domestic factors.

Belaying the fears of economic slowdown on account of demonetisation, the Indian economy grew at 7.1% (*source: CSO Estimates*) in FY 2016-17 to continue its status as the world’s fastest growing major economy. In the wake of satisfactory monsoon, the agriculture sector witnessed a strong revival thereby offsetting for the sluggish growth recorded by the industry. Higher government spends on infrastructure, benign inflation and improving employment conditions, especially in the rural economy, made India less prone to global shocks.

## Moderate retail inflation — a precursor to high economic growth?



(Source: CSO)

India’s Current Account Deficit (CAD) position remained comfortable and despite the massive outflows on account of maturity of Foreign Currency Non-Repatriable (FCNR) deposits, Indian Rupee emerged as one of the strongest emerging market currencies. India has about 11-12 months of import cover.

Indian Government successfully pushed through some of the key legislative reforms such as GST and new bankruptcy code in FY 2016-17. This created a new level of optimism about the prospects of Indian economy. Notwithstanding, the temporary disruptions caused by demonetisation, the government’s tax revenues grew by 18% in FY 2016-17 (*Source: Ministry of Finance*) — pointing at the buoyancy of the economy.

The integrated approach of the government to its various flagship programmes such as Make In India, Skill India,

Digital India, Start-up India and Stand-up India among others, is expected to result in higher economic growth and better job opportunities in years to come. Concerted efforts of the Reserve Bank of India (RBI) and the government, to help the banking sector resolve the asset quality concerns, is expected to result in unlocking of huge capital which may be put to use by the productive sectors of the economy.

In its Union Budget 2017-18, the government has allocated ₹ 3.96 lakh crore for the development of infrastructure facilities. Of this, ₹ 2.41 lakh crore will be spent on the transportation sector. Interestingly, the government has also allocated ₹ 10,000 crore for its ambitious project “BharatNet” which endeavours to build high-speed internet connectivity in the rural areas. This will eventually unlock tremendous business opportunities in the underserved remote areas.

Also, the government will continue to make progress in its endeavour of doubling farmer’s income by 2022. Forecast of normal monsoon and medium term inflation target of 4.0% will keep price escalations under check and boost the consumer confidence. The cost of borrowing is likely to remain low even in FY 2017-18 as banks and other financial institutions will be encouraged to pass on the benefits of previous policy rate cuts to the borrowers. The surge in consumption demand is expected to eventually revive the private sector capex.

Putting all these factors together, India is likely to retain its status of world’s fastest growing major economy even in FY 2017-18. As per the IMF’s estimates, Indian economy is likely to grow at 7.2% in 2017 and 7.7% in 2018. On the other hand, Economic Survey 2016-17 expects real GDP growth to be in the range of 6.75% to 7.50% in FY 2017-18.

### Goods and Services Tax

The passage of the Constitutional Amendment Bill on Goods and Services Tax (GST) has paved the way for the introduction of GST in India, likely in the first half of FY 2017-18.

The current indirect tax structure is major impediment to India’s economic growth and competitiveness. Tax barriers in the form of Central Sales Tax (CST), entry tax and restricted input tax credit have fragmented the Indian market. Cascading effects of taxes on cost make indigenous manufacturing less attractive. Complex and multilayered tax structure increases the cost of compliance.

On this backdrop, the introduction of GST is considered crucial for economic growth. It will have quite a favourable impact on Indian economy. The GST will create a common

Indian market, improve tax compliance and governance and boost investment and growth. It is also a bold initiative in the governance of India’s cooperative federalism.

The sectors such as consumer durables, FMCG and pharma to name a few, which have a long value chain from raw materials to final consumption stage with operations spread in multiple states are expected to have a favourable impact under the GST regime.

### COMPANY OVERVIEW

With a legacy of more than 75 years, Bajaj Electricals Ltd. (the “Company”) is a well-established brand in the consumer appliances industry and holds the leadership position in many kitchen and domestic appliances segment. Leveraging its brand name, mass appeal and broad understanding of the consumer markets, it has also entered into strategic alliances with international companies to cater to the untapped premium market for consumer appliances and to exploit opportunities in the lighting industry. The Company has also a strong foothold in power transmission and distribution business. The Company also has a significant presence in the lighting and luminary business.

FY 2016-17 has been a watershed year in the history of the Company. In the year gone by, the Company merged its four erstwhile consumer facing business divisions-Kitchen Appliances, Domestic Appliances, Fans and Lighting into one. This initiative is expected to bring in greater economies of scale and synergies, thereby improving the profitability. Unification of consumer-facing businesses will also enable the Company expand its reach and offer more products over a period of time.

On this backdrop, the Company’s performance remained satisfactory in FY 2016-17. Despite not recording significant growth in the topline, the Company was still able to maintain efficiency in its operations which reflects in the bottom line.

The normal monsoon propped up consumer confidence especially in the rural markets. Besides, a number of government initiatives on the smart lighting and energy efficiency front proved beneficial for the Company’s business. Improved electricity supply brightened the prospects of consumer products. Demonetisation was a temporary blip for consumer-facing companies like the Company. However, relatively low transaction value per appliance and the pivotal role played by these devices in the life of the consumer ensured a quick recovery in business.

In FY 2016-17, the broader industrial environment continued to be challenging and private sector capex remained lacklustre. Nevertheless, the Company's Engineering, Procurement and Construction (EPC) business made a steady progress thanks to its leadership position in select domains, superior product portfolio and proven execution capabilities.

### Overview of the Company's financial performance

In FY 2016-17, several measures were taken for improving the financial performance of the Company which resulted in improvement in profitability, though there is no growth in the topline of both the business segments. The implementation of redistribution strategy has shown a positive impact on the gross margins and working capital cycles which in turn has reflected in the improvement in bottom line.

### Profit and Loss statement analysis

- Revenue from operations decreased by 7.10 % YoY to ₹ 4,298.26 crore, on account of decrease in Consumer Products sale by 10.91% to ₹ 2,314.21 crore and EPC by 2.23% to ₹ 1,983.33 crore.
- EBITDA decreased by ₹ 33.98 crore YoY to ₹ 278.35 crore from ₹ 312.33 crore for FY 2015-16. EBITDA margins impacted by 0.26 basis points to 6.43% percent of net sales. The margin impact is on account of de-growth in sales and increase in fixed costs.
- Depreciation and amortisation expense at ₹ 29.87 crore shows marginal increase of ₹ 2.49 crore to the levels seen in FY 2015-16.
- Finance Costs decreased to ₹ 80.44 crore from ₹ 108.08 crore in FY 2015-16. Finance Costs to Net Sales ratio decreased to 1.87% as against 2.34% in FY 2015-16.
- PBT stood at ₹ 168.04 crore, as against ₹ 176.87 crore for FY 2015-16, which shows decline of 4.99% over the previous year.
- Net profit stood at ₹ 107.66 crore as against ₹ 110.35 crore in FY 2015-16.
- Earnings per share (Basic) decreased to ₹ 10.65 from ₹ 10.94 in FY 2015-16.

### Balance Sheet analysis

- Net Worth increased to ₹ 871.50 crore from ₹ 756.34 crore in FY 2015-16. Equity Share Capital increased to ₹ 20.26 crore from ₹ 20.19 crore, whereas, Reserves and Surplus increased to ₹ 851.24 crore from ₹ 736.15 crore recorded in FY 2015-16.

- Book Value per share increased to ₹ 86.04 from ₹ 74.92 in FY 2015-16.
- Borrowings decreased to ₹ 646.56 crore from ₹ 922.00 crore in FY 2015-16. Debt-Equity ratio stood at 0.79 times.
- Fixed Assets increased to ₹ 317.92 crore from ₹ 297.12 crore in FY 2015-16.
- Return on Equity was 12.35% in FY 2016-17 as compared to 14.59% in FY 2015-16.

### Outlook

The expected revival in the consumer demand, moderate inflation, lower cost of consumer loans, forecast of normal monsoon and revival in the rural job market are expected to bode well for our consumer-facing businesses. The Company aims to roll out new products catering to mass as well as the premium market. The Company's initiatives to strengthen its distribution network may start paying off in FY 2017-18. The roll out of Range & Reach Expansion Programme (RREP) in new geographies across the country and the Retailer Bonding Programme will help the Company expand its topline. The various cost-optimisation initiatives and scientific monitoring of performance will help the Company grow bottom line proportionately.

Recovery in the private capex cycle coupled with higher government spends will provide an elbow room to the EPC division to expand its footprint in new markets and contribute in the topline growth.

## OPERATIONS

### CONSUMER FACING BUSINESSES

#### Industry Overview

Even after two and half decades of liberalisation, Indian households severely lack the ownership of consumer durables. However, this trend is likely to change rapidly in future, driven by massive shift in urbanisation, increasing disposable incomes, favourable demographics, high aspirations of the youth, burgeoning middle class and improving macroeconomic conditions make it a key market for consumer goods.

Over next few years, the Indian consumer durable market is expected to touch US\$ 20 billion-thereby growing at a compounded annualised rate of 13% (*Source: IBEF*). In FY 2015-16, it was valued at US\$ 12.5 billion. So far, the market is dominated by the urban demand which constitutes 2/3<sup>rd</sup> of the total demand for consumer durable products.



## Consumer durable market is chiefly divided into two segments

Consumer Electronics	Consumer Appliances
Televisions	Air-conditioners
Audio and Video Systems	Refrigerators
Personal Computers / Laptops	Washing Machines
CD and DVD Players	Sewing Machines
Digital Cameras and Camcorders	Electric Fans and Cleaning Equipments
Electronic Accessories	Microwave Ovens and Other Domestic Appliances

### Consumer Appliances

The market for consumer appliances is primarily driven by the same factors that drive the consumer durable market as a whole. However, some factors are unique to the consumer appliances segment. They include, climatic changes, changing lifestyle, expanding participation of women in the job market, improving electrification and more reliable supply of electricity to residential areas, among others.

In FY 2016-17, on the back of satisfactory monsoon, the rural market demand showed some green shoots. It was severely affected over the last couple of fiscals due to deficient monsoon. The majority of Indians still depend directly or indirectly on the performance of agriculture to make their living. In the first half of FY 2016-17, the consumer appliances segment fared reasonably well. However, the second half was not the same for the industry, though the recovery has been speedy in Q4 of FY 2016-17.

Notwithstanding temporary disruptions in consumer spending caused by demonetisation, the sentiment of Indian consumers remained upbeat in FY 2016-17. As per a Nielsen survey on global consumer confidence, the majority of Indian consumers remained relatively optimistic about their personal finances, job prospects and spending capacity in comparison with their global counterparts. Falling cost of consumer credit and muted inflation further aided in boosting the consumer confidence. According to Euromonitor International, disposable incomes of Indian consumers increased by 12% in 2016 which resulted in a relatively strong demand for consumer appliances.

### Business Overview

The Company offers a wide range of kitchen and domestic appliances, fans and energy efficient lighting solutions. Within each category, the Company's products offerings are competitively priced without compromising on the

quality. This is done keeping in mind changing consumer preferences and their lifestyle. The Company's hands-on experience in understanding the needs of its customers and its commitment to serve them diligently has enhanced brand equity.

In FY 2016-17, as a result of a well thought-out plan and careful execution, the integration of all consumer-facing businesses was carried out smoothly. Also, the Lighting business witnessed an integration of all sub-segments such as GLS, CFL, FTL & CL into LED, leading to extraordinary growth in this category.

This strategy has started paying off immediately. The consumer products business division managed to buck the industry trend of sluggish growth in many product segments. Due to concerted efforts of all its consumer business divisions, the Company has been able to expand its market share in many of its product lines by achieving economies of scale. Also, the Company took a number of focused initiatives to strengthen the distribution channel, making it more effective.

### Catering to the premium segment through Morphy Richards

Morphy Richards from the UK is a leading home & kitchen appliances brand present in India since 2002 through the Company. This year, the Company renewed the trademark license agreement with Morphy Richards to use the trademark "Morphy Richards" for products procured from the manufacturers or imported from any other country for marketing the same in India and SAARC countries. This agreement provides a five-year extension starting from FY 2017-18.

### Efficient after sales services - commitment to customers...

The Company has taken further leaps in reaching to consumers to provide them the comfort of home service with the expansion of service centres to 418 in 298 cities. The Company endeavours to continuously enhance the experience of consumers by providing them timely service even in remotest areas.

To digitalise the consumer experience, the Company has provided them with a mobile application to register their service requests any time. The Company has also provided mobile application facility to service engineers to update consumers requests status and capture all the information online to measure the performance and effectiveness. Post service delivery, the Company takes feedback from consumers to continuously enhance the quality of service delivery.



By and large, the consumer products industry has exhibited muted growth this fiscal. However, key products in the consumer appliances portfolio have managed to put up a better show. This performance can be attributed mainly to deep knowledge of consumer behaviour and superior quality of products.

The Consumer Products segment reported the revenue of ₹ 2,314 crore in FY 2016-17. The Company focused on strengthening its distribution channel through unprecedented initiatives and also beefed up its presence in the underpenetrated markets.

### **Opportunities**

Space constraints and rising percentage of nuclear families may act as growth catalysts: The growing number of nuclear and double income families will positively affect the demand for consumer appliances. A fast life is likely to make automation more compelling, even in the domestic chores. Moreover, constrained housing space, especially in the big cities will make the concept of modular kitchen more appealing in future thereby driving up the demand for consumer appliances. Changing lifestyle preferences and food habits would further fuel this trend.

With a number of cooking shows gaining popularity, the cooking preferences of Indians have already started undergoing a change. Rising penetration of high-speed internet will fuel the demand for consumer appliances in future.

Rapid urbanisation: Housing for all, affordable housing, smart city projects will help counter the seasonality factor in some consumer facing businesses.

Rising income levels: Implementation of the 7<sup>th</sup> Pay Commission, rationalisation of the basic tax slab and overall economic improvements are expected to keep prospects for consumer appliances industry intact in FY 2017-18.

The demand for premium segment consumer appliances will be on the rise as the income level of both urban and semi urban households is expected to go up in future. With the renewal of trademark user license agreement with Morphy Richards, the Company has geared up to offer a global range of consumer appliances in India. The consumer would have a choice to pick exactly the same products that are available in the European markets. The Company will also explore export opportunities with Morphy Richards brand.

### **Threats**

Volatility in commodity prices: Commodity cycles play an important role in driving purchase price across categories.

This can potentially affect the profitability of the Company.

Nonetheless, the Company exercises constant vigilance on commodity prices and adjust the procurement prices from vendors accordingly. It also undertakes measured price revisions as and when required, backed not only commodity price analysis but also end consumer purchase seasonality cycles such that price interventions are in sync with natural buying rhythms, thus maintaining profitability while offering value to consumers.

Growing competition: On the back of promising outlook for the consumer appliances industry, the competition in the segment is intensifying. Pricing pressure is also expected to increase in future which eventually may affect the profit margins.

In addition to right pricing and superior quality products, attractive reward programmes for trade partners, unique performance tracking mechanism, adequate representation in the malls and growing presence in the online market will help the Company grow its consumer-facing business in a competitive environment.

### **Outlook**

Implementation of the 7<sup>th</sup> pay commission, rising employment opportunities on the back of heavy public spending, expectation of normal monsoon and the inflation targeted approach of the central bank may leave more disposable income in the hands of consumers. This will offer ample growth opportunities to the consumer-facing businesses of the Company.

## **ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC)**

### **Power Sector**

At the end of FY 2016-17, India's total installed power generation capacity was 319.6 GW. As far as the segment break-up is concerned, the thermal power capacity stood at 68.3%, while hydro, renewable and nuclear energy capacity stood at 13.9%, 15.6% and 2.2% respectively. (Source: Ministry of Power)

In FY 2016-17, transmission lines of 26300 Circuit Kilometres (ckms) were commissioned with which India exceeded the annual target by 12.5%. Similarly, the transformation capacity improved by 81816 MVA in FY 2016-17 thereby exceeding the goal by massive 81.1%. India's transmission capacity increased by 30.2% in FY 2016-17. (Source: Ministry of Power)

The transmission sector has been rapidly evolving. Major transmission infrastructure especially 765 KV and above is

already in place. The future outlay is expected to be more in sub-transmission sector, i.e., 400 KV or below. Moreover, the transmission industry has an over capacity and therefore, the margins shall be under stress in that atmosphere.

With dropping tariffs, solar energy is becoming a competitive source of energy in India. Continuing its thrust on building massive power generation capacities in the solar energy sector, the government doubled its target to 40 GW. It endeavours to achieve this objective by FY 2019-20. This will open up multiple opportunities for players engaged in laying the transmission lines network. Moreover, the government's higher spending on infrastructure and electrification drive undertaken by Indian Railways will create more opportunities. At present, India's 48% of railroads are electrified. The government aims to double the electrification coverage in next 5 years. With these initiatives, Indian Railways strives to reduce its energy bill substantially in coming years.

### Lighting and Energy Efficiency Sector

Energy efficiency is another focus area of the present government. Along with saving energy, it is committed to reducing the carbon emissions as well. Combining these two objectives, it has been pushing smart lighting initiatives with a thrust on renewables.

According to the Ministry of Power, the size of India's energy efficiency market is US\$ 12 billion. Various initiatives such as Street Lighting National Programme (SLNP) are expected to help the country cut energy consumption by 20%. The Indian lighting industry caters to the residential, industrial, commercial and infrastructure-related demand. As per the estimates of IMARC, Indian LED-light market is worth US\$ 3.7 billion.

Key initiatives like electricity for all, housing for all, affordable housing and smart cities mission are likely to boost the demand for smart lighting solutions. Moreover, growing industrialisation and thrust of business houses on rationalisation of cost will offer thriving opportunities to the Indian lighting industry.

### Business Overview

#### a. Transmission Line Towers (TLT)

The TLT division is engaged in delivering EPC services in transmission lines upto 765 KV, EHV substations upto 220 KV and monopole based transmission lines upto 400 KV. The Company has its own manufacturing facility at Ranjangaon, near Pune (Maharashtra) which supplies hot-dip galvanised lattice towers & monopole structures.

Notwithstanding the challenging business environment during the year, the TLT division recorded a growth of

26.9% in revenues. Proven execution capabilities and superior technological excellence helped the Company play a pivotal role in improving power situation in many states and enhancing grid connectivity.

### Opportunities

Renewables to take off: Non-conventional areas such as wind and solar power will open up multiple opportunities for companies engaged in transmission line network. With its impeccable track record so far in this segment, the Company is well placed to exploit opportunities in the renewable energy segment.

Encouragement for the private players: The government is encouraging private sector participation in transmission sector through TBCB (Tariff Based Competitive Bidding) route. The Company is aggressively pursuing opportunities in monopolies. This has a potential to becoming a fast-growing sustainable business in future.

### Risks

Overcapacity situation in the industry: This would remain one of the major risks for the Company as it can put pressure on margins and execution risks on account of unforeseen events which may translate into a double-whammy. However, the Company has been aggressively scouting opportunities in underserved markets and areas such as renewables. Focus on timely execution and cost rationalisation initiatives will help the Company sail through hot waters.

### b. Illumination EPC

The Illumination EPC division of the Company supplies highmasts, street lighting poles and FRP decorative poles and also handles special lighting projects such as power plants, stadiums and architectural lighting among others. The Company, through Illumination EPC division manages turnkey projects in lighting right from the stage of development of concept, design, manufacturing, installation and upto commissioning.

The Company holds a leadership position in the field of highmast lighting systems and lighting poles in India. All activities of this business division are ISO: 9001 certified. At its Ranjangaon facility, near Pune (Maharashtra) the Company manufactures hot-dip galvanised highmasts, poles and monopole structures.

Apart from Indian market, Illumination EPC caters to the international markets as well. The Company exports the highmast systems to more than 15 countries across the globe covering Africa, Europe, Middle East Asia and South East Asia regions.

Notwithstanding a relatively arduous business environment, the Illumination EPC division registered a sales turnover of ₹ 244 crore in FY 2016-17 from its India operations.

### **Opportunities**

Infrastructure development to unlock opportunities: The Union Budget 2017-18 has allocated ₹ 3.96 lakh crore for the development of infrastructure. The road sector will receive 11% higher budgetary support in FY 2017-18. Moreover, the government's focus on building smart cities and replacing conventional systems with more energy savings options will offer exciting growth opportunities to the Illumination business of the Company.

Industrial growth to create more opportunities in the private sector: The government has been encouraging investors and business houses to set up manufacturing bases in India through various flagship programmes such as Make In India. As and when the capex cycle recovers, private sector demand for Illumination solutions will go up. The Company is comfortably placed to capitalise on such opportunities due to its proven track record of serving some India's leading business houses.

### **Threats**

Competition from the unorganised sector: Small time contractors who qualify in tenders on the basis of support received from other manufacturers of highmasts and poles, pose a risk. The Company differentiates itself in market by maintaining high quality in products and services. The implementation of GST is likely to make it disadvantageous to those who bid successfully only due to price differentials but later fail on delivering the quality solutions. This will turn out to be a positive development for a Company.

Pricing pressures: Due to competitive nature of the market, pricing pressures persist. The Company endeavours to reach more end-users and maintain high-standards in serving them. This enables the Company to enjoy premium in a highly competitive market. Comfortable order book position will provide a cushion to withstand pressures.

### **c. Luminaires**

The Luminaires division designs and markets solutions to all key market segments covering commercial lighting, industrial lighting, street lighting, area lighting, IBMS and renewable energy. The division is certified ISO 9000 while most of the products are manufactured in plants conforming to ISO 9000:2000 and select plants are certified for ISO 14001 which sets out the criteria for environmental management.

On the back of resurgent demand, the Luminaires division of the Company recorded revenues worth ₹ 500 crore. The Company won the "Smart Green Building Initiative Award 2017" and "FSAI Awards 2017 for Best Integrated project India."

### **Opportunities**

On the backdrop of tremendous push from the government to the energy efficient lighting solutions, the demand for LED Luminaires is expected to go up by leaps and bounds. The Luminaires division of the Company with its significant presence in the segment is in a sweet spot to exploit opportunities. The smart city projects will offer more room for the growth. In its endeavor for creating smart City solutions, Bajaj Luminaires has tied up with CISCO for smart outdoor lighting solutions and Gooee, the UK for IoT enabled lighting systems.

A significant number of private sector businesses are moving away from conventional lighting to LED and automation. Such transition will offer additional growth triggers for the Company. To cater to such market segment, the Company has launched futuristic energy efficient lighting solutions with dimming and controls as a special feature. Such transition will offer additional growth triggers for the Company.

### **Threats**

Like in case of other industry facing segments, the business of Luminaires too is exposed to intense competition and pricing pressures. However, the strong brand perception, thrust of the Company on delivering futuristic solutions and proven execution track record will help the Company emerge stronger even in the highly competitive market.

### **d. Power Distribution**

After a muted play in the last fiscal, this year the Power Distribution division managed to book higher orders of ₹ 1,641 crore under DDUGJY (Deendayal Updhyaya Gram Jyoti Yojana) and IPDS (Integrated Power Distribution Scheme). The focus this year was to improve project execution capabilities and make the supply chain management more efficient. During the year, power distribution division has executed the rural electrification work in some of the toughest territories of the country like Kishanganj and Jamui in Bihar, Morena and Balaghat in Madhya Pradesh. As a recognition of this work, the Company was awarded by the governments of Bihar and Madhya Pradesh for excellence in project execution.

The government aims to achieve distribution reforms with a particular emphasis on system upgradations, loss

reduction, theft control, consumer service orientation and quality power supply. The government has also identified smart grids as another important area.

In the future, the focus of the Power Distribution division will be on timely execution of projects, efficient working capital management and safety of management sites. With this, it endeavours to clock higher top line and bottom line growth.

### Exports

The Exports division of the Company is the smallest business division with the largest market place. It was a challenging year for exports because of the turmoil in global politics and currency devaluation across countries among others. However, the Company marched ahead by growing its global business by 22% in FY 2016-17. During the year, the Company also executed a prestigious project awarded by the Ministry of Sports, Oman.

### Outlook for EPC division

Considering the government's thrust on infrastructure development with generous allocations to the infrastructure sector overall market conditions are expected to revive. The Company's comfortable order book position, presence in strategically important energy efficiency market segments and in the renewables, superiority of product portfolio and engineering excellence of personnel, will place EPC division on a strong footing in FY 2017-18.

### Green Energy – Wind Energy

During FY 2016-17, the Company's 2.8 MW Wind Farm located at Village Vankusawade in Satara District of Maharashtra has generated 33,37,281 electrical units as compared to 29,80,491 electrical units in the previous year.

### SUPPLY CHAIN

Supply Chain Management (SCM) is an important and integrated function at the Company that covers all business verticals. The main objective of SCM is to ensure timely availability of products and services. Efficient SCM helps standardise the processes and derive benefits of aggregation across all the businesses. It also enables to focus on consistent quality management. SCM division adopts customised strategies depending on the nature of underlying business. The idea is to optimise inventory levels and costs. SCM plays an important role in driving the bottom line of the Company through better planning and execution.

### RESEARCH & DEVELOPMENT

Your Company is focused on adding innovative elements to products and services through research. During the

year under review, the Company has set up its new R&D Centre in Navi Mumbai with a mission to give its business a competitive edge. Your new R&D Centre is a one-of-its-kind facility housing all aspects of research, design, development and testing capabilities under one roof. With a team of highly talented engineers, the R&D Centre will be the origin of all future products and technologies.

### MARKETING & BRANDING

More than 50% of India's population is below the age of 25 years and more than 65% is below the age of 35 years. The Company aims to connect with youth. Thus, as a part of this effort, the overall communication emphasis for FY 2016-17 centred around youth of India. To achieve the primary objective, the Company chose to associate with major impact properties using Mass (TV, Print & Radio), Digital and effective on ground mediums.

The Company continued its association with one of most watched sports in India - Pro-Kabaddi 2016. It also associated with other impact properties like Wimbledon Championship-2016, Rio Olympics-2016 and Pro-Badminton League, to name a few. This delivered a great brand traction to the Company.

The Company also partnered with one of India's largest Art & Cultural festival like Kala Ghoda in Mumbai in February 2017 as presenting sponsor. The Company was also an on ground partner for 10th Edition of Sunburn festival.

With increased penetration, accessibility and better connectivity, the online/digital medium has become utmost important in reaching out to the targeted segments. The Company has effectively utilised this medium to reach out to target groups, using various brand centric and tactical communication.

To support RREP, this year the organisation branded more than 10,000 stores across Retail Trade, Alternate Channels like MFRs, CSDs/CPCs. The brand theme "We are Family", that was conceived with the Idea "Bajaj Products completes homes" was taken forward across various communication and consumer touch points. A new television commercial for Bajaj Air Coolers was produced and amplified across all major channels and digital platforms. Various tactical, product centric and range promotion campaigns were rolled out covering great consumer offers and benefits during festive period on a PAN India basis.

The Company's customer focused programme, the ".nxt Upgrade" designed to promote the Luminaires segment continued to receive a great response. These activations were strategically planned to showcase the various lighting



solutions and products in commercial, retail, industrial, urban architectural, area, street lighting segments. IBMS and solar lighting solutions showcased the Company's strengths and preparedness to capture the markets further. These day long conclaves included media interactions, presentations on LED technology and its advantages. The show witnessed a remarkable participation from architects and consultants from various industries, channel partners, government and other institutional customers. These shows were conducted in Mumbai, Kolkata and Pune.

The Company also participated in India's most coveted lighting show "Light India"—showcasing its strength in various consumer and commercial lighting space.

To promote its EPC vertical, the Company participated in various B2B exhibitions conducted by IEEMA, PTI – Power Transmission of India, SWITCH and Economic Times – Power Focus.

When efforts are appreciated in form of awards, it sets greater benchmarks and a quest to do more and so it happened this year as well. The Company won the most coveted awards such as Abby - Goa, Emvies and many more for its various brand communication campaigns.

### INFORMATION TECHNOLOGY

In changing times, information technology is a backbone of many business processes. The Company has invested significantly to ramp up its technological competence to support main business functions.

In FY 2016-17, focus was on building a digital strategy for the organisation. A separate digital team headed by Chief Digital Officer (CDO) has been put in place to primarily focus on social media monitoring, listening, consumer experience management, IoT, analytics, mobility and e-commerce areas. Utilising social media data strategically to understand consumer sentiments and map the consumer journey so as to empower the Company for making analytical data oriented informed decisions. Bringing together various teams like web, social, production, creatives and media buyers to run campaigns and provide an omni-channel consumer experience.

The Company continued with its investments for automating various business processes to be more productive. A separate team is also setup to prepare the organisation for GST readiness. The organisation has also invested in technology that eliminated the manual steps involved in the Company's bill discounting process and the entire transaction has become paperless. The Company has also implemented new after-sales-service application for

its call centre and consumer care team along with mobile applications enabling its technicians to have best of the class delivery of customer service. This application has also helped the Company win following awards.

- Innovative CIO Award 2016 from Bitstream Media
- Digital ICON Award 2016 from IDC Insight team
- Digital Transformer Award from Dell-EMC
- India's Best CIO Top 10 Honoree from CIO Association of India
- PCQuest Best IT Implementation Award 2016
- Award for Excellence from IMC – Digital wing

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR activity is guided by 4 pillars – Sustainability, Diversity Inclusion, Employee Volunteering and Community Outreach. In its continuous endeavour to work for the benefit of the communities where it operates, all community outreach programmes are planned and executed with a focus on the following:

- Ensuring environmental sustainability & promoting its education;
- Education, employment, enhancing vocational skills and livelihoods;
- Promoting preventing health care;
- Promotion of arts & culture.

### Key Achievements

1. Winner of the prestigious Golden Peacock Award 2016 for Excellence in CSR
2. National CSR Leadership Award 2016
3. Femina Women Leadership Awards 2016

### CSR statutory projects

Environmental sustainability has become an essential ingredient to businesses. Keeping this in mind, the Company is very closely associated with the cause of conserving the environment for today and future generations.

### Ensuring environmental sustainability & promoting its education

Under the Company's community outreach programmes for ensuring environmental sustainability, tree plantation initiatives have been undertaken through employee volunteering and partnering with like-minded NGO partners. On a PAN India basis, the Company has planted about 34,789 trees. The Company has also partnered with a Mumbai based organisation to restore and protect mangroves in the wetlands of Mumbai by conducting awareness amongst school/college students

and sensitisation of citizens. As part of the Company's CSR initiative, the Company has undertaken a project on long term sustainable organic farming to create a model demonstration plot for nearby villagers and to increase the source of income of marginal farmers.

In order to promote a cleaner and greener India, the Company is working towards zero-waste initiatives within the organisation through waste segregation and disposal. The Company has partnered with an organisation which works on municipal solid waste with local bodies at ward level, through 75 identified educational institutes, housing societies, hotels and hospitals to successfully convert them into near zero-waste by working on waste segregation, composting and safe disposal.

#### Promotion of arts & culture

The Company, under its CSR initiative has an objective to promote and help in preserving Indian arts and culture. Through an Art Foundation, the Company has reached across 32,000 students and provided 104 scholarship to encourage and support the emerging artists.

#### Promoting preventing health care

The Company's CSR initiative has an objective to promote "Tobacco Free Work Place and Workforce" by focusing on the mission of eradicating tobacco consumption from society. With its partner organisation, the Company has identified and implemented district level tobacco control programmes in schools of Yavatmal and Wardha district. About 1,00,000 students were reached in 927 Zilla Parishad Schools, Wardha and 2,63,611 students were reached in 109 Zilla Parishad Schools, Yavatmal.

#### Promoting education

Shiksha-Vikas is a programme aiming to bridge the gap between the availability of resources and the beneficiaries. To reach this objective the programme is mapped through school development and community at large. Shiksha-Vikas is a 3 year school and community development model which will be implemented through employee volunteering. 20 schools have been identified so far with an aim to collaborate with schools, map the requirements and fill the gaps in order to ensure a better learning environment.

#### Employee volunteering

The Company has a strong culture of employee engagement and involvement in the CSR activities and there is an increase in the participation by the employees to volunteer their time and resources year on year.

- In the year FY 2016-17, about 1,939 activities were undertaken by the Company's employees which

included tree plantation, blood donation, cleanliness drives, participation in running events, health check-up camps and anti-tobacco awareness sessions across PAN India locations, conducting session on skill enhancement, volunteering at schools, NGOs, old age homes and orphanages.

- The total number of volunteering days 3,725 achieved, on an average 1.7 days per employee.
- Through employee volunteering efforts about 34,789 trees were planted.
- A total of 152 tobacco awareness sessions were conducted PAN India. About 4,200 different stakeholders such as students, retailers, vendors and communities were reached.
- To promote health and environment, the Company's employees participate in various running events such as the Standard Chartered Mumbai Marathon, Airtel Delhi Half Marathon, Tata Steel 25K-Kolkata, Pinkathon, Lets run Raipur and TCS 10K-Bengaluru. About 455 employees participated in these running events.

#### RISK AND ADEQUACY OF INTERNAL CONTROLS

The Company has an elaborate risk management procedure, which is based on three pillars: business risk assessment, operational controls assessment and policy compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company has set up a Risk Management Committee to monitor the risks and their mitigating actions and the key risks are also discussed at the Audit Committee. Some of the risks identified by the Risk Management Committee and their mitigation plans are as under:

##### (a) Business environment

The competitive environment in small appliances continues to be tough and to take care of that the Company has embarked on RREP to extend its demographics and offer a value proposition to the customers to develop and grow in consumer facing business further.

Reducing prices of LED continues to have an impact on sales and profitability, therefore the Company has initiated LED bulb manufacturing at Chakan plant to reduce procurement cost.

The Company has renewed the contract with Morphy Richards for 5 years with extension of rights for SAARC nations.



(b) E-Waste

The Company's conventional lighting business has been severely impacted by the onslaught of LED based energy saving lighting products having a very long life. With the notification of new E-Waste Management Rules, 2016 ("E-Waste Rules") by the Environment Ministry, the Company, being the producer of fluorescent and mercury-containing lamps, is required to comply with the stringent provisions of these E-Waste Rules pertaining to Extended Producer Responsibility (EPR) for collection and safe disposal of the end-of-life fluorescent and mercury containing lamps. Considering the exorbitant cost of collection and safe disposal of end-of-life fluorescent and mercury containing lamps, the Company will concentrate on LED lamps and source CFLs and FTLs for trading therein only from those manufacturers who are compliant with the RoHS (Restriction of the use of certain Hazardous Substances) norms as set-out in the said E-Waste Rules.

(c) Delays in execution of projects

EPC projects could face delays due to issues relating to forest clearances, manpower shortage and so on. This could lead to payment postponements, thereby prolonging the working capital cycle and increasing the overall project costs.

To mitigate this risk, the Company reviews these risks periodically and employs suitable strategies and actions to minimise their impact. The Company factors such delays at the time of estimation of the tenders.

(d) Hiring and retention risk

The Company has been continuously working on retaining the best talent in the industry to work with, but it is a constant challenge to retain the right talent. There is imminent short term risk from new entrants and existing domestic players to hire talent from our Company. The Company's human resource agenda focuses mainly on building a robust and diverse talent pipeline by hiring fresh management graduates to cater to various businesses and functions, enhancing individual and organisational capabilities for future readiness, driving greater employee engagement and strengthening employee relations. The Company has also taken a number of employee initiatives like benchmarking compensation structure with the industry, stock options, innovative management training programmes, job rotations, etc. to retain and grow talent.

(e) Occupational health and safety risk

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified occupational health & safety as one of its focus areas. The Company has appointed safety officers at its offices, plants and project sites and conducted various training programmes such as behavior-based safety training programme, safety leadership programme, logistics safety programme, etc.

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, warehouses, project sites, other key business areas and functions as per the annual plan agreed with the Audit Committee. 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.

**Internal Controls over Financial Reporting**

The Company has in place adequate internal financial controls commensurate with the size and complexity of its operations. During the year, these controls were tested, and no reportable material weakness in the design or operations were observed. The Company has policies and procedure in place for ensuring the proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company has adopted accounting policies which are in line with the Accounting Standards and the Act. These are in accordance with generally accepted accounting principles in India. Changes in policies, if required, are made in consultation with the Statutory Auditors and are approved by the Audit Committee.

The Company has robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

**HUMAN RESOURCES**

The Human Resources function partners with businesses to create an environment to attract, motivate, retain talent and provide learning & growth opportunities to them. It

constantly endeavors to build an exciting work place which empowers employees to achieve goals through team work and collaboration. A diverse talent pool, including management & engineering graduates, has been hired through a focused and structured annual campus hiring programme. Lateral hires, including niche profiles, were also recruited to get the best talent in the industry.

With an intent of building a culture based on meritocracy and transparency, the performance management system was revamped, which also includes talent management framework. Being an equal opportunity employer, the Company strives to provide an environment wherein every individual has access to and enjoys the same opportunities, rewards and resources regardless of gender. The Company believes that its employees are its key assets and critical to the success of the organisation. Hence, to keep its employees motivated and promote fun at work, it organises various employee engagement activities like family picnics, annual sports events, annual day & festival celebrations. To enhance individual and organisational capabilities, the Company has invested in various learning interventions including internal, external and outbound training programmes along with a tailored offering for high potential employees.

In order to make the organisation progressive and more employee friendly, the Company has revised several policies and processes such as working hours & leave policy, long service awards, house rent allowance policy, gender diversity, domestic business travel policy, medical insurance and performance improvement plan.

The Company is in the process of strengthening its learning & development initiatives and executing employee engagement survey. This will make the Company a great place to work.

The Company has included certain important codes and policies viz. code of business conduct & ethics, code of conduct to regulate, monitor & report trading in the

Company's shares by insiders, whistle blower policy and policy on prevention, prohibition and redressal of sexual harassment of women at workplace in the on-boarding process in order to create awareness and ensure strict adherence thereto.

The Company's Internal Complaints Committee constituted under the policy on prevention, prohibition and redressal of sexual harassment of women at workplace ensures strict adherence of law and does quarterly review of the same. No sexual harassment complaints were reported during FY 2016- 17.

During FY 2016-17, the Company has implemented amendments proposed under the Payment of Bonus Act and the Employees State Insurance Act for the welfare and benefit of the employees.

The Company had 2,792 permanent employees on its rolls as on 31 March 2017. The Board places on record its sincere appreciation for the valuable contribution made by employees across all levels whose enthusiasm, team efforts, devotion and sense of belonging has made this Company proud.

#### **Industrial Relations**

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

#### **CAUTIONARY STATEMENT**

Statements in the report on Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the report. Important factors that could influence the Company's operations include demand and supply conditions affecting selling prices of finished goods, input availability and rates, changes in the government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

# Business Responsibility Report

## PREFACE

As mandated by the Securities and Exchange Board of India (SEBI), India's top 500 listed entities on the BSE and NSE based on their market capitalisation, are required to submit a 'Business Responsibility Report' (BRR) alongwith their Annual Report. This report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

Bajaj Electricals Limited ("the Company") presents its first BRR in line with the NVGs and the BRR requirement of SEBI. This BRR presents key initiatives undertaken by the Company, driven on the triple bottom line aspects.

Section A - General information about the Company		
1	Corporate Identity Number (CIN)	L31500MH1938PLC009887
2	Name of the Company	Bajaj Electricals Limited
3	Registered Office	45/47, Veer Nariman Road, Mumbai 400001
4	Corporate Office	Rustomjee Aspiree, Off. Eastern Express Highway, Bhanu Shankar Yagnik Marg, Sion East, Mumbai- 400022
5	Website	<a href="http://www.bajajelectricals.com">www.bajajelectricals.com</a>
6	E-mail ID	<a href="mailto:legal@bajajelectricals.com">legal@bajajelectricals.com</a>
7	Financial year reported	1 April 2016 to 31 March 2017.
8	Sector(s) that the Company is engaged in	Consumer Durables and Engineering, Procurement and Construction (EPC)
9	3 key products /services manufactured/ provided by the Company	Lighting, Consumer Durables and EPC
10	Total number of locations where business activity is undertaken by the Company	The Company operates through its: <ul style="list-style-type: none"> <li>- Registered office (Mumbai);</li> <li>- Corporate office (Mumbai);</li> <li>- 19 branches (Ahmedabad, Bengaluru, Bhubaneshwar, Chandigarh, Chennai, Cochin, Delhi, Guwahati, Hyderabad, Indore, Jaipur, Kolkata, Lucknow, Mumbai, Nagpur, Noida, Patna, Pune &amp; Raipur);</li> <li>- 7 Depots (Dehradun, Goa, Kundli, Parwanoo, Ranchi, Vijayawada &amp; Zirakhpur);</li> <li>- 4 Central Warehouses (Banur, Daman, Mumbai &amp; Vapi);</li> <li>- 2 Regional Distribution Centres (Bengaluru &amp; Kolkata); and</li> <li>- 2 Overseas Representative / Liaison Offices (China &amp; Dubai).</li> </ul>
11	Markets served by the Company	India and 20 countries across the world.
Section B - Financial details of the Company		
1	Paid up Capital	₹ 2,026.00 lakh
2	Total Turnover	₹ 4,33,384.53 lakh
3	Total profit after tax	₹ 10,766.09 lakh
4	Total spending on CSR as percentage of average Net profit of the Company for last 3 financial years:	Refer the Company's 'Annual CSR Report 2016-17'
5	List of the activities in which expenditure in 4 above has been incurred	Refer the Company's 'Annual CSR Report 2016-17'

**Section C - Other details**

1	Does the Company have any subsidiary company/ companies?	No
2	Do the subsidiary company/companies participate in the Business Responsibility (BR) initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)	Not applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	In due course of time, the Company intends to take its BR initiatives and sustainability policies beyond the boundaries of its manufacturing facilities and spread awareness amongst the relevant stakeholders

**Section D - Other information**

<b>1</b>	<b>a. Details of the Director/Directors responsible for implementation of the BR policy/policies and BR Head</b>									
	i. DIN	00089358								
	ii. Name	Shekhar Bajaj								
	iii. Designation	Chairman & Managing Director								
	<b>b. Details of the BR head</b>									
	i. DIN	Shri Shekhar Bajaj, Chairman & Managing Director of the Company, oversees the BR implementation. The Company does not have a BR head as of now.								
	ii. Name									
	iii. Designation									
	iv. Telephone number									
	v. E-mail address									
<b>2</b>	<b>Principle-wise (as per NVGs) BR Policy/policies (Reply in Y / N)</b>									
		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
	a. Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company and are approved by the Board.								
	c. Does the policy conform to any national/ international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG guidelines.								
	d. Has the policy being approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	All the policies have been approved by the Board and signed by the Managing Director.								
	e. Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The Board has appointed Shri Shekhar Bajaj, Chairman & Managing Director, to oversee policy implementation.								
	f. Indicate the link for the policy to be viewed online?	Copies will be made available on receipt of written request from shareholders.								
	g. Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been formally communicated to internal stakeholders. The external stakeholders will be communicated in due course.								
	h. Does the Company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	i. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

	j. Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	It will be done in due course.
<b>3</b>	<b>Governance related to BR</b>	
	a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company? Within 3 months, 3-6 months, Annually, More than 1 year	Annual
	b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The BR report(s) of the Company is/are available on its website: <a href="http://www.bajajelectricals.com">www.bajajelectricals.com</a> . It will be published annually.

**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

**1. Does the policy relating to ethics, bribery and corruption cover only the Company? (Y/N). Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Your Company has adopted the Code of Business Conduct and Ethics ('Code') to deter wrongdoing and provide guidance and help in recognising and dealing with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The matters covered in the Code are of utmost importance to the Company, its shareholders, consumers, business partners and are essential to the Company's ability to conduct its business in accordance with its stated values.

Each director, officer and employee is expected to comply with the Code in letter and spirit and work within its framework. The directors, officers and employees of the Company must not only comply with applicable laws, rules and regulations, but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.

All employees, suppliers, distributors and other third parties who work with the Company are expected to observe the Code.

All board members and senior management personnel have affirmed compliance with the Code for the year

2016-17. A declaration to this effect signed by the Chairman & Managing Director/CEO of the Company is contained in the Corporate Governance section of the Annual Report.

Your Company also has a Whistle Blower Policy ('Policy') which enables its directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code and provides safeguards against victimisation of director(s)/employee(s), who avail of the mechanism. The said Policy was amended in February, 2015 to extend its applicability to other persons dealing with the Company viz. contractors, vendors, customers and business consultants. The said Policy has been appropriately communicated to the employees within the organisation and posted on the website of the Company. Employees are encouraged to raise any concerns by way of whistle blowing without any fear or threat of being victimised.

The Company Secretary is the whistle officer for effective implementation of the Policy and dealing with the complaints registered under the Policy.

The Company also has Policies on (a) Determining Materiality of Events and Information, to ensure disclosure of any event or information which, pursuant to SEBI regulations is material to determine whether an event or information is material or not and to ensure timely, accurate, uniform and transparent disclosure; and (b) Prevention of Insider Trading, to prevent the insider trading and protect the unpublished price sensitive information.

The copies of all the above mentioned policies are available on the website of the Company [www.bajajelectricals.com](http://www.bajajelectricals.com).

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved? If so, provide details thereof, in about 50 words or so.**

There were no cases of violation of the Company's Code of Conduct in FY 2016-17. No case was reported under the Company's Whistle Blower Policy during the year.

During the year, your Company has ensured prompt public disclosure of unpublished price sensitive information in order to make such information generally available and is in compliant with the SEBI Insider Trading Regulations.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

The Company is cognizant of the environmental impacts caused during production and lifecycle of its products and continually strives to innovate to reduce such impacts.

**1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities and for each such product, provide the details in respect of resource use (energy, water, raw material, etc) per unit of product (optional)**

**a) Bajaj LED Lights**

Bajaj LED range lighting solution is widely known as one of the best in the market. Your Company makes no compromise on the standards it delivers in its products and every product is manufactured with utmost care given to every component.

To make a general comparison, our 7 watts LED bulb delivers as much as 600 lumens more output than a normal 60 watts GLS lamp. All this while saving as much as 85% more electricity than conventional lighting systems. Due to the high standards maintained by your Company, Bajaj LED bulbs are able to last for an impressive lifetime of up to 25,000 hours.

To further extend its excellent features, none of Bajaj LED lights use any chemical compounds that are potentially detrimental to the environment. This is in contrast to the compact fluorescent lighting or mercury lamps. Your Company's range of LED lightning is also safe for domestic usage as it does not emit harmful radiation like ultraviolet light or infrared radiation, chronic exposure, which cause serious health complications.

We in India face regular electricity related issues like power cuts or load shedding, especially in the non-metropolitan regions. Your Company's range of LED lightings is developed to deal with random voltage fluctuations or abrupt discontinuation of electricity. Many of electric LED bulbs have a built-in voltage surge protection mechanism, which safeguards it against surges up to 2 KV.

Bajaj LED lights consume less energy that besides keeping the electricity bills light on customers' pockets also helps reduce carbon footprints.

**b) Fans**

Ceiling fans are the most neglected appliances when people think about reducing electricity consumption in their house. Most people focus on lighting to fix their high electricity bills, but fans consume a lot more electricity than lights. To give a perspective, a regular ceiling fan (non-BEE star rated) consumes 75 watts as compared to a regular (most inefficient) tubelight that consumes 55 watts. Also, a ceiling fan is used during the day as well as night whereas a light is used only during the night. In totality ceiling fans consumes more than twice or thrice the amount of electricity as compared to lights.

Bureau of Energy Efficiency (BEE) in India started rating ceiling fans of 1200 mm sweep (regular sized ceiling fans) a few years back and since then the manufacturers have started coming out with efficient ceiling fans.

Your Company has introduced 5 star rated model, Kassels Star. Previously required wattage for this model was 75 watts, but after the improvement efforts in the motor, now it runs on 50-54 watts. Thus, the user of the fan will be able to save the electricity consumption.

**c) High Mast & Transmission Line Towers**

Your Company has been a pioneer in propagating the high mast concept to India. The Company has been in the field of high mast for over 20 years and has gained unmatched experience in design, development, manufacturing and site erection. The Company has supplied more than 20,000 masts with different operating systems, ranging from 10 to 60 meters.

The Company also has one of the best Transmission Line Towers (TLT) manufacturing facilities at Ranjangaon in Pune districts of Maharashtra,



which manufactures a range of towers of 110/132/220/400/765 KV single/double circuit power transmission lines. The present capacity for manufacturing transmission line structures is more than 30,000 tons per annum. The manufacturing facility is ISO 14000 and ISO 9001 certified and is equipped with the most sophisticated, computer control state-of-art machineries. The galvanising bath of size 13 mtr length x 1.5 mtr width and 2.5 mtr depth is the biggest and most sophisticated plant in India with automatic CNC control machines and with totally enclosed radio remote controlled galvanising plant imported from Gimeco, Italy. Our world class TLT manufacturing facility has been approved and appreciated by Power Grid Corporation of India and all reputed Electricity Boards across the country.

Your Company understands that over consumption natural resources results in unsustainable exploitation of our planet's resources and therefore it is our constant endeavor to reduce the consumption of natural resources. The Company promotes sustainable consumption, including recycling and reuse of resources which is evinced with the reduction in water consumption at Ranjangaon plant by 74KL per month (as compared to previous year) and 0.01% reduction in the consumption of Zinc in manufacturing.

The Company is striving to practice recycling and reusing of materials.

**2. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

Your Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service life-cycle including procurement of raw material/service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers.

The Company works towards sourcing significant raw materials, products and services in a manner so as to continuously improve the balance between social, economic and environmental impacts.

The Company's manufacturing locations at Chakan and Ranjangaon have suppliers in close proximity producing critical components, materials and nearly 60-80% of supplier base is located within a 100-300 kilometer radius of the plants, thereby reducing the

adverse effects of transportation on environment viz. air pollution, including nitrous oxides and particulates, and global warming through emission of carbon dioxide.

The Company ensures that its products and services comply with all applicable statutes and regulations.

**3. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

The Company outsources the processing activity to small vendors, which help in creation of job opportunities in semi urban area. Also, for procurement of goods, priority is given to nearby small vendors.

In order to improve the capacity of the local and small producers, the Company provides them technical assistance, which includes training for CTQ (Critical to Quality) parameters. Frequent visits are also arranged by the officials of the Company to the work stations of these local and small vendors for betterment of processes and quality of products.

**4. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company is consciously trying to reduce its carbon footprint, minimise waste generation and manage water resources better. Effective waste management is accomplished through a host of well-laid-out and continuously monitored procedures.

During the year, the Company reprocessed total 869 MT of spent acid by recycling of waste HCL acid used in galvanising process through authorised re-cyclers as per the guidelines issued by the Maharashtra Pollution Control Board. Also, considering the emission, the Company is using propane as a clean fuel for galvanising furnace.

The Company has also developed a garden at its Chakan unit to spread awareness on global warming.

**PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES**

**1. Please indicate the total number of employees: 2,792 number of total employees as on March 31, 2017.**

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis:** 2,100 as on March 31, 2017.
3. **Please indicate the number of permanent women employees:** 136 as on March 31, 2017.
4. **Please indicate the number of permanent employees with disabilities:** 2 as on March 31, 2017.
5. **Do you have an employee association that is recognised by Management?:** Yes
6. **What percentage of your permanent employees is members of this recognised employee association?:** 0.70%
7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment filed in the last financial year and pending as on the end of the financial year:**

Sr.	Category	Number of complaints filed during the financial year	Number of complaints pending as on end of the financial year
1.	Child labour, forced labour, involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

Details of safety and skill up-gradation training in the last year:

Sr.	Category of employees	% of employees were given training	
		Safety training	Skill up gradation training
1.	Permanent employees	22.00%	42.00%
2.	Permanent woman employees	-	3.72%
3.	Casual/temporary/ contractual employees	90.00%	10.00%
4.	Employees with disabilities	-	-

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY**

## THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

1. **Has the Company mapped its internal and external stakeholders?**

Yes. The Company has mapped its internal and external stakeholders. The Company has identified six direct stakeholder groups, viz.:

- a. Employees and their families;
- b. Local community and society;
- c. Environment and regulatory authorities;
- d. Customers and their families;
- e. Shareholders and investors; and
- f. Dealers, suppliers and other business partners.

The Company uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. Individual departments within the organisation have roles and responsibilities identified and defined to engage with various stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

Yes. The Company has identified the following vulnerable sections:

- a. Local community; and
- b. Socio-economically disadvantaged sections of the society.

The Company's CSR and stakeholder engagement policies are specially designed to identify and engage with all its stakeholders in a consistent and systematic manner; to understand the concerns of stakeholders including those who are disadvantaged, vulnerable and marginalised and prioritise their concerns; and to work towards addressing these concerns in an equitable and transparent manner.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

As a CSR project, the Company is working with the rural, semi-urban schools which caters to students from underprivileged communities. The project emphasis is on to improve school infrastructure, education training and improving soft skills of the students and teachers. Providing vocational skills and livelihood, support social enterprises to enhance livelihoods, to reach the

last mile who can have access to quality products & services, promoting health care by continued support to anti-tobacco programme and campaign.

The Company, being committed towards environmental sustainability, has also undertaken projects such as large scale tree plantation, restoration and conservation of water bodies, environmental education, waste management, solar powered electrification for off grid rural schools.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Human rights form the foundation of a today's society. Fundamental in nature and applicable universally – the Company adheres to this principle regardless of the nation, location, language, religion, ethnic origin or any other status of any person.

The Company's BR policies covering various principles ranging from freedom of association to freedom from harassment, applied across operations is the testimony to its commitment. The Company's actions emanating from these policies speak louder than its intentions. Not only is the Company compliant with all the statutory laws and regulations, but it has grievance redressal mechanism in place for violations, if any.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

In the reporting year, there were no human rights violation or complaints, relating either to child, forced and involuntary labour or sexual harassment/discriminatory employment, against the Company.

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Company's policy on environment, health and safety encourages its employees to be more ecologically aware and to be more cautious in pre-empting potential threats by developing relevant measures to address them.

It is the Company's policy:

- To contribute to sustainable development through the establishment and implementation of environment, health and safety standards that meet the requirement of relevant laws, regulations and codes of practice;
- To take into account environment, occupational health and safety aspects in planning and decision-making;
- To provide appropriate training to employees as well as service providers' employees and implement best practices;
- To instil a sense of duty in every employee including those of service providers at the Company's premises, towards their personal safety, as well as that of their co-workers;
- To ensure adoption of resource efficient and cleaner production methods;
- To continue to increase the contribution from renewable energy sources towards meeting overall energy demand.

**2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

At Bajaj Electricals, we are vigilant of the emerging challenges like climate change, global warming and investing in measures that convert these challenges into opportunities. Be it production of energy efficient products, conservation measures, or reducing our dependence on limited resources, we are not only reducing the burden on the environment, but also on our operational costs.

Our green must do's are: Ensure statutory compliance, optimise natural resources, effect continuous improvement in environment management, manufacture energy efficient products, innovate greener technologies and processes and spread green awareness across internal and external stakeholders.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes. The Company has an environmental policy which guides the Company's efforts to manage its environmental impacts and continually improve its environmental performance. The Company's Ranjangaon plant is certified to ISO 14000 Environmental Management Systems (EMS)

standard. As part of EMS implementation, potential environmental risks are identified and appropriate mitigation strategies are planned.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

The Company has invested significantly in green energy, principal amongst which is its investment in wind energy. The Company's 2.8 MW Wind Farm located at Village Vankusawade in Satara District of Maharashtra has generated 33,37,281 electrical units during the year under review as compared to 29,80,491 electrical units in the previous year.

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink for web page etc.**

Energy conservation measures have been implemented at all the plants and offices of the Company and special efforts are being put on undertaking specific energy conservation initiatives like:

- Unity power factor maintained at Ranjangaon Units 1 & 2, throughout FY 2016-17;
- Variable frequency drive is fitted to 5TEOT crane at High Mast Shop for hoist operation;
- EP1 CNC Machine – Oil circulation through heat-exchanger was performed by 1 HP Motor-Pump and now the same function is done by existing pressure return line, which has resulted in elimination of 1 HP motor;
- The electrical heating zone of the FTL exhaust machine is modified and number of heaters reduced saving of approx. 30KW electricity per hour;
- Factory vacuum pipe lines modified resulting in stopping one of the pump and saving 22KW electricity per hour;
- Electrical distribution network changed and one air receiver installed so that one high pressure air compressor is removed from the UPS. This has resulted in saving of electricity for charging of UPS batteries;
- Installed 26 LED Lights of 200 Watt in place of 400 Watt HPSV lamps at TLT shop in RU1;
- Installed 30 LED light fittings in place of 28W CFL lights in RU2;

- Installed Variable frequency Drive for Hoist motor on EOT crane in galvanising RU1;
- Installed ON/OFF delay timers for air circulating fans in RU2;
- Chakan factory lights and fittings replaced by LED battens, highbays and bulbs.
- Conventional HID fittings at Chakan replaced with power saving LED fittings, resulting into savings of 5KW/hr.

**6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The Company is in compliance with the prescribed permissible limits as per CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.

**7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.**

There is no show cause/legal notice pending resolution by CPCB/SPCB.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

**1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

Some of the key associations of which your Company is member are:

- i. Bihar Chamber of Commerce & Industries;
- ii. Chhattisgarh State Renewable Energy Development Agency;
- iii. Common Effluent Treatment Plant (Thane-Belapur) Association;
- iv. Confederation of Indian Industry;
- v. IMC Chamber of Commerce and Industry;
- vi. Deccan Chamber of Commerce Industries & Agriculture, Pune;
- vii. Electric Lamp & Component Manufacturers Association of India;
- viii. Ewaysindia Inc.
- ix. National Safety Council, Mumbai;
- x. Northern Mathura Industries Association;
- xi. Project Exports Promotion Council of India;
- xii. Ranjangaon Industries Association; and

xiii. The Associated Chamber of Commerce and Industry of India.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

Your Company responsibly and actively engages in policy advocacy. The Company contributes its views in the setting of new industry standards and regulatory developments, in areas such as governance and administration, economic reforms, inclusive development policies, etc.

**PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8 ? If yes, details thereof.**

The Company undertakes projects in the following areas:

- Ensuring environmental sustainability & promoting its education;
- Education, employment, enhancing vocational skills and livelihoods;
- Promoting preventing health care; and
- Promotion of arts & culture.

These projects are in accordance with Section 135 of the Companies Act, 2013 and Rules made thereunder.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

CSR programmes and projects are deployed by the Company directly and/or in collaboration with non-governmental organisations (NGOs), educational institutions, associations, civic bodies, etc. Please refer the Company's 'Annual CSR Report 2016-17' for details on various community development programme partnerships.

3. **Have you done any impact assessment of your initiative?**

Yes. The Company assesses the impact of the various community interventions through its CSR department.

Periodic impact assessments are conducted through external agencies and the outcome forms a critical input to the community development plan preparation and implementation.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

Please refer the Company's 'Annual CSR Report 2016-17' for details on various community development programmes undertaken.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Most of the projects involve community participation and are designed by NGOs with due consultation with the communities. The Company works with NGO partner on pilot basis and then design programmes on periodical basis. The project lifecycle tries to address all components including sustainability.

To ensure successful implementation of community development programmes in collaboration with community members, your Company adopts following approach:

- a. Rapport building with community leaders and opinion makers;
- b. Project identification and design in association with community members and NGOs;
- c. Involvement of community members in project implementation;
- d. Maintaining continuous and close interaction with community members through field teams;
- e. Impact assessment and perception survey to measure impact of social initiatives; and
- f. Necessary approvals are taken from the community prior to the start of work.

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

It is the Company's policy to provide appropriate mechanisms for customer/consumer feedback so as to be able to continuously improve upon its products and services. The mechanism is periodically reviewed



by the management. Some mechanisms through which the Company engages with customers are described in Table below:

Engagement mechanism	Details
Customer meets	To gauge customers' satisfaction level regarding products and services.
Customer satisfaction feedback	To analyse customer feedback and take suitable measures for upgrading products and services. A system of collecting feedback through feedback cards, e-mails, telephonic surveys, etc.
Customer Care Cell Complaints	24x7 toll-free number for receiving and redressing customer complaints.
Product check-up and customer meets	To address customers' concerns and complaints.

During the year, the Company attended 18,21,785 number of service requests from its customers whereas 13,949 number of service requests were pending as on 31 March 2017.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

The Company displays detailed information for all its products, which also complies with all applicable labelling codes and specifications. The products are sold with an owner's manual which includes safety checking mechanisms, how to use guidance, thus encouraging consumers to use the Company's products in a responsible manner. The customers

have access to the Company's website which provides host of information on products and services. The customer is educated about the features of products & services, etc. Information is also disseminated to customers through display boards at point of sale or service as well.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so**

Your Company deals with the customers in a transparent and ethical manner, eliminating any form of miscommunication or misunderstanding. The Company's Code of Conduct also guides its employees while engaging with the customers.

The Company's integrity towards transparency can be comprehended from the fact that in the last five years, no case has been filed against the Company by any stakeholder, regarding dishonest trade practices or irresponsible advertising.

**4. Did your Company carry out any consumer survey/consumer satisfaction trends?**

The Company gains consistent feedback from customers and immediately addresses the issues, if any. In the reporting year, no formal survey was carried out, but our employee representatives continued to seek suggestions in person, from customers. The Company's product responsibility policy also directs our employees to be receptive towards customer's needs and concerns.



# निदेशकों की रिपोर्ट

प्रिय सदस्यों,

आपके निदेशक ३१ मार्च २०१७ को समाप्त होने वाले वित्तीय वर्ष के लेखा-परीक्षित वित्तीय विवरणों के साथ कंपनी के ७८वें वार्षिक रिपोर्ट को आपके समक्ष प्रस्तुत करते हुए अत्यंत प्रसन्नता का अनुभव कर रहे हैं। यह रिपोर्ट कंपनी अधिनियम, २०१३ (“अधिनियम”), भारतीय प्रतिभूति एवं विनियम मंडल (सूचीकरण बाध्यताएँ एवं प्रकटीकरण आवश्यकताएँ) विनियम, २०१५ (“सूचीकरण विनियम”) तथा कंपनी के लिए लागू अन्य नियमों एवं विनियमों के अनुरूप उनके अनुपालन के अंतर्गत है।

## वित्तीय परिणाम

स्टैंडअलोन वित्तीय परिणाम की मुख्य विशेषताएँ इस प्रकार हैं :

(राशि : रु. करोड़ में, ईपीएस के लिए छोड़कर)

विवरण	वित्तीय वर्ष २०१६-१७	वित्तीय वर्ष २०१५-१६
प्रचालनों एवं अन्य आय से प्राप्त राजस्व	४,३२८.७८	४,६७०.५४
वित्तीय लागत एवं मूल्यह्रास पश्चात सकल लाभ	२७८.३५	३१२.३३
घटाएँ : वित्तीय लागत	८०.४४	१०८.०८
घटाएँ : मूल्यह्रास	२९.८७	२७.३८
करों के पूर्व लाभ / (हानि)	१६८.०४	१७६.८७
घटाएँ : कर व्ययों के लिए प्रावधान	६०.३८	६६.५२
कर पश्चात लाभ / (हानि)	१०७.६६	११०.३५
घटाएँ : अन्य व्यापक आय	२.२९	२.२५
जोड़ें : लाभ और हानि खाते में अतिशेष	३५.५५	९.६८
अनुभाजन के लिए उपलब्ध अतिशेष	१४०.९२	११७.७८
सामान्य आरक्षित निधियों में अंतरित राशि	-	३०.००
शेयर पर उपार्जन (रु.) बेसिक	१०.६५	१०.९४
शेयर पर उपार्जन (रु.) डाइल्यूटेड	१०.६३	१०.९२

समेकित वित्तीय परिणामों की मुख्य विशेषताएँ इस प्रकार हैं :

(राशि : रु. करोड़ में, ईपीएस के लिए छोड़कर)

विवरण	वित्तीय वर्ष २०१६-१७	वित्तीय वर्ष २०१५-१६
प्रचालनों व अन्य आय से प्राप्त राजस्व	४,३२८.७८	४,६७०.५४
कर पूर्व लाभ	१६८.०४	१७६.८७
कर पश्चात सहयोगियों से लाभ / (हानि)	(५.४९)	(२.५४)
करों के पूर्व लाभ / (हानि)	१६२.५५	१७४.३३
घटाएँ : कराधान हेतु प्रावधान	६०.३८	६६.५२
कर पश्चात लाभ / (हानि)	१०२.१७	१०७.८१
शेयर पर उपार्जन (रु.) बेसिक	१०.१०	१०.६९
शेयर पर उपार्जन (रु.) डाइल्यूटेड	१०.०८	१०.६७

कंपनी के वित्तीय परिणाम प्रबंधन चर्चा एवं विश्लेषण रिपोर्ट में वर्णित हैं।

## लाभांश

आपके निदेशक वित्तीय वर्ष २०१६-१७ के लिए रु. २ प्रत्येक वाले १०१२९०१७६ इक्विटी शेयरों पर १४०% (रु. २.८०) के लाभांश की अनुशांसा करते हुए अत्यंत प्रसन्नता का अनुभव कर रहे हैं। लाभांश की राशि एवं उस पर कर समेकित रूप से रु. ३४.१३ करोड़ (पिछले वर्ष रु. ३४.०२ करोड़)

है। इक्विटी शेयरों पर लाभांश, जो कि दिनांक ३ अगस्त २०१७ को होने वाली वार्षिक साधारण सभा में सदस्यों के अनुमोदन के अधीन है, का भुगतान दिनांक १० अगस्त २०१७ को या उसके बाद उन सदस्यों को किया जाएगा, जिनके नाम २८ जुलाई २०१७ को व्यवसायिक समय के समापन पर सदस्यों की रजिस्टर में प्रदर्शित होंगे; अभौतिक रूप में रखे गए शेयरों के संबंध में इसका भुगतान उन

सदस्यों को किया जाएगा, जिनके नाम उस तिथि पर व्यवसायिक समय के समापन पर लाभार्थी स्वामियों के रूप में नेशनल सिक्योरिटीज डिपॉजिटरी लिमिटेड एवं सेंट्रल डिपॉजिटरी सर्विसेस (इंडिया) लिमिटेड द्वारा दिए जाते हैं।

लाभांश के भुगतान के लिए बही समाप्ति तिथि से पहले कर्मचारी स्टॉक विकल्प योजना के अंतर्गत प्रदत्त स्टॉक विकल्पों के माध्यम से आवंटित हुए शेयरों को विद्यमान शेयरों के साथ समान श्रेणी में रखा जाएगा और वे लाभांश के पात्र होंगे।

### लाभांश वितरण नीति

सूचीकरण विनियमों के विनियम ४३ए के अनुसार, शीर्ष ५०० सूचीबद्ध कंपनियों द्वारा एक लाभांश वितरण नीति तैयार की जाएगी। तदनुसार, उस नीति को ऐसे मापदंडों एवं परिस्थितियों के अनुसार अनुकूलित किया जाएगा, जिसमें उसके शेयरधारकों को लाभांश और/या कंपनी द्वारा अर्जित धारित लाभ के वितरण के निर्धारण के लिए मंडल द्वारा विचार किया जाएगा। नीति कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) पर उपलब्ध है।

### शेयर पूँजी में परिवर्तन

३१ मार्च, २०१७ को कंपनी की चुकता इक्विटी शेयर पूँजी रु. २०.२६ करोड़ थी। वर्ष के दौरान कंपनी द्वारा कोई पब्लिक इश्यू, राइट्स इश्यू, बोनस इश्यू या प्रेफरेंशियल इश्यू आदि नहीं लाया गया था। कंपनी ने डिफरेंशियल मतदान अधिकार वाले शेयर नहीं जारी किए हैं। शेयरों की संख्या में वृद्धि कर्मचारियों को, उनके स्टॉक विकल्प का प्रयोग करने पर रु. २ प्रत्येक के ३४१२०० इक्विटी शेयर जारी करने के कारण हुई है। ईपीएस की गणना के लिए, भारत औसत के आधार पर इन शेयरों को शामिल किया गया है।

कंपनी के कर्मचारियों द्वारा मतदान के अधिकार का सीधे प्रयोग नहीं करने के संबंध में अधिनियम की धारा ६७ (३) (सी) के अधीन किसी प्रकटीकरण की आवश्यकता नहीं है क्योंकि उक्त धारा के प्रावधान लागू नहीं हैं।

कंपनी के इक्विटी शेयर्स बीएसई लिमिटेड एवं नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड पर सूचीबद्ध बने रहेंगे। वित्तीय वर्ष २०१७-१८ के लिए कथित सूचीकरण शुल्क का भुगतान दोनों स्टॉक एक्सचेंज को कर दिया गया है।

### वित्तीय तरलता

३१ मार्च, २०१७ को कंपनी की नकदी और नकदी समतुल्य रु. २५.०८ करोड़ था। कंपनी अपनी कार्यशील पूँजी के विवेकपूर्ण प्रबंधन पर ध्यान केंद्रित किए हुए है। प्राप्तियों (रिसीवेबल्स), मालसूचियों (इन्वेंटरी) और अन्य कार्यशील पूँजी मानदंडों को सतत निगरानी के माध्यम से कठोर नियंत्रण के अंतर्गत रखा गया है।

### क्रेडिट रेटिंग

नीचे दी गई तालिका में कंपनी के क्रेडिट रेटिंग प्रोफाइल को संक्षेप में दर्शाया गया है:

साधन	रेटिंग एजेंसी	रेटिंग	आउटलुक
नॉन-कन्वर्टिबल डिबेंचर्स (एनसीडी)	आईसीआरए लिमिटेड	[आईसीआरए] ए+ (उच्चारित इक्रा ए प्लस)	स्थिर
वाणिज्यिक पत्र (सीपी)	आईसीआरए लिमिटेड	[आईसीआरए] ए१+ (उच्चारित इक्रा ए वन प्लस)	-
लाइन ऑफ क्रेडिट (एलओसी)	आईसीआरए लिमिटेड	अल्पावधि रेटिंग - [आईसीआरए] ए१ (उच्चारित इक्रा ए वन ) दिर्घावधि रेटिंग - [आईसीआरए] ए (उच्चारित इक्रा ए)	सकारात्मक

### जमा

कंपनी ने अधिनियम की धारा ७३ और उसके अंतर्गत बनाए गए नियमों के दायरे में आने वाली जनता से जमा नहीं स्वीकार किए हैं।

### ऋणों, गारंटियों और निवेशों का विवरण

अधिनियम की धारा १८६ के प्रावधानों के अंतर्गत अच्छादित ऋणों, गारंटियों और निवेशों का विवरण, रिपोर्ट के साथ संलग्न वित्तीय विवरण के नोट में दिया गया है।

### नॉन-कन्वर्टिबल डिबेन्चर्स

वित्त वर्ष २०१३-१४ के दौरान, कंपनी ने प्राइवेट प्लेसमेन्ट आधार पर रु. १०,००,०००/- प्रत्येक के १००० सिक्योरिटीज लिस्टेड रिडीमेबल नॉन-कन्वर्टिबल डिबेन्चर्स (एनसीडीज़), जिनका कुल योगफल रु. १०० करोड़ है, के दो सिरिज, सिरिज - १, ४०० एनसीडीज़ का और सिरिज - २, ६०० एनसीडीज़ का; जारी किए थे, जो कि नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड (एनएसई) पर क्रमशः ISIN "INE१९३E०७०१४" और "INE१९३E०७०२२" के अंतर्गत सूचीबद्ध हैं। उक्त सिरिज - १ एवं सिरिज - २ एनसीडी को २८ अप्रैल २०१६ एवं २४ अप्रैल २०१७ को प्रतिदान हेतु संबंधित नियत तिथियों पर प्रतिदत्त करवाया गया था।

एक्सिस ट्रस्टी सर्विसेज लिमिटेड, डिबेन्चरधारकों के लिए डिबेन्चर ट्रस्टी थे, जिसके विवरण वार्षिक रिपोर्ट के कॉर्पोरेट प्रशासन खंड में दिए गए हैं। इसके अलावा, सूचीकरण विनियम के अधिनियम ५३ के अनुसार, “संबंधित पक्ष प्रकटीकरण” पर लेखा मानकों के अनुपालन में प्रकटीकरण इस रिपोर्ट के साथ संलग्न वित्तीय विवरण के नोट में दिया गया है।

## कर्मचारी स्टॉक विकल्प योजना

कंपनी ने कर्मचारियों को पुरस्कृत और प्रोत्साहित करने के साथ-साथ प्रतिभा को आकर्षित करने और टिकाए रखने के उपाय के तौर पर सिक्वोरिटीज़ एंड एक्सचेंज बोर्ड ऑफ इंडिया (शेयर आधारित कर्मचारी लाभ) विनियम, २०१४ ('द सेबी एसबीईबी विनियम) के अनुपालन में कर्मचारी स्टॉक विकल्प योजना ('योजना') कार्यान्वित की है।

सेबी एसबीईबी विनियमों के अनुरूप कंपनी की स्कीम के संबंध में प्रकटीकरण कंपनी की वेबसाइट : [www.bajajelectricals.com](http://www.bajajelectricals.com) पर किया गया है। निहित, उपयोगित एवं निरस्त विकल्पों के विवरण एकल वित्तीय विवरणों की टिप्पणियों में उपलब्ध करवाए गए हैं। किसी भी कर्मचारी को वर्ष के दौरान कंपनी द्वारा ग्रांट के समय जारी पूंजी के १% के समान या इससे अधिक के स्टॉक विकल्प जारी नहीं किए गए हैं।

समीक्षाधीन वर्ष के दौरान, पात्र कर्मचारियों को ग्रांट की तिथि को नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड (एनएसई) पर तत्कालीन मार्केट कीमत पर ५०७५०० स्टॉक विकल्प प्रदान किए गए थे। ग्रोथ प्लान के अंतर्गत स्वीकृत स्टॉक विकल्पों का प्रयोग करने के अनुसार इक्विटी शेयरों को जारी करना कंपनी के लाभ एवं हानि खाते को प्रभावित नहीं करता, क्योंकि इसका प्रयोग स्वीकृति की तारीख पर प्रचलित मार्केट मूल्य के साथ-साथ लागू करों पर किया जाता है।

कंपनी को कंपनी के लेखा परीक्षकों की ओर से प्रमाणपत्र मिला है कि योजना सेबी एसबीईबी विनियम और शेयरधारकों द्वारा पारित प्रस्ताव के अनुपालन में कार्यान्वित की गई है। यह प्रमाणपत्र सदस्यों द्वारा निरीक्षण के लिए आम वार्षिक सभा में रखा जाएगा।

## कोसी में जीएलएस बल्ब्स एवं ट्यूब लाइट्स निर्माण इकाई का समापन

कोसी, उत्तर प्रदेश में स्थित कंपनी की जीएलएस बल्ब्स एवं ट्यूब लाइट्स निर्माण इकाई, जो मूल रूप से बीआईएफआर में पंजीकृत एक बीमार कंपनी से संबंधित थी और जिसे कंपनी द्वारा वर्ष २०१२-१३ में बीआईएफआर के लिए परिचालन एजेंसी द्वारा आमंत्रित एक खुली बोली में खरीदा गया था, का परिचालन समीक्षा अंतर्गत वर्ष के दौरान बंद कर दिया गया, क्योंकि इसके परिचालन में सुधार लाने की दिशा में कंपनी प्रबंधन द्वारा किए गए प्रयासों के वांछित परिणाम प्राप्त नहीं हुए और निम्नांकित घटकों के संबंध में इसमें सुधार की कोई दूरस्थ संभावना भी नहीं थी :

- बिजली की बचत करने वाले एलईडी आधारित लाइटिंग उत्पादों का जीवनकाल बहुत लंबा होता है और ये बहुत कम समय में बहुत लोकप्रिय हो गए हैं तथा एलईडी उत्पादों की कम होती कीमतों के परिणामस्वरूप जीएलएस बल्ब की माँग में लगातार गिरावट आ रही है;
- जीएलएस बल्ब चलन से बाहर हो रहे हैं;
- पूरे उद्योग में निर्माण क्षमता का कम दोहन, इस इकाई के साथ भी यही समस्या;

डी. प्रतियोगियों की तुलना में एफटीएल के उत्पादन का अधिक खर्च और उसका बाजार भी सिमट रहा है;

एफ. इकाई से हो रहे नुकसान के कारण कुशल श्रमशक्ति को बनाए रख पाने में परेशानी और उसका उपलब्ध न हो पाना;

जी. ई-वेस्ट (मैनेजमेंट) रूल्स, २०१६ का क्रियान्वयन, जिसके लिए तकनीक को अपग्रेड करने की आवश्यकता एवं कठोर नियमों के अनुपालन के लिए बड़े निवेश की आवश्यकता।

## कंपनी में हिन्द लैप्स लिमिटेड के उत्पादन व्यवसाय के डीमर्जर हेतु व्यवस्था की योजना

वित्तीय वर्ष २०१५-१६ के दौरान, कंपनी के निदेशक मंडल ('कंपनी'/'स्थानांतरी कंपनी') ने स्कीम ऑफ अरेंजमेंट ('स्कीम') के अनुरूप कंपनी में हिन्द लैप्स लिमिटेड ('एचएलएल'/'स्थानांतरक कंपनी') के उत्पादन व्यवसाय के डीमर्जर हेतु प्रस्ताव को अनुमोदित किया, क्योंकि उनका विचार यह था कि कंपनी के साथ डीमर्जर कंपनी के उत्पादन व्यवसाय के स्थानांतरण एवं निहितता से दोनों कंपनियाँ अपने लक्ष्यों को अधिक कार्यकुशल व किफायत रूप से प्राप्त एवं पूर्ण करने में सक्षम होंगी और यह सभी हितधारकों के हित में भी है। कंपनी की प्रबंधन विशेषज्ञता एवं गुणवत्ता प्रणाली एवं नियंत्रणों से इस व्यवसाय का प्रदर्शन बेहतर होगा।

चूँकि, स्थानांतरक कंपनी को बोर्ड ऑफ इंडस्ट्रियल एंड फाइनेंशियल रीकंस्ट्रक्शन ('बीआईएफआर') द्वारा सिक इंडस्ट्रियल कंपनीज़ (स्पेशल प्रोविज़न्स) एक्ट, १९८५ ('सिका') के अनुच्छेद ३(१)(०) के अर्थ में बीमार औद्योगिक कंपनी घोषित किया गया था, इसलिए स्थानांतरक कंपनी द्वारा इस योजना के अनुमोदन के लिए इसे बीआईएफआर के पास भेजा गया था। यद्यपि, आगे चलकर, भारत की केन्द्र सरकार ने, देखें अधिसूचना सं. एस.ओ. ३५६८ (ई) दिनांकित २५ नवंबर २०१६, सिका रिपील एक्ट के प्रावधानों को प्रभावी बनाया, जो कि १ दिसंबर २०१६ से प्रभावी हुए, और सिका भंग हो गया।

सिका रिपील एक्ट का अनुच्छेद ४(बी) (जैसा इंसॉल्वेंसी एंड बैंकरप्सी कोड, २०१६ के अनुच्छेद २५२ द्वारा संशोधित है) के अंतर्गत यह व्यवस्था है कि किसी भी प्रकार की कोई कार्यवाही, जो बीआईएफआर के समक्ष बकाया है, समाप्त हो जाएगी। तदनुसार कंपनी द्वारा दाखिल प्रकरण क्र. ०९/२००२, १ दिसंबर २०१६ को समाप्त हो गया। यद्यपि, अनुच्छेद ४(बी) के प्रावधानों के अंतर्गत कंपनी को इंसॉल्वेंसी एंड बैंकरप्सी कोड, २०१६ के प्रावधानों के अंतर्गत नेशनल कंपनी लॉ ट्रिब्यूनल ('एनसीएलटी') को संदर्भित करने का अधिकार मिलता है, बशर्ते ऐसा संदर्भ उसमें व्यक्त समयावधि के भीतर किया गया हो।

तदनुसार, स्थानांतरक कंपनी एवं स्थानांतरी कंपनी, दोनों ही एनसीएलटी, इलाहाबाद खंडपीठ एवं मुंबई खंडपीठ के समक्ष कंपनीज़ (कंप्रोमाइज़ेस, अरेंजमेंट्स एंड एमलगांमेशंस) रूल्स, २०१६ के साथ पठित अधिनियम के लागू प्रावधानों के अंतर्गत योजना के अनुमोदन हेतु याचिका दाखिल करने की प्रक्रिया में हैं, जिनका न्यायक्षेत्र संबंधित कंपनियों पर है।

यह योजना न्यायालय/एनसीएलटी आयोजित बैठक में शेरधारकों के अनुमोदन, न्यायालय/एनसीएलटी की स्वीकृति एवं ऐसे अन्य अनुमोदनों के अधीन है, जो लागू हों।

### परिचालन

कंपनी के विभिन्न व्यवसायिक क्षेत्रों के परिचालनों पर विस्तृत जानकारी एवं कंपनी के प्रकरणों की स्थिति की जानकारी प्रबंधन चर्चा एवं विश्लेषण रिपोर्ट में आवरित हैं।

### वित्तीय लेखा – विवरणों के संदर्भ में आंतरिक वित्तीय नियंत्रण

कंपनी के आकार एवं इसके परिचालनों के पैमाने तथा पेचीदगी के साथ उनके अनुरूप कंपनी के पास भलीभांति परिभाषित एवं पर्याप्त आंतरिक नियंत्रण हैं। विभिन्न महत्वपूर्ण प्रक्रियाओं, भौतिक एवं परिचालनीय के अत्यावश्यक अवयवों पर विचार करते हुए, जिनमें इनकी रूपरेखा, क्रियान्वयन एवं रखरखाव, परिचालनीय प्रभावकारिता एवं स्थायित्व की सावधि आंतरिक समीक्षा सहित शामिल हैं, कंपनी ने अपने आंतरिक वित्तीय नियंत्रणों को दस्तावेजित किया है। इससे इसके व्यवसाय का व्यवस्थित एवं कार्यकुशल संचालन सुनिश्चित होता है, जिसमें कंपनी की नीतियों का अनुपालन, इसकी संपत्तियों की सुरक्षा, त्रुटियों की रोकथाम, लेखा अभिलेखों की दोषहीनता एवं संपूर्णता तथा विश्वसनीय वित्तीय सूचनाओं की समय पर तैयारी शामिल है।

वित्तीय लेखा विवरणों के संदर्भ में आंतरिक वित्तीय नियंत्रण पर्याप्त थे एवं उनका परिचालन प्रभावी रूप से हुआ।

### भारतीय लेखा मानक (इंड एएस) २०१५

३१ मार्च २०१६ को समाप्त वर्ष तक के वित्तीय विवरण कंपनी (अकाउंटिंग स्टैंडर्ड) नियम, २००६ (संशोधित अनुसार) के अंतर्गत अधिसूचित लेखा मानकों एवं अधिनियम के अन्य संबंधित प्रावधानों के अनुसार तैयार किए गए थे।

परिशिष्टित वित्तीय विवरण सभी महत्वपूर्ण पहलुओं में भारतीय लेखा मानकों (इंड एएस) जो कंपनी अधिनियम, २०१३ (अधिनियम) [कंपनीज़ (इंडियन अकाउंटिंग स्टैंडर्ड्स) नियम, २०१५] के अनुच्छेद १३३ के अंतर्गत अधिसूचित हैं एवं अधिनियम के अन्य संबंधित प्रावधानों के अनुपालन अंतर्गत हैं।

ये वित्तीय विवरण इंड एएस के अंतर्गत कंपनी के प्रथम वित्तीय विवरण हैं।

पिछले जीएपी से इंड एएस में परिवर्तित होने के प्रभाव के बारे में विस्तृत जानकारी परिशिष्टित वित्तीय विवरणों में उपलब्ध करवाई गई है।

### कॉर्पोरेट सामाजिक उत्तरदायित्व (सीएसआर)

अधिनियम की अनुसूची VII के साथ पठित अनुच्छेद १३५ के प्रावधानों के अनुसार, कंपनी ने अपनी कॉर्पोरेट सामाजिक उत्तरदायित्व (सीएसआर) पहल के एक हिस्से के रूप में एक सीएसआर नीति को अपनाया है, जिसमें स्वास्थ्य, जल, स्वच्छता, शिक्षा को बढ़ावा, कौशल विकास, महिलाओं का सशक्तिकरण एवं लैंगिक समानता तथा कला व संस्कृति को बढ़ावा देना आदि के क्षेत्र में कंपनी द्वारा संचालित की गई विभिन्न सीएसआर गतिविधियों को रेखांकित किया

गया है। कंपनी की सीएसआर नीति कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) पर 'इवेस्टर्स' टैब के अंतर्गत उपलब्ध है।

समीक्षा अंतर्गत वर्ष के दौरान, कंपनी ने सीएसआर गतिविधियों पर रु. १०८.४८ लाख रुपए खर्च किए। सीएसआर परियोजनाओं/कार्यक्रमों, प्रत्येक सीएसआर गतिविधि पर राशि एवं कंपनी द्वारा की जा रही ऐसी सीएसआर गतिविधियों की निगरानी करने हेतु मंडल ने एक सीएसआर समिति गठित की है।

कंपनीज़ (कॉर्पोरेट सोशियल रिस्पॉन्सिबिलिटी पॉलिसी) नियम, २०१४ के अंतर्गत आवश्यकतानुसार सीएसआर गतिविधियों पर रिपोर्ट इस रिपोर्ट के परिशिष्ट 'ए' में विद्यमान है।

### औद्योगिक संबंध

कंपनी के कर्मचारियों के साथ संबंध सौहार्दपूर्ण बने हुए हैं।

### कार्यस्थल पर महिलाओं के यौन शोषण की रोकथाम, निषिद्धता एवं निवारण

इस कंपनी में काम करने वाले सभी व्यक्तियों के लिए समान अवसर हैं और यहाँ ऐसी कार्य संस्कृति विकसित करने के लिए निरंतर प्रयास होते हैं, जिसमें सभी कर्मचारियों के आत्मसम्मान को बढ़ावा मिले। कार्यस्थल पर महिलाओं का यौन शोषण (रोकथाम, निषिद्धता एवं निवारण) अधिनियम, २०१३ के प्रावधानों एवं इसके अंतर्गत निर्मित नियमों के अंतर्गत आवश्यकतानुसार, कंपनी ने कार्यस्थल पर महिलाओं के यौन शोषण की रोकथाम पर एक नीति क्रियान्वित की है। यौन शोषण की शिकायतें प्राप्त करने, प्रकरण की जाँच करने और यौन शोषण की शिकायतों के निवारण के लिए प्रबंधन को रिपोर्ट करने के लिए एक आंतरिक शिकायत समिति गठित की गई है।

वर्ष के दौरान, समिति द्वारा कोई शिकायत प्राप्त नहीं की गई।

### व्हिसिल ब्लोअर पॉलिसी / चौकसी प्रणाली

कंपनी पेशेवर व्यवहार के उच्च मानकों, ईमानदारी, सत्यनिष्ठा एवं नैतिक व्यवहार को अपनाकर एक उचित एवं पारदर्शी तरीके से अपने मामले संचालित करने में विश्वास करती है। कंपनी एक ऐसी संस्कृति विकसित करने के लिए प्रतिबद्ध है, जहाँ किसी गलत आचरण के बारे में कोई चिंता जाहिर करना सभी कर्मचारियों के लिए सुरक्षित हो।

निदेशक मंडल ने कंपनी की चौकसी प्रणाली/व्हिसिल ब्लोअर पॉलिसी को अनुमोदित किया है, जिसमें एक जिम्मेदारीपूर्ण एवं सुरक्षित व्हिसिल ब्लोइंग को बढ़ावा देने के लिए एक ढाँचा उपलब्ध करवाया गया है। यह कंपनी के भीतर गंभीर अनियमितताओं के बारे में चिंता जाहिर करने की कर्मचारियों की इच्छा को सुरक्षा प्रदान करता है। यह समुचित प्रशासन सुनिश्चित करने हेतु ऐसी घटनाओं/शिकायतों/अभियोगों के व्यवस्थित प्रतिवेदन हेतु एक चौकसी प्रणाली उपलब्ध करवाता है। लेखा-परीक्षण समिति द्वारा चौकसी प्रणाली की देखरेख की जाती है। लेखा-परीक्षण समिति तक किसी भी कर्मचारी की पहुंच को अस्वीकार नहीं किया जाता। इस पॉलिसी के बारे में संस्था के भीतर कर्मचारियों को

भलीभांति अवगत करवाया गया है और इसे कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) पर भी दिया गया है।

### जोखिम प्रबंधन नीति

कंपनी के लिए एक जोखिम प्रबंधन नीति के विकास एवं क्रियान्वयन पर जानकारी, जिसमें जोखिम के उन तत्वों की पहचान शामिल है, जो बोर्ड के विचार से कंपनी के अस्तित्व के लिए खतरा हो सकते हैं, प्रबंधन चर्चा एवं विश्लेषण पर रिपोर्ट में दी गई है।

### विमुद्रीकरण

दो सबसे बड़े विमुद्रीकरण नोट, रु. ५०० एवं रु. १००० ("निर्दिष्ट बैंक नोट"), जो मिलकर संचरण में कुल नकदी का ८६% भाग थे, ८ नवंबर २०१६ को कुछ विशिष्ट उद्देश्यों को छोड़कर वैधानिक लेनदेन हेतु इन्हें तुरंत प्रभाव से विमुद्रीत कर दिया गया था।

विमुद्रीकरण के कारण लघुकालीन दृष्टि से धीमे विकास के रूप में नुकसान तो हुआ, पर इसमें दीर्घकालीन लाभों की वृहत संभावनाएँ हैं। दीर्घकालीन फायदों में शामिल हैं भ्रष्टाचार में कमी, अर्थव्यवस्था का वृहत डिजिटलाइजेशन, वित्तीय बचत के प्रवाह में वृद्धि और अर्थव्यवस्था का वृहत पुनरुद्धार, इन सभी से अंततः जीडीपी में उच्च वृद्धि होगी, बेहतर कर अनुपालन होगा और कर राजस्व अच्छा होगा।

मिनिस्ट्री ऑफ कॉर्पोरेट अफेयर्स द्वारा निर्दिष्ट प्रारूप, देखें इसकी अधिसूचना दिनांकित ३० मार्च, २०१७, में ८ नवंबर २०१६ से ३० दिसंबर २०१६ तक की अवधि के दौरान कंपनी द्वारा रखे एवं लेनदेन किए गए निर्दिष्ट बैंक नोटों (एसबीएन) पर प्रतिवेदन वित्तीय लेखा-विवरणों पर टिप्पणियों में उपलब्ध करवाए गए हैं।

### निदेशक एवं प्रमुख प्रबंधकीय कार्मिक

#### निदेशक

##### • निदेशकों की नियुक्ति

बोर्ड को सशक्त बनाने के लिए, समीक्षागत वर्ष के दौरान, निदेशक बोर्ड ने श्री अनुज पोद्दार एवं श्री सिद्धार्थ मेहता को कंपनी के अतिरिक्त निदेशकों के रूप में नियुक्त किया है, जो ३० मई २०१६ से प्रभावी है, एवं उनकी नियुक्ति को सदस्यों के अनुमोदन हेतु स्वतंत्र निदेशकों के रूप में अनुशंसित किया है। ४ अगस्त २०१६ को आयोजित वार्षिक साधारण सभा में सदस्यों ने पाँच (५) वर्ष के लिए कंपनी के स्वतंत्र निदेशकों के रूप में उनकी नियुक्ति को ३० मई २०१६ से प्रभावी होकर अनुमोदित किया है।

इस रिपोर्ट की तिथि को कंपनी के बोर्ड में दस (१०) निदेशक शामिल हैं जिनमें से १ (एक) महिला निदेशक सहित आठ (८) गैर-कार्यकारी निदेशक (एनईडी) हैं। एनईडी कुल संख्या के ८०% का प्रतिनिधित्व करते हैं। इसके अलावा, उक्त आठ (८) एनईडी में से सात (७) स्वतंत्र निदेशक हैं जो बोर्ड की कुल संख्या के ७०% का प्रतिनिधित्व करते हैं।

##### • चक्रानुक्रम के अनुसार सेवानिवृत्त होने वाले निदेशक:

अधिनियम के प्रावधानों, और कंपनी संघ के लेख के अनुसार, श्री मधुर बजाज चक्रानुक्रम के अनुसार सेवानिवृत्त हो रहे हैं और पात्र होने के नाते निदेशक के रूप में पुनःनियुक्त होने के लिए अपनी उम्मीदवारी पेश कर रहे हैं। निदेशक की पुनः नियुक्ति के मामले में सूचीकरण विनियम के अधिनियम ३६ के प्रकटीकरण किए जाने हेतु यथा अपेक्षित जानकारी आगामी वार्षिक आम बैठक के नोटिस में प्रदान की जाएगी।

##### • स्वतंत्र निदेशक:

स्वतंत्र निदेशक पाँच वर्ष की निश्चित अवधि तक पद धारण करते हैं और चक्रानुक्रम के अनुसार सेवानिवृत्ती के अधीन नहीं होते हैं।

अधिनियम की धारा १४९ (७) के अनुसार, प्रत्येक स्वतंत्र निदेशक ने कंपनी को यह पुष्टि करने वाला लिखित घोषणा-पत्र दिया है कि वह अधिनियम की धारा १४९ (६) और सूचीकरण विनियम के अधिनियम १६ (१) (बी) के अंतर्गत यथा उल्लेखित स्वतंत्रता मानदंडों को पूरा करता/करती है।

##### • बैठकें

बैठकों का कैलेन्डर तैयार किया गया और अग्रिम रूप से निदेशकों में प्रदान किया गया है।

##### बोर्ड की बैठकें:

वर्ष के दौरान, छः (६) बोर्ड बैठकें बुलाई और आयोजित की गईं, जिसका विवरण कॉर्पोरेट प्रशासन पर रिपोर्ट में दिया गया है। बैठकों के बीच का मध्यवर्ती अंतराल अधिनियम और सूचीकरण विनियमों के अंतर्गत निर्धारित अवधि के भीतर था।

##### लेखा परीक्षा समिति:

लेखा परीक्षा समिति में उसके सदस्य के रूप में तीन स्वतंत्र निदेशक शामिल हैं। वर्ष के दौरान पाँच (५) लेखा परीक्षा समिति की बैठकें बुलाई और आयोजित की गईं, जिसका विवरण कॉर्पोरेट प्रशासन पर रिपोर्ट में दिया गया है। बैठकों के बीच का मध्यवर्ती अंतराल अधिनियम और सूचीकरण विनियमों के अंतर्गत निर्धारित अवधि के भीतर था।

##### सीएसआर समिति:

सीएसआर समिति में तीन सदस्य हैं, जिनमें से एक स्वतंत्र निदेशक है। इस समिति ने समीक्षाधीन अवधि के दौरान दो बार बैठक की। समिति और बैठकों का विवरण कॉर्पोरेट प्रशासन पर रिपोर्ट में दिया गया है।

##### • बोर्ड की प्रभावशीलता:

##### स्वतंत्र निदेशकों के लिए परिचय कार्यक्रम:

सूचीकरण विनियमों की अपेक्षा के अनुपालन में, कंपनी में स्वतंत्र निदेशकों के लिए उन्हें अपनी भूमिका, निदेशक के रूप में अधिकारों और उत्तरदायित्व, कंपनी का कामकाज, उद्योग की प्रकृति जिसमें कंपनी परिचालन करती है, व्यवसाय मॉडल आदि से परिचित कराने के लिए



परिचय कार्यक्रम विद्यमान है। परिचय कार्यक्रम का विवरण कॉर्पोरेट प्रशासन पर रिपोर्ट में दिया गया है। यह विवरण कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर भी उपलब्ध है।

बोर्ड, इसकी समितियों और निदेशकों के प्रदर्शन का मूल्यांकन:

अधिनियम और सूचीकरण विनियमों के प्रावधानों के अनुसार बोर्ड ने अपने स्वयं के प्रदर्शन, व्यक्तिगत रूप से निदेशकों का वार्षिक निष्पादन मूल्यांकन और साथ ही अपनी समिति की कार्यप्रणाली का मूल्यांकन किया है। मूल्यांकन प्रक्रिया में लागू मानदंड कॉर्पोरेट प्रशासन पर रिपोर्ट में दिए गए हैं।

### प्रमुख प्रबंधकीय कार्मिक

अधिनियम की धारा २ (५१) और धारा २०३, उसके अंतर्गत बनाए गए नियमों के साथ पठित, के अनुसार प्रमुख प्रबंधकीय कर्मियों के रूप में निम्नलिखित व्यक्तियों को नामित किया गया है:

- ए. श्री शेखर बजाज, चेयरमैन व मैनेजिंग डायरेक्टर और सीईओ;
- बी. श्री अनंत पुरन्दरे, अध्यक्ष और मुख्य वित्तीय अधिकारी; और
- सी. श्री मंगेश पाटिल, डीपी - वैधानिक व कराधान तथा कंपनी सचिव और अनुपालन अधिकारी

समीक्षागत वर्ष के दौरान कंपनी के किसी भी प्रमुख प्रबंधकीय कर्मियों ने त्यागपत्र नहीं दिया है।

**निदेशकों, प्रमुख प्रबंधकीय कार्मिकों एवं वरिष्ठ प्रबंधकीय कार्मिकों के पारिश्रमिक पर नीति एवं अधिनियम के अनुच्छेद १७८ के अंतर्गत मामलों के लिए मापदंड**

निदेशकों, प्रमुख प्रबंधकीय कार्मिकों एवं वरिष्ठ प्रबंधकीय कार्मिकों के पारिश्रमिक पर नीति एवं योग्यता के निर्धारण, सकारात्मक गुणों, एक निदेशक की स्वतंत्रता एवं अधिनियम के अनुच्छेद १७८ के उप-अनुच्छेद (३) के अंतर्गत मामलों के लिए मापदंड के संबंध में जानकारी कॉर्पोरेट प्रशासन रिपोर्ट के अनुच्छेद में उपलब्ध करवाई गई है।

**निदेशकों, प्रमुख प्रबंधकीय कार्मिकों और वरिष्ठ प्रबंधकीय के लिए नियुक्ति हेतु उम्मीदवारों के चयन के लिए मानदंड**

आपकी कंपनी ने निदेशक, प्रमुख प्रबंधकीय कार्मिकों और वरिष्ठ प्रबंधकीय कार्मिकों के लिए नियुक्ति हेतु उम्मीदवारों के चयन के लिए सुपरिभाषित मानदंड निर्धारित किए हैं।

**संबंधित पक्षों के साथ अनुबंध या व्यवस्था का विवरण**

संबंधित पक्षों के साथ सभी लेनदेन अनुमोदन के लिए लेखा परीक्षा समिति के साथ ही बोर्ड के समक्ष भी रखे जाते हैं। ऐसे लेनदेन, जो अनुमानित और पुनरावृत्ति वाली प्रकृति के हैं, के लिए वार्षिक आधार पर लेखा परीक्षा समिति का सर्वग्राही पूर्व अनुमोदन प्राप्त किया जाता है।

इस प्रकार से अनुमत सर्वग्राही अनुमोदन के अनुसार किए गए लेनदेन लेखा-परीक्षित हैं और सभी संबंधित पक्ष लेनदेन की जानकारी देने वाला वक्तव्य त्रैमासिक और वार्षिक आधार पर अनुमोदन के लिए लेखा परीक्षा समिति और

निदेशक मंडल के समक्ष रखा जाता है।

बोर्ड द्वारा यथा अनुमोदित संबंधित पक्ष के लेनदेन पर नीति कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) पर उपलब्ध है।

सारवान रूप से महत्वपूर्ण कोई भी संबंधित पक्ष लेनदेन अर्थात् प्रवर्तकों, निदेशकों, प्रमुख प्रबंधकीय कर्मियों या अन्य नामित व्यक्तियों के साथ कंपनी द्वारा किया गया गत लेखा परीक्षित वित्तीय विवरण के अनुसार कंपनी के वार्षिक कारोबार के दस प्रतिशत से अधिक का लेनदेन जिसका कुल मिलाकर कंपनी के हित के साथ संभावित संघर्ष हो सकता है, नहीं था। इस प्रकार, 'फॉर्म एओसी-२' में प्रकटीकरण लागू नहीं होता है।

किसी भी निदेशक या मुख्य प्रबंधकीय कार्मिक का कंपनी की तुलना में कोई आर्थिक संबंध या लेनदेन नहीं है।

संबंधित पक्ष के लेनदेन का विवरण वित्तीय विवरण के नोट में दिया जाता है।

**निवेशक शिक्षा और सुरक्षा पूंजी के लिए दावा न किए गये राशियों तथा शेयरों का हस्तांतरण**

अधिनियम की धारा १२४ के प्रावधानों के अंतर्गत सात (७) वर्षों की अवधि तक बिना भुगतान तथा दावा न किए गये संबंधित राशियों को कंपनी द्वारा निवेशक शिक्षा और सुरक्षा पूंजी इनवेस्टर एज्युकेशन एंड प्रोटेक्शन फंड (आईईपीएफ) के लिए हस्तांतरित कर दिया गया।

कंपनी ने ४ अगस्त २०१६ (अंतिम वार्षिक आम सभा की दिनांक) को कंपनी के पास पड़ी बिना भुगतान और दावारहित राशियों के विवरण कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) और कॉर्पोरेट मामलों के मंत्रालय की वेबसाइट पर भी अपलोड कर दिए हैं।

इसके आगे, अधिनियम के अनुच्छेद १२४(६) की आवश्यकता है कि वे सभी शेयर, जिनके संबंध में सात निरंतर वर्षों या उससे अधिक समय के लिए लाभांश का भुगतान नहीं किया गया है या दावा नहीं किया गया है, को भी आईईपीएफ में स्थानांतरित किया जाएगा। कॉर्पोरेट मामलों के मंत्रालय, देखें इसकी अधिसूचना दिनांकित ५ सितंबर २०१६ एवं २८ फरवरी २०१७, ने आईईपीएफ अथॉरिटी (अकाउंटिंग, ऑडिट, ट्रांसफर एंड रीफंड) नियम, २०१६ एवं आईईपीएफ अथॉरिटी (अकाउंटिंग, ऑडिट, ट्रांसफर एंड रीफंड) संशोधित नियम, २०१७ ("नियम") अधिसूचित किए हैं, जिनमें अन्य के साथ, "आईईपीएफ सस्पेंस अकाउंट" में ऐसे शेयरों के अंतरण के लिए प्रावधान शामिल हैं।

तदनुसार, उपरोक्त नियमों के नियम ६(३) के प्रावधानों के समुचित अनुपालन में, कंपनी द्वारा ऐसे शेयरधारकों को स्पीड पोस्ट के माध्यम से वैयक्तिक पत्र भेजे गए हैं, जिनके संबंध में सात (७) वर्ष की एक क्रमागत अवधि के लिए लाभांश अभुगतानित रहा और दिनांक ३ दिसंबर २०१६ को सार्वजनिक सूचना समाचार पत्रों में जारी की गई थी। इसके बाद उक्त नियमों के संशोधन पर, देखें एमसीए अधिसूचना दिनांकित २८ फरवरी २०१७, अन्य सार्वजनिक सूचना दिनांक ६ मई २०१७ को समाचार पत्रों में जारी की गई थी, जिसमें ऐसे शेयरधारकों को अंतरण की ऐसी तिथि तक अभुगतानित लाभांशों का दावा करने का एक नवीन अवसर दिया गया था। कंपनी तदनुसार इस संबंध में एमसीए द्वारा जारी किए गए आवश्यक दिशा-निर्देशों के अनुरूप, संशोधित नियमों के अनुसार, ऐसे शेयरों के अंतरण के संबंध में उपयुक्त कदम उठाने की प्रक्रिया में है।



जैसा कि इन नियमों के अंतर्गत उपलब्ध करवाया गया है, शेयरधारकों को आवश्यक प्रक्रिया का पालन करके आईईपीएफ में अंतरित शेयरों एवं अभुगतानित लाभांशों का दावा करने की अनुमति होगी। उक्त नियम कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) के 'इंवेस्टर' अनुच्छेद के अंतर्गत उपलब्ध करवाए गए हैं।

#### महत्वपूर्ण बदलाव और वचन बद्धताएँ

कंपनी की वित्तीय स्थिति को प्रभावित करने वाला कोई भी महत्वपूर्ण बदलाव और प्रतिबद्धताएँ नहीं हुई हैं जो कंपनी के वित्तीय वर्ष के अंत में और इस रिपोर्ट की तिथि के बीच घटित हुए हों।

#### नियामक या न्यायालयों द्वारा पारित महत्वपूर्ण और अर्थपूर्ण आदेश

नियामक या न्यायालयों या न्यायाधिकरण द्वारा पारित किया गया ऐसा कोई महत्वपूर्ण और अर्थपूर्ण आदेश नहीं है, जो कंपनी की मौजूदा सक्रिय स्थिति को और उसके भविष्य की गतिविधि को प्रभावित कर सकता है।

#### सहायक/सहयोगी कंपनियाँ /संयुक्त उद्यम

३१ मार्च २०१७ के अनुसार कंपनी की कोई सहायक कंपनी नहीं थी।

कंपनी की सहयोगी कंपनियाँ/संयुक्त उद्यम का विवरण :

कंपनी का नाम	३१ मार्च २०१७ के अनुसार कंपनी की % हिस्सेदारी	स्थिति
स्टारलाइट लाइटिंग लिमिटेड (एसएलएल)	१९.००	संयुक्त उद्यम
हिंद लैम्प्स लिमिटेड (एचएलएल)	१९.००	सहयोगी

अधिनियम की धारा २(६) के प्रयोजन के लिए एक अन्य कंपनी के संबंध में, "सहयोगी कंपनी" से आशय उस कंपनी से है जिसमें अन्य कंपनी का महत्वपूर्ण प्रभाव है, लेकिन जो इस प्रकार का प्रभाव रखने वाली कंपनी की सहायक कंपनी नहीं है और इसमें संयुक्त उद्यम कंपनी भी शामिल है। इस धारा के प्रयोजनों के लिए "महत्वपूर्ण प्रभाव" से आशय कुल अंश पूंजी के कम से कम बीस प्रतिशत या समझौते के अंतर्गत व्यवसाय निर्णयों के नियंत्रण से है। हालांकि, एसएलएल और एचएलएल की इक्विटी शेयर पूंजी में कंपनी की होल्डिंग २०% से कम है, लेकिन कंपनी इन कंपनियों के परिचालन और वित्तीय नीतियों पर प्रभाव डालने की स्थिति में है और इसलिए इन्हें क्रमशः कंपनी के संयुक्त उद्यम तथा सहयोगी मानते हुए एसएलएल और एचएलएल का वित्तीय विवरण कंपनी के वित्तीय विवरण के साथ समेकित किया गया है।

#### स्टारलाइट लाइटिंग लिमिटेड

वित्तीय वर्ष २०१६-१७ के लिए एसएलएल का सकल राजस्व रु. १२६.८२ करोड़ रहा (पिछले वर्ष : रु. १६४.८६ करोड़)। इस वर्ष के लिए नुकसान रु. २१.४० करोड़ था (पिछले वर्ष का नुकसान : रु. ५.७३ करोड़)।

#### हिन्द लैम्प्स लिमिटेड

वित्तीय वर्ष २०१६-१७ के लिए एचएलएल का सकल राजस्व रु. ४४.१६ करोड़ रहा (पिछले वर्ष : रु. ५३.३२ करोड़)। इस वर्ष के लिए नुकसान रु. ८.०५ करोड़ था (पिछले वर्ष का नुकसान : रु. ७.०४ करोड़)।

#### वित्तीय परिणामों का प्रस्तुतिकरण

३१ मार्च २०१७ को समाप्त वर्ष के लिए कंपनी के वित्तीय परिणाम अधिनियम की अनुसूची 111 के अनुसार प्रकट किए गए हैं।

#### सांविधिक प्रकटीकरण

कंपनी की सहयोगी और संयुक्त उद्यम के प्रमुख वित्तीय विवरणों का सारांश (फॉर्म एओसी-१) इस वार्षिक रिपोर्ट में सम्मिलित है। उक्त कंपनियों के लेखा परीक्षित वित्तीय विवरणों की प्रतियाँ, समय के किसी भी बिंदु पर इस प्रकार की जानकारी की माँग करने वाले कंपनी के सदस्यों को उपलब्ध करा दी जाएगी। उक्त कंपनियों के अंकेक्षित वित्तीय विवरण व्यवसायिक कार्यकाल के दौरान कंपनी के किसी भी सदस्य द्वारा निरीक्षण हेतु उसके पंजीकृत कार्यालय में रखे जाएँगे। इसे कंपनी की वेबसाइट: [www.bajajelectricals.com](http://www.bajajelectricals.com) पर भी दिया गया है।

#### लेखा परीक्षक :

##### वैधानिक लेखा परीक्षक:

मे. दलाल एंड शाह एलएलपी, चार्टर्ड अकाउंटेंट्स, मुंबई (फर्म पंजीकरण सं. : १०२०२१डब्ल्यू / डब्ल्यू१००११०), जो कि मौजूदा वैधानिक लेखा परीक्षक हैं, की नियुक्ति की अवधि, अधिनियम के अनुच्छेद १३९(२) के प्रावधानों एवं इसके अंतर्गत गठित नियमों के अनुसार ७८वीं एजीएम के समापन पर कालातीत होगी।

कंपनी के निदेशक मंडल ने ९ फरवरी २०१७ को आयोजित अपनी बैठक में, आगामी एजीएम में सदस्यों के अनुमोदन के अधीन होकर, पाँच (५) वर्ष के लिए कंपनी के नए वैधानिक लेखा परीक्षक के रूप में मे. एस आर बी सी एंड कं. एलएलपी, चार्टर्ड अकाउंटेंट्स (फर्म पंजीकरण सं. ३२४९८२ई / ई३००००३) की नियुक्ति की स्वीकृति दी, जो कि मे. दलाल एंड शाह एलएलपी का स्थान लेंगे, जो ७८वीं एजीएम के समापन से शुरू होकर ८३वीं एजीएम के समापन तक होंगे, जो वार्षिक रूप से सदस्यों द्वारा उनकी नियुक्ति की संपुष्टि के अधीन होगी। मे. एस आर बी सी एंड कं. एलएलपी ने कंपनी के लेखा परीक्षक के रूप में नियुक्ति के लिए अधिनियम के अनुच्छेद १४१ एवं उसके अंतर्गत गठित नियमों के अंतर्गत अपनी योग्यता की पुष्टि की है। सूचीकरण विनियमों के विनियम ३३ के अंतर्गत आवश्यकतानुसार, नए लेखा परीक्षकों ने यह पुष्टि भी की है कि उनके पास द इंस्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया के पीयर रिव्यू बोर्ड द्वारा जारी वैध प्रमाण-पत्र है।

लेखा परीक्षकों की रिपोर्ट में संदर्भ दिए हुए वित्तीय विवरण पर टिप्पणियाँ स्वतः स्पष्ट हैं और इसलिए और किसी टिप्पणी की माँग नहीं करतीं।

स्टैंडअलोन वित्तीय परिणाम पर लेखा परीक्षकों की रिपोर्ट किसी योग्यता, आरक्षण या प्रतिकूल टिप्पणी या अस्वीकरण को शामिल नहीं करती।

समेकित वित्तीय विवरणों पर उनके प्रतिवेदन में लेखा परीक्षकों द्वारा योग्यता, आरक्षण या प्रतिकूल टिप्पणी या अस्वीकरण पर बोर्ड द्वारा स्पष्टीकरण/टिप्पणियाँ:

हिन्द लैम्स लिमिटेड (एचएलएल) के लेखा परीक्षकों, कंपनी के सहयोगी ने आस्थगित कर संपत्तियों की पहचान के संबंध में अपने मत की अर्हता प्राप्त की है, जो समेकित रूप से ३१ मार्च २०१७ को रु. ९.२१ करोड़ है, पर्याप्त भावी करयोग्य लाभों की उपलब्धता के संतोषजनक साक्ष्य के अभाव में, जिससे ऐसी आस्थगित कर संपत्तियों की वापसी की वास्तविक निश्चितता प्रदर्शित हो. एचएलएल में कंपनी का १९% हिस्सा है और कंपनी पर अर्हता प्राप्त मत का ऐसा आनुपातिक प्रभाव केवल रु. १.७४ करोड़ है, जो ३१ मार्च २०१७ को एकल एवं समेकित स्तर पर कंपनी की कुल संपत्तियों के साथ तुलना पर ०.०६% है. इसके अलावा, ३१ मार्च २०१७ को समाप्त वर्ष के लिए कर पूर्व लाभ के साथ तुलना पर इस अर्हता प्राप्त मत का आनुपातिक प्रभाव एकल स्तर पर १.०४% और समेकित स्तर पर १.०८% है. अतः कंपनी का आकलन है कि अर्हता प्राप्त मत का प्रभाव महत्वहीन है.

#### लागत लेखा परीक्षक

अधिनियम के अनुच्छेद १४८, इसके अंतर्गत बने नियमों के साथ पठित के साथ, के अनुसार, कंपनी द्वारा इसकी उत्पादन गतिविधियों के संबंध में इसके द्वारा रखे गए लागत लेखा अभिलेख लेखा परीक्षित किए जाने के लिए आवश्यक हैं. निदेशक मंडल ने लेखा परीक्षक समिति की सिफारिश पर मेसर्स आर. नानाभाय एंड कंपनी, लागत लेखा परीक्षक (फर्म पंजीकरण संख्या ००००१०) को वित्तीय वर्ष २०१७-१८ के लिए कंपनी के लागत एकाउंट्स ऑडिट करने के लिए नियुक्त किया है. अधिनियम की आवश्यकता के अनुसार, लागत लेखा परीक्षक को देय पारिश्रमिक आम सभा में सदस्यों के समक्ष उनके सुधार हेतु रखना आवश्यक है. तदनुसार, मे. आर. नानाभाय एंड कंपनी, लागत लेखा परीक्षक के देय पारिश्रमिक के लिए सदस्यों की संपुष्टि की मांग करने वाले एक प्रस्ताव को वार्षिक आम सभा का आयोजन करने वाली नोटिस में आइटम संख्या ५ पर शामिल किया गया है.

लागत लेखा परीक्षक के विवरण तथा वित्त वर्ष २०१५-१६ में उनके द्वारा संचालित लागत लेखा परीक्षा के पूर्ण विवरण नीचे दिए गए हैं:

आईसीडब्ल्यू सदस्यता सं.	७४६४
फर्म का रजिस्ट्रेशन नं.	००००१०
पता	जेर मेशन, ७०, अगस्त क्रांति मार्ग, मुंबई ४०००३६
लागत परीक्षा रिपोर्ट	वित्त वर्ष २०१५-१६
रिपोर्ट दर्ज करने की नियत तिथि	३० सितंबर २०१६
दर्ज करने की वास्तविक तिथि	३० अगस्त २०१६

#### साचिविक लेखा परीक्षक:

अधिनियम की धारा २०४ के प्रावधानों और कंपनी (प्रबंधकीय कर्मचारियों की नियुक्ति और पारिश्रमिक) नियम, २०१४ के अनुसार कंपनी ने मेसर्स अनंत बी. खमनकर एंड कंपनी, प्रैक्टिसिंग कंपनी सेक्रेटरीज (सदस्यता नं.: एफसीएस:३१९८; सीपी नं.:१८६०) को कंपनी के सेक्रेटरीयल लेखा परीक्षण का भार संभालने के लिए नियुक्त किया है.

कंपनी ने वित्तीय वर्ष २०१६-१७ के लिए साचिवीय लेखा परीक्षण करवाया है, जिसमें अधिनियम एवं इसके अंतर्गत बने नियमों, सूचीकरण विनियमों एवं सेक्युरिटीज एंड एक्सचेंज बोर्ड ऑफ इंडिया एवं फॉरेन एक्सचेंज मैनेजमेंट एक्ट, १९९९ द्वारा निर्धारित अन्य लागू विनियमों एवं इंस्टीट्यूट ऑफ कंपनी सेक्रेटरीज ऑफ इंडिया द्वारा जारी साचिवीय मानकों के अनुपालन का लेखा परीक्षण शामिल है. वर्ष २०१६-१७ के लिए साचिविक लेखा परीक्षक की रिपोर्ट को परिशिष्ट 'बी' के रूप में बोर्ड की रिपोर्ट में जोड़ लिया गया है. सेक्रेटरीयल लेखा परीक्षण रिपोर्ट, सेक्रेटरीयल लेखा परीक्षक द्वारा किसी योग्यता, आरक्षण, प्रतिकूल टिप्पणी या अस्वीकरण को शामिल नहीं करता.

#### कॉर्पोरेट प्रशासन

आपकी कंपनी सूचीकरण विनियमों में उल्लेखित कॉर्पोरेट गवर्नेंस आवश्यकताओं के अनुपालन में है. सूचीकरण विनियमों के अधिनियम ३४ के अनुरूप, इस वार्षिक रिपोर्ट में कॉर्पोरेट प्रशासन की एक अलग रिपोर्ट को शामिल किया गया है, जिसके साथ कॉर्पोरेट प्रशासन की शर्तों के अनुपालन के संबंध में कंपनी के लेखा-परीक्षकों का प्रमाण-पत्र है.

बोर्ड के सभी सदस्यों तथा वरिष्ठ प्रबंधन कर्मियों ने वर्ष २०१६-१७ के लिए आचरण संहिता के अनुपालन की पुष्टि की है. इस बारे में कंपनी के चेयरमैन व मैनेजिंग डायरेक्टर तथा सीईओ द्वारा हस्ताक्षरित घोषणा भी इस वार्षिक रिपोर्ट में दी गई है.

सूचीकरण विनियम के अधिनियम १७ (८) के तहत, वित्तीय विवरण और अन्य मामलों के संबंध में सीईओ और सीएफओ ने बोर्ड के समक्ष प्रमाणित किया है और यह कथित प्रमाणपत्र इस वार्षिक रिपोर्ट में शामिल है.

#### प्रबंधन चर्चा एवं विश्लेषण

कंपनी के परिचालन पर प्रबंधन चर्चा एवं विश्लेषण रिपोर्ट, सूचीकरण विनियमों के अंतर्गत आवश्यकतानुरूप, एक अलग अनुच्छेद में उपलब्ध करवाया गया है और यह इस रिपोर्ट का एक अभिन्न भाग है.

#### व्यवसाय उत्तरदायित्व प्रतिवेदन

सूचीकरण विनियमों के अनुसार बाजार पूंजीकरण के आधार पर शीर्ष ५०० सूचीबद्ध संस्थाओं के लिए वार्षिक प्रतिवेदन के एक भाग के रूप में व्यवसाय उत्तरदायित्व प्रतिवेदन (बीआरआर) का समावेश अनिवार्य है. चूंकि कंपनी शीर्ष ५०० सूचीबद्ध संस्थाओं में से एक है, इसलिए कंपनी ने वित्तीय वर्ष २०१६-१७ के लिए अपनी बीआरआर प्रस्तुत की है, जो इस वार्षिक रिपोर्ट का एक हिस्सा है.

#### ऊर्जा संरक्षण, प्रौद्योगिकी समावेशन और विदेशी मुद्रा का अर्जन व व्यय

कंपनी (लेखा) नियम, २०१४ के नियम ८ के साथ पठित अधिनियम के अनुच्छेद १३४(३)(एम) के अंतर्गत व्यक्त ऊर्जा के संरक्षण, प्रौद्योगिकी समावेशन और विदेशी मुद्रा का अर्जन व व्यय को इस रिपोर्ट के परिशिष्ट 'सी' के रूप में जोड़ा गया है.

## वार्षिक विवरणी का निष्कर्ष

कंपनी (मैनेजमेंट एंड एडमिनिस्ट्रेशन) नियम, २०१४ के साथ पठित अधिनियम के अनुच्छेद ९२ के उप-अनुच्छेद (३) के अंतर्गत आवश्यकतानुसार फॉर्म एमजीटी-९ में वार्षिक विवरणी का निष्कर्ष इस रिपोर्ट के परिशिष्ट 'डी' के रूप में यहाँ संलग्न है।

## कर्मचारियों के विवरण एवं संबंधित प्रकटीकरण

कंपनी (प्रबंधकीय कर्मचारियों की नियुक्ति एवं पारिश्रमिक) नियम, २०१४ के नियम ५ (१) के साथ पठित अधिनियम के अनुच्छेद १९७(१२) के अंतर्गत आवश्यकतानुसार पारिश्रमिक एवं अन्य विवरणों से संबंधित प्रकटीकरण रिपोर्ट के परिशिष्ट 'इ' के रूप में संलग्न है।

ऐसे कर्मचारियों की जानकारी जिन्हें वर्ष के दौरान रु.६० लाख या जिन्हें वर्ष के किसी भी समय में रु.५ लाख प्रतिमाह से कम पारिश्रमिक नहीं मिलता था, इस प्रतिवेदन का हिस्सा होती है और इन्हें कंपनी को लिखित अनुरोध पर किसी भी सदस्य को उपलब्ध करवाया जाएगा। अधिनियम के अनुच्छेद १३६ के अनुसार, प्रतिवेदन एवं लेखा सदस्यों एवं इसके पात्र अन्य को भेजे जा रहे हैं, जिसमें कर्मचारियों के विवरणों की जानकारी शामिल नहीं है, जो आगामी एजीएम की तिथि तक व्यवसायिक समय या कार्यकारी दिनों में कंपनी के पंजीकृत कार्यालय पर सदस्यों द्वारा निरीक्षण के लिए उपलब्ध है। यदि कोई सदस्य इसके निरीक्षण का/की इच्छुक है, तो ऐसे सदस्य कंपनी सचिव को अग्रिम में लिख सकता/सकती है।

## समेकित वित्तीय विवरण

निदेशक लेखा-परीक्षित समेकित वित्तीय विवरण भी प्रस्तुत करते हैं जिनमें सहयोगी व संयुक्त उद्यमों के लेखा-परीक्षित वित्तीय परीक्षण शामिल हैं जिन्हें अधिनियम के अनुपालन में तैयार किया गया है, जो सेबी द्वारा निर्धारित किए अनुसार लेखा मानक एवं सूचीकरण अनुबंध पर लागू हैं।

निर्धारित 'फॉर्म एओसी-१' में सहयोगी की प्रमुख विशेषताओं से युक्त एक अलग विवरण रिपोर्ट के परिशिष्ट 'एफ' के रूप में संलग्न हैं।

## निदेशकों के उत्तरदायित्व का वक्तव्य

अधिनियम के अनुच्छेद १३४ के अनुसार, आपके निदेशक यह पुष्टि करते हैं कि :

- ३१ मार्च २०१७ को समाप्त वर्ष के लिए वार्षिक खातों की तैयारी में, लागू लेखा मानकों का पालन किया गया है और इसके लिए कोई महत्वपूर्ण अपसरण नहीं किया गया है;
- निदेशकों ने ऐसी लेखा नीतियाँ चुनी हैं और उन्हें लगातार लागू किया है और ऐसे निर्णय एवं आकलन किए हैं, जो उपयुक्त एवं विवेकपूर्ण हों,

जिससे ३१ मार्च २०१७ को कंपनी के मामलों की स्थिति एवं उस तिथि को समाप्त वर्ष के लिए कंपनी के लाभों का एक सत्यतापूर्ण एवं उचित दृष्टिकोण मिल सके;

- निदेशकों ने कंपनी की संपत्तियों की सुरक्षा के लिए और धोखाधड़ी व अन्य अनियमितताओं की पहचान व रोकथाम के लिए अधिनियम के प्रावधानों के अनुरूप पर्याप्त लेखा अभिलेखों के प्रबंधन हेतु समुचित एवं पर्याप्त रूप से ध्यान दिया है;
- कंपनी के वार्षिक लेखा एक "गोइंग कंसर्न" आधार पर तैयार किए गए हैं;
- उपयुक्त आंतरिक वित्तीय नियंत्रण यथास्थान थे और वित्तीय नियंत्रण पर्याप्त थे तथा प्रभावी रूप से संचालित हुए; एवं
- सभी लागू कानूनों के प्रावधानों के अनुपालन को सुनिश्चित करने हेतु प्रणालियाँ यथास्थान रहीं और वे पर्याप्त थीं एवं प्रभावी रूप से संचालित हुईं।

## आभार :

आपके निदेशक इस अवसर पर केन्द्र एवं राज्य सरकार के विभागों, संस्थाओं एवं अधिकरणों के निरंतर सहयोग एवं समर्थन के लिए उनका धन्यवाद करते हैं। निदेशक सभी सम्माननीय हितधारकों का भी धन्यवाद करते हैं, जैसे ग्राहक, वेन्डर, आपूर्तिकर्ता, बैंक, वित्तीय संस्थान एवं अन्य व्यवसायिक संगठन, जिन्होंने वर्ष के दौरान कंपनी को निरंतर सहयोग दिया व यथाशक्ति समर्थन उपलब्ध करवाया। निदेशक अपनी कंपनी के सभी कर्मचारियों की सतत प्रतिबद्धता एवं उनके अमूल्य योगदान के लिए अपना आभार व्यक्त करते हैं।

आपके निदेशक इस कंपनी के सदस्यों द्वारा उसमें प्रदर्शित की गई अपनी आस्था एवं विश्वास के लिए उनकी सराहना करते हैं।

## परिशिष्ट

निम्नांकित परिशिष्ट हैं, जो इस रिपोर्ट का एक हिस्सा हैं :

- कॉर्पोरेट सोशियल रिस्पॉन्सिबिलिटी पर वार्षिक रिपोर्ट - परिशिष्ट 'ए' ;
- 'फॉर्म एमआर-३' में सचिवीय लेखा परीक्षित रिपोर्ट - परिशिष्ट 'बी' ;
- ऊर्जा संरक्षण, प्रौद्योगिकी समावेशन और विदेशी मुद्रा का अर्जन व व्यय - परिशिष्ट 'सी' ;
- 'फॉर्म एमजीटी-९' में वार्षिक रिटर्न का निष्कर्ष - परिशिष्ट 'डी' ;
- कंपनीज़ (एपॉइंटमेंट एंड रिम्युनेशन ऑफ मैनेजरियल पर्सनल) नियम, २०१४ के अधिनियम ५(१) के अंतर्गत सूचना - परिशिष्ट 'ई' ; और
- 'फॉर्म एओसी-१' में सहायक/सहयोगी कंपनियों/संयुक्त उद्यमों के वित्तीय लेखा-विवरण की प्रमुख विशेषताओं के साथ लेखा-विवरण - परिशिष्ट 'एफ' ;

कृते तथा वास्ते निदेशक मंडल

मंगेश पाटिल  
एक्ज़िक्यूटिव वाइस प्रेसीडेंट-वैधानिक व कराधान और कंपनी सचिव  
FCS नं. - ४७५२

अनंत बजाज  
ज्वाइंट मैनेजिंग डायरेक्टर  
DIN : ०००८९४६०

शेखर बजाज  
चेयरमैन व मैनेजिंग डायरेक्टर  
DIN : ०००८९३५८

## कॉर्पोरेट प्रशासन पर रिपोर्ट

“विश्वास – इस एक साधारण से शब्द में एक पूरा दर्शन समाहित है, जो एक ऐसे आदमी को दिया जाता है, जो मुनाफे से अधिक ईमानदारी को महत्व देता है, बोलने से ज्यादा करने पर ज़ोर देता है और व्यक्तिगत लाभ से पहले अच्छाई को रखता है.”

– जमनालाल बजाज

नैतिक मूल्य कंपनी के प्रशासन सिद्धान्त की नींव हैं जो कंपनी के पिछले ७७ वर्षों के अस्तित्व में कंपनी की संस्कृति का एक हिस्सा बन गए हैं. हमें एक ऐसी कंपनी में होने पर गर्व है, जिसके दूरदृष्टा संस्थापक ने इसकी नींव बहुत समय पहले सुशासन के लिए रखी थी और इसे अपने व्यवसाय का एक अभिन्न हिस्सा बनाया था. हम दृढ़तासे मानते हैं कि व्यापार में आमदनी और मुनाफे से ज्यादा महत्वपूर्ण कुछ तो है. और इसीलिए हममें से प्रत्येक को हम जो भी करते हैं उसमें अपना बेहतरीन प्रदान करने के लिए प्रयासरत रहना चाहिए ताकि, हम न केवल प्रत्येक उपभोक्ता की जरूरतें पूरी कर सकें बल्कि उनकी अपेक्षाओं से कहीं ज्यादा अच्छा कर सकें. इसी ने हमें सबसे अलग स्थान दिलाया हुआ है और शायद यही एक वजह है कि हम अपने उपभोक्ताओं के साथ एक खास रिश्ते का आनंद लेने के योग्य बने हैं. क्यों न हो, जब आप हर साधन के साथ अपना बेहतरीन देने का प्रयास करते हैं, तो वह नज़र आता ही है.

कॉर्पोरेट प्रशासन मूल्यों एवं नैतिक व्यापारिक आचरण के प्रति कटिबद्धता के बारे में है. हमारे काम हमारे मूल्यों और सिद्धांतों से शासित होते हैं, जिसे कंपनी में सभी स्तरों पर सशक्त बनाया जाता है. हम चीजों को सही तरीके से करने के लिए प्रतिबद्ध हैं, जिसका मतलब यह है कि इस तरह से व्यवसायिक निर्णय लेना और काम करना जो कि नैतिकतापूर्ण हो और लागू कानूनों का पालन करते हुए हो.

निदेशक मंडल कंपनी में कॉर्पोरेट प्रशासन के प्रबल सिद्धांतों के प्रति उत्तरदायी हैं और इनके लिए प्रतिबद्ध हैं. निदेशक मंडल की यह देखने में बड़ी महत्वपूर्ण भूमिका होती है कि प्रबंधन सभी हितधारकों के लघु एवं दीर्घकालीन हितों का ध्यान कैसे रखता है. यह विश्वास हमारी प्रशासन परिपाटियों में प्रतिबिंबित होता है, जिनके अंतर्गत हम एक प्रभावी, भलीभाँति सूचित एवं स्वतंत्र मंडल के लिए प्रयासरत होते हैं.

सेबी द्वारा निर्धारित अध्याय IV के साथ पढ़े गए भारतीय प्रतिभूति एवं विनिमय बोर्ड (सूचना दायित्वों और प्रकटीकरण आवश्यकताओं) विनियम, २०१५ (“सूचीकरण विनियम”) विनियम की अनुसूची V में दिये अनुसार कॉर्पोरेट प्रशासन के सिद्धांतों के अनुपालन की यह रिपोर्ट नीचे दी गई है:

### निदेशक मंडल (बोर्ड)

बोर्ड को कंपनी के प्रबंधन, सामान्य मामलों, निर्देशन और कार्यप्रदर्शन की जिम्मेदारी सौंपी गई है और उसे आवश्यक शक्तियाँ, अधिकार और कर्तव्य प्रदान किए गए हैं. बोर्ड प्रबंधन के नीतिपूर्ण व्यापारिक योजनाओं और

व्यापारिक उद्देश्यों की समीक्षा करते हैं, मंजूरी देते हैं और कंपनी की नीतिपूर्ण दिशा पर नज़र रखते हैं. कंपनी की कॉर्पोरेट मैनेजमेंट कमेटी के प्रमुख चेयरमैन और मैनेजिंग डायरेक्टर होते हैं और इसके सदस्य बिज़नेस/फंक्शनल हेड होते हैं, जो कंपनी के दैनंदिन मामलों के प्रबंधन का ध्यान रखते हैं.

अच्छे कॉर्पोरेट प्रशासन के लिए व्यवसाय के परिचालनों में सत्यनिष्ठा एवं पारदर्शिता के सिद्धांतों के लिए प्रबंधन की प्रतिबद्धता हेतु कंपनी की नीति में कार्यकारी एवं स्वतंत्र निदेशकों का एक उपयुक्त मिश्रण होता है, जिससे बोर्ड की स्वतंत्रता बनी रहे और प्रबंधन एवं प्रशासन के बोर्ड प्रकाय अलग रहें.

### संयोजन

इस बोर्ड में अधिकांश स्वतंत्र निदेशक होते हैं. इसमें कार्यकारी, गैर-कार्यकारी एवं स्वतंत्र निदेशकों का एक अच्छा मिश्रण होता है, जिसमें एक महिला निदेशक भी होती है, जैसा कि लागू कानून के अंतर्गत आवश्यक है. इस रिपोर्ट के दिन कंपनी के निदेशक मंडल में दस निदेशक हैं, जिनमें से एक कार्यकारी अध्यक्ष एवं प्रबंध निदेशक, एक कार्यकारी संयुक्त प्रबंध निदेशक और आठ गैर-कार्यकारी निदेशक हैं, जिनमें से सात निदेशक स्वतंत्र हैं (एक महिला निदेशक सहित). बोर्ड के संयोजन में पेशेवरता, ज्ञान और अनुभव का एक ईष्टतम मिश्रण है और यह बोर्ड को अपने उत्तरदायित्व निभाने और कंपनी को प्रभावी नेतृत्व प्रदान करने में सक्षम बनाता है.

समीक्षा अंतर्गत वर्ष के दौरान, निदेशक बोर्ड ने कंपनी के अतिरिक्त निदेशकों के रूप में श्री अनुज पोद्दार एवं श्री सिद्धार्थ मेहता को नियुक्त किया था, जो ३० मई २०१६ से प्रभावी हुआ और स्वतंत्र निदेशकों के रूप में उनकी नियुक्ति को सदस्यों के अनुमोदन के लिए अनुशासित किया. ४ अगस्त २०१६ को आयोजित वार्षिक साधारण सभा (एजीएम) में सदस्यों द्वारा पाँच वर्ष की अवधि के लिए कंपनी के स्वतंत्र निदेशकों के रूप में उनकी नियुक्ति को अनुमोदित किया, जो कि ३० मई २०१६ से प्रभावी है.

सूचीकरण विनियम के अधिनियम १७ के अनुसार, अगर कंपनी में कोई नियमित गैर-कार्यकारी चेयरमैन न हो तो बोर्ड कम से कम आधे स्वतंत्र निदेशकों से बना होना चाहिए. नीचे दी गई तालिका १ दर्शाती है कि कंपनी इन अपेक्षाओं का अनुपालन कर रही है.

बोर्ड के प्रत्येक सदस्य के विवरण यहाँ नीचे उपलब्ध करवाए गए हैं, जिनमें निदेशकता(ओं) / समिति सदस्यता(ओं)/अध्यक्षता(ओं) की संख्या एवं मंडल में शामिल होने की तिथि शामिल हैं:

तालिका १ : ३१ मार्च २०१७ को संयोजन एवं निदेशकता(एँ) / समिति सदस्यता(एँ)/अध्यक्षता(एँ)

नाम	श्रेणी	मंडल में शामिल होने की तिथि	अन्य कंपनियों में निदेशकता*	अन्य कंपनियों की समितियों की सदस्यता(एँ)**	अन्य कंपनियों की समितियों की अध्यक्षता(एँ)**
शेखर बजाज	प्रमोटर; गैर-स्वतंत्र; कार्यकारी	१-नवंबर-१९८४	६	१	-
अनंत बजाज	प्रमोटर; गैर-स्वतंत्र; कार्यकारी	१-फरवरी-२००६	२	-	-
मधुर बजाज	प्रमोटर; गैर-स्वतंत्र; गैर-कार्यकारी	२८-नवंबर-१९९४	५	-	-
एच. वी. गोयंका	स्वतंत्र; गैर-कार्यकारी	१७-सितंबर-१९८४	६	-	-
अशोक जालान	स्वतंत्र; गैर-कार्यकारी	१८-जनवरी-१९८९	४	-	-
वी.बी. हरिभक्ति	स्वतंत्र; गैर-कार्यकारी	१२-अगस्त-१९९१	२	-	१
डॉ. (श्रीमती) इन्दु शहानी	स्वतंत्र; गैर-कार्यकारी	३१-मार्च-२००६	४	५	-
डॉ. आर.पी. सिंह	स्वतंत्र; गैर-कार्यकारी	२८-मई-२००९	३	१	-
अनुज पोद्दार	स्वतंत्र; गैर-कार्यकारी	३०-मई-२०१६	-	-	-
सिद्धार्थ मेहता	स्वतंत्र; गैर-कार्यकारी	३०-मई-२०१६	१	-	-

\* प्राइवेट लिमिटेड कंपनियों, विदेशी कंपनियों, अनुच्छेद ८ कंपनियों एवं वैकल्पिक निदेशकताओं को छोड़कर.

\*\* इसमें केवल अंकेक्षण समिति एवं हितधारक संबंध समिति शामिल है.

सभी निदेशकों की निदेशकताओं, समिति सदस्यता(ओं)/अध्यक्षता(ओं) की संख्या कंपनी अधिनियम, २०१३ (“अधिनियम”) एवं सूचीकरण विनियमों के अंतर्गत निर्धारित संबंधित सीमाओं के भीतर है.

- कंपनी में स्वतंत्र निदेशकों की बोर्ड से सेवानिवृत्ति की कोई ऊपरी आयु सीमा नहीं है और उनकी नियुक्ति एवं अवधि अधिनियम के प्रावधानों के द्वारा शासित होगी.

## नियुक्ति एवं अवधि

कंपनी के निदेशक साधारण सभाओं के सदस्यों द्वारा नियुक्त होते हैं. कंपनी के अध्यक्ष एवं प्रबंध निदेशक एवं स्वतंत्र निदेशकों को छोड़कर शेष सभी निदेशक एजीएम में चक्रानुक्रम से सेवानिवृत्त होते हैं, और यदि पात्र हों, तो उनके द्वारा पुनःनियुक्ति का प्रस्ताव दिया जाता है. विधान की आवश्यकता के अनुसार कंपनी के अध्यक्ष एवं प्रबंध निदेशक तथा संयुक्त प्रबंध निदेशक की नियुक्ति पाँच वर्ष की अवधि के लिए होती है. स्वतंत्र निदेशकों की नियुक्ति एवं अवधि के संबंध में मंडल द्वारा अपनाई जाने वाली नीति निम्नानुसार है:

- कंपनी ने स्वतंत्र निदेशकों की नियुक्ति एवं अवधि के संबंध में वे प्रावधान अपनाए हैं, जो अधिनियम एवं सूचीकरण विनियमों के अनुरूप हैं.
- स्वतंत्र निदेशक प्रत्येक पाँच वर्ष की अधिकतम दो अवधियों के लिए सेवाएँ देंगे.

## बोर्ड की स्वतंत्रता

निदेशकों की ‘स्वतंत्रता’ की हमारी परिभाषा सूचीकरण विनियमों के विनियम १६ एवं अधिनियम के अनुच्छेद १४९(६) से ली गई है. निदेशकों से प्राप्त पुष्टियों/प्रकटीकरणों के आधार पर और प्रकट संबंधों के मूल्यांकन के आधार पर, श्री मधुर बजाज को छोड़कर शेष सभी गैर-कार्यकारी निदेशक सूचीकरण विनियमों के विनियम १६ एवं अधिनियम के अनुच्छेद १४९(६) के अनुसार स्वतंत्र हैं.

## बोर्ड की बैठकें

अन्य कार्यों के अलावा व्यापारिक नीति और रणनीति की चर्चा करने और निर्धारित करने के लिए बोर्ड नियमित अंतरालों पर बैठकें करता है. बोर्ड तथा बोर्ड की समिति की बैठकें पूर्व-निर्धारित होती हैं और बोर्ड एवं बोर्ड की



समितियों का अनुमानित वार्षिक कैलेंडर काफी समय पहले ही निदेशकों में वितरित कर दिया जाता है ताकि उनको बैठकों के लिए अपनी योजनाओं को निर्धारित करने में सुविधा और सहयोग मिल सके. आवश्यकता पड़ने पर, अतिरिक्त बैठकें आयोजित की जाती हैं. लेकिन, खास और आपातकालीन व्यापारिक आवश्यकता की स्थिति में, कानून द्वारा अनुमत किए अनुसार, अधिसूचना के जरिए प्रस्ताव पारित करके बोर्ड की स्वीकृति ले ली जाती है, जिसकी बोर्ड की अगली बैठक में पुष्टि की जाती है.

बोर्ड की बैठक की सूचना सभी निदेशकों को बैठक के कम से कम पंद्रह दिन पहले दी जाती है. बोर्ड की बैठकें मुंबई में आयोजित होती हैं. बोर्ड तथा समिति की बैठकों का एजेंडा बोर्ड/समितियों के अध्यक्ष के परामर्श से कंपनी सचिव द्वारा तैयार किया जाता है. यह एजेंडा बैठक के एक सप्ताह पहले प्रसारित किया जाता है. बोर्ड एवं समितियों की बैठकों के लिए एजेंडा में बैठक में चर्चा किए जाने वाली बातों पर विस्तृत टिप्पणियाँ शामिल होती हैं, जिससे निदेशक सूचित निर्णय ले सकें. समय-समय पर महत्वपूर्ण मसलों पर अलग-अलग प्रकार्य प्रमुखों द्वारा बोर्ड के समक्ष प्रस्तुतिकरण भी किए जाते हैं. कंपनी के अधिकारियों तक निदेशकों की अलग और स्वतंत्र पहुँच होती है. उन चीजों के अतिरिक्त, जिनकी कि बोर्ड की सूचना और/या स्वीकृति के लिए रखे जाने की आवश्यकता है, विभिन्न महत्वपूर्ण चीजों पर सूचना भी उपलब्ध करवाई जाती है. गुणवत्ता एवं महत्व की दृष्टि से, कंपनी के बोर्ड को प्रबंधन द्वारा दी जाने वाली सूचना सूचीकरण विनियमों की अनुसूची 11 के अंतर्गत आदेशित सूची के बहुत आगे होती है. बोर्ड की स्वीकृति के लिए उसके समक्ष वैधानिक रूप से आवश्यक रूप से रखे जाने वाले मामलों के अतिरिक्त, अन्य सभी महत्वपूर्ण मसलों पर भी बोर्ड द्वारा विचार किया जाता है.

वित्त वर्ष २०१६-१७ के दौरान, बोर्ड के निदेशकों की छः (६) बैठकें, जो ३० मई २०१६, १२ अगस्त २०१६, १० अक्टूबर २०१६, १० नवंबर २०१६, ०९ फरवरी २०१७, २९ मार्च २०१७ को हुईं. दो बैठकों के बीच का अधिकतम अंतराल १२० दिनों का था जो अधिकतम स्वीकृत अंतराल के अंदर था.

बोर्ड समय-समय पर उसके समक्ष रखे जाने के लिए आवश्यक चीजों की समीक्षा करता है और विशेष रूप से त्रैमासिक/छमाही अलेखा-परीक्षित

वित्तीय विवरणों व वार्षिक लेखा-परीक्षित वित्तीय विवरणों, लाभांश की घोषणा/सिफारिश, कॉर्पोरेट रणनीतियों, व्यवसायिक योजनाओं, वार्षिक बजटों, परियोजनाओं एवं पूँजी व्ययों की समीक्षा और अनुमोदन भी करता है. वह ऐसी अन्य चीजों के समग्र परिचालन प्रदर्शन एवं समीक्षाओं की निगरानी भी करता है, जिन्हें मंडल के ध्यान में लाना आवश्यक है, जैसे कंपनी का त्रैमासिक एवं वार्षिक व्यवसायिक प्रदर्शन, सदस्यों द्वारा अपनाए जाने के लिए वार्षिक रिपोर्ट एवं खाते, कंपनी के व्यवसाय एवं विभिन्न प्रकार्यों की प्रगति, विदेश विनिमय संपर्क एवं प्रतिकूल विनिमय दर गतिशीलता के जोखिम को सीमित करने हेतु प्रबंधन द्वारा उठाए जाने वाले कदम, बोर्ड पारिश्रमिक नीति एवं निदेशकों के वैयक्तिक पारिश्रमिक पैकेज, मंडल में नियुक्त होने वाले निदेशक एवं प्रबंधन समिति के सदस्य, कंपनी की कॉर्पोरेट सोशियल रिस्पॉन्सिबिलिटी एवं उसके क्रियान्वयन की निगरानी, जोखिम आकलन एवं आंतरिक नियंत्रणों के विवरण एवं बोर्ड मूल्यांकन रूपरेखा की निगरानी और समीक्षा. वह निर्धारित लक्ष्यों के लिए प्रबंधन की गतिविधियों को निर्देशित करता है और उनका मार्गदर्शन करता है और जवाबदेही माँगता है. वह कॉर्पोरेट व्यवहार के मानक भी तय करता है, कॉर्पोरेट डीलिंग में पारदर्शिता और कानूनों एवं विनियमों का अनुपालन भी सुनिश्चित करता है.

कंपनी सचिव विचार के लिए बोर्ड एवं उसकी समितियों के पास जमा किए जाने वाले सभी कागजातों के परितुलन, समीक्षा एवं वितरण के लिए जिम्मेदार है. कंपनी सचिव एजेंडा की तैयारी एवं मंडल तथा समितियों की बैठकें आयोजित करने हेतु भी जिम्मेदार है. कंपनी सेक्रेटरी द्वारा मंडल एवं इसकी समितियों की सभी बैठकों में उपस्थित रहा जाता है, सिद्धांतों द्वारा शासित होने एवं अनुपालन होने के बारे में मंडल को आश्वस्त किया / परामर्श दिया जाता है और उनके द्वारा बैठकों के कार्यवृत्तों की उपयुक्त रिकॉर्डिंग को भी सुनिश्चित किया जाता है. मंडल /समितियों की बैठकों की कार्यवाही के मसौदा कार्यवृत्त मंडल तथा समितियों के सदस्यों के बीच प्रसारित किए जाते हैं. यदि मंडल / समितियों के सदस्यों से कोई टिप्पणियाँ और सुझाव प्राप्त होते हैं, तो उन्हें मंडल/ समितियों के अध्यक्ष के परामर्श से कार्यवृत्तों में शामिल किया जाता है. इन कार्यवृत्तों की पुष्टि अगली मंडल/समिति बैठक में मंडल/समिति के सदस्यों द्वारा की जाती है.

## तालिका २ : वित्त वर्ष २०१६-२०१७ के दौरान बोर्ड का संयोजन

निदेशक का नाम	श्रेणी	अन्य निदेशकों के साथ संबंध
शेखर बजाज	प्रमोटर; गैर-स्वतंत्र; कार्यकारी	अनंत बजाज के पिता एवं मधुर बजाज के भाई
अनंत बजाज	प्रमोटर; गैर-स्वतंत्र; कार्यकारी	शेखर बजाज के पुत्र एवं मधुर बजाज के भतीजे
मधुर बजाज	प्रमोटर; गैर-स्वतंत्र; गैर-कार्यकारी	शेखर बजाज के भाई एवं अनंत बजाज के चाचा
एच. वी. गोयंका	स्वतंत्र; गैर-कार्यकारी	-
अशोक जालान	स्वतंत्र; गैर-कार्यकारी	-



वी.बी. हरिभक्ति	स्वतंत्र; गैर-कार्यकारी	-
डॉ. (श्रीमती) इन्दु शहानी	स्वतंत्र; गैर-कार्यकारी	-
डॉ. आर. पी. सिंह	स्वतंत्र; गैर-कार्यकारी	-
अनुज पोद्दार*	स्वतंत्र; गैर-कार्यकारी	-
सिद्धार्थ मेहता*	स्वतंत्र; गैर-कार्यकारी	-

\*अतिरिक्त निदेशक के रूप में नियुक्त ३० मई, २०१६ से प्रभावी

### गैर-कार्यकारी निदेशकों का आर्थिक संबंध अथवा ट्रांजेक्शन

समीक्षाधीन वर्ष के दौरान कंपनी के गैर-कार्यकारी निदेशकों द्वारा भाग ली गई, जहाँ लागू हो, बोर्ड और समिति की बैठकों के लिए उनको किए गए/देय बैठक शुल्क और कमीशन के भुगतान के अलावा उनके साथ कोई आर्थिक संबंध अथवा ट्रांजेक्शन नहीं हुआ।

कंपनी द्वारा अधिनियम के खंड १८९ के अंतर्गत कॉन्ट्रैक्ट्स का रजिस्टर रखा गया है, और संबंधित बोर्ड बैठकों में उपस्थित निदेशकों द्वारा इस पर हस्ताक्षर किए जाते हैं।

अकाउंटिंग स्टैण्डर्ड -१८ के अंतर्गत अपेक्षित संबंधित पार्टियों के साथ ट्रांजेक्शन के प्रकटीकरण को दर्शाने वाली विवरणी इस वार्षिक रिपोर्ट में अलग से दी गई है।

### बोर्ड और वरिष्ठ मैनेजमेंट में क्रमबद्ध उत्तराधिकार

कंपनी के बोर्ड ने अपने को इस विषय पर संतुष्ट किया कि बोर्ड और वरिष्ठ मैनेजमेंट में नियुक्तियों के लिए क्रमबद्ध उत्तराधिकार के लिए योजनाएँ तैयार हैं।

### बोर्ड बहुरूपता नीति

सूचीकरण विनियम के अधिनियम १९ के अनुसार, बोर्ड की नामांकन एवं पारिश्रमिक समिति ने बोर्ड बहुरूपता ("नीति") पर एक नीति ढूँढ निकाली है, यह निश्चित करने के उद्देश्य से कि बोर्ड में विविध अनुभवों, ज्ञान, कौशल, परिप्रेक्ष्य, पृष्ठभूमि, लिंग, आयु तथा संस्कृतियुक्त सदस्यों की पर्याप्त संख्या हो जो कि कंपनी के प्रशासन और रणनीतिक आवश्यकताओं को सर्वोत्तम रूप से पूरा करेगा और इस कथित नीति को बोर्ड द्वारा स्वीकृत किया गया है। आपकी कंपनी कई वर्षों से अपने बोर्ड में विविध क्षेत्रों से प्रतिष्ठित व्यक्तियों को निदेशक के रूप में पाकर भाग्यशाली रही है, और इसलिए वर्तमान में कंपनी के बोर्ड का संयोजन उपर्युक्त उद्देश्य को पूरा करता है।

इस नीति के अंतर्गत, निदेशकों की नियुक्ति की सिफारिश करते समय समिति निम्नलिखित को ध्यान में रखेगी:

- जिन व्यक्तियों की सिफारिश की जा रही है वे पेशा, व्यवसाय, उद्योग, वित्त, विधि, प्रशासन, अनुसंधान, आदि क्षेत्रों में प्रतिष्ठित व्यक्ति हैं और वे अपने साथ अनुभव/कौशल लाते हैं जो अधिक बहुरूपता के कारण बोर्ड के प्रदर्शन में उपयोगिता की अनुवृद्धि करेगा।

- सिफारिशें शुद्धरूप से श्रेष्ठता पर आधारित होंगी और जाति, रंग, धर्म अथवा लिंग के आधार पर किसी भी प्रकार का पक्षपात नहीं किया जाएगा।

कथित नीति को कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित किया गया है।

### स्वतंत्र निदेशक

स्वतंत्र निदेशक बोर्ड की प्रशासन प्रक्रियाओं में एक महत्वपूर्ण भूमिका निभाते हैं। वे बोर्ड की चर्चाओं में अपनी विशेषज्ञता और अनुभव का प्रयोग करते हैं। यह विभिन्न दृष्टिकोण और अनुभवों द्वारा बोर्ड में निर्णय लेने की प्रक्रिया को समृद्ध करता है और निर्णय लेने की प्रक्रिया में हितों के टकराव से बचाता है।

स्वतंत्र निदेशक की नियुक्ति एक संरचित तरीके से की जाती है। नामांकन एवं पारिश्रमिक समिति निश्चित निर्धारित मानदंडों के आधार पर संभावित उम्मीदवारों की पहचान करती है और बोर्ड की बहुरूपता को ध्यान में लिया जाता है।

स्वतंत्र निदेशक अपनी नियुक्ति की तिथि से पांच वर्ष की एक निश्चित अवधि के लिए नियुक्त किये गये हैं।

कोई भी स्वतंत्र निदेशक सात से अधिक सूचीबद्ध कंपनियों में 'स्वतंत्र निदेशक' के रूप में काम नहीं करते हैं।

स्वतंत्र निदेशकों ने पुष्टि की है कि वे अधिनियम और सूचीकरण विनियम के तहत निर्धारित स्वतंत्रता के मानदंड को पूरा करते हैं।

समीक्षाधीन वर्ष के दौरान अधिनियम की अनुसूची IV एवं सूचीकरण विनियम के अधिनियम २५ के अनुसार २९ मार्च २०१७ को स्वतंत्र निदेशकों की एक पृथक बैठक आयोजित की गई थी, अन्य विषयों के साथ निम्नलिखित के लिए:

- गैर-स्वतंत्र निदेशकों और पूर्णरूपेण बोर्ड के प्रदर्शन की समीक्षा;
- कंपनी के चेयरपर्सन के प्रदर्शन की समीक्षा करना, कार्यकारी निदेशकों और गैर-कार्यकारी निदेशकों के विचारों को ध्यान में लेना; तथा
- कंपनी मैनेजमेंट और बोर्ड के बीच सूचना के प्रवाह की गुणवत्ता, परिमाण, और सामयिकता का मूल्यांकन करना जो बोर्ड के लिए अपने दायित्वों को प्रभावशाली ढंग से और युक्तिपूर्वक निभाने के लिए आवश्यक हैं।

स्वतंत्र निदेशकों ने उपर्युक्त पर विचार-विमर्श किया और अपनी संतुष्टि व्यक्त की. मीटिंग में सभी स्वतंत्र निदेशक उपस्थित हुए थे.

### नए निदेशकों के लिए परिचय कार्यक्रम और स्वतंत्र निदेशकों के लिए अभिज्ञता कार्यक्रम

नए निदेशकों के लिए एक उपयुक्त परिचय कार्यक्रम और सभी निदेशकों के लिए व्यापार/कंपनी की कार्यप्रणाली के संदर्भ में निरंतर अभिज्ञता कार्यक्रम, मंडल स्तर के सार्थक विचार-विमर्श और टोस व्यापार निर्णयों के लिए एक प्रमुख योगदान है.

एक निदेशक की नियुक्ति के समय, उसे नियुक्ति का औपचारिक पत्र दिया जाता है, जो उसे कंपनी के एक निदेशक के रूप में उसकी भूमिका, कार्य, कर्तव्यों और जिम्मेदारियों और उससे बोर्ड की अपेक्षाओं के बारे में बताता है. निदेशक को अधिनियम के अंतर्गत उससे अपेक्षित अनुपालन, सेबी नियमों और अन्य प्रासंगिक नियमों और उनके संदर्भ में उसकी अभिपुष्टि के बारे में भी विस्तार से समझाया गया है.

कंपनी के परिचय द्वारा, निदेशक को कंपनी की संगठन संरचना, विभिन्न व्यावसायिक इकाइयों और विभागों की कार्यप्रणाली, कंपनी की बाजार हिस्सेदारी और जिस बाजार में यह कार्यरत है, नवीनतम वार्षिक रिपोर्ट, कंपनी द्वारा की गई सीएसआर गतिविधियों पर आधारित एक घरेलू पत्रिका और कंपनी के व्यापार से संबंधित अन्य प्रासंगिक जानकारी साझा की गई है.

उपरोक्त पहल द्वारा निदेशक को कंपनी, उसके व्यापार को, तथा जिस विनियामक ढांचे में कंपनी अपना कारोबार चलाती है, उसे समझने के लिए और कंपनी के एक निदेशक के रूप में उसकी भूमिका को प्रभावी ढंग से पूरा करने के लिए उसे सज्जित करती है.

जैसा कि सूचीकरण विनियम के अधिनियम २५ के तहत आवश्यक है, कंपनी ने स्वतंत्र निदेशकों को कंपनी के संचालन के साथ परिचित करवाने के दृष्टिकोण के साथ सम्पूर्ण वर्ष के दौरान जारी और निरंतर आधार पर स्वतंत्र निदेशकों के लिये कई अभिज्ञता कार्यक्रम का आयोजन किया. वर्ष के दौरान आयोजित अभिज्ञता कार्यक्रमों में शामिल है :-

१. कंपनी के व्यापार और कार्यपरक प्रमुखों द्वारा समय समय पर अपने-अपने कार्यपरक और व्यापार क्षेत्रों पर बनायी गई प्रस्तुतियाँ.
२. अधिनियम और सूचीकरण विनियम में बड़े बदलाव और विस्तार पर समय-समय पर बनाए गये प्रस्तुतीकरण और आयोजित विचार-विमर्श.

अपने स्वतंत्र निदेशकों के लिए कंपनी के अभिज्ञता कार्यक्रम की जानकारी कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर दी गई है.

### बोर्ड /समितियों और व्यक्तिगत निदेशक का प्रदर्शन मूल्यांकन

अधिनियम एवं सूचीकरण विनियमों की आवश्यकताओं के अनुसार, बोर्ड द्वारा समग्र रूप से बोर्ड, बोर्ड समितियों एवं निदेशकों के वार्षिक प्रदर्शन आकलन को किया जाता है.

- सेबी सर्कुलर नं. SEBI/HO/CFD/CMD/CIR/P/2017/004 दिनांकित ५ जनवरी २०१७ के तथा बोर्ड द्वारा स्वीकृत किए अनुसार निर्धारित पुनरीक्षित वार्षिक प्रदर्शन मूल्यांकन मापदंड के आधार पर, समीक्षाधीन वर्ष के लिए बोर्ड, इसकी समितियों एवं निदेशकों (आकलन किए जा रहे निदेशक को छोड़कर) के प्रदर्शन के आकलन के संबंध में, वर्ष के समापन पर प्रत्येक निदेशक द्वारा रेटिंग शीट दाखिल की गई थी. मापदंड कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर दिया गया है.
- इसके बाद प्रत्येक निदेशक द्वारा दिए गए मूल्यांकनों के आधार पर एक समेकित सारांश तैयार किया गया जिसके आधार पर चेयरमैन द्वारा एक प्रदर्शन मूल्यांकन रिपोर्ट तैयार की गई, जो समीक्षाधीन वर्ष के दौरान बोर्ड, उसकी समितियों और निदेशकों के प्रदर्शन के संबंध में थी.
- इस प्रकार प्राप्त की गई प्रदर्शन मूल्यांकन रिपोर्ट पर फिर चर्चा हुई और बोर्ड द्वारा उसे नोट किया गया.
- प्रदर्शन मूल्यांकन की रिपोर्ट के अनुसार बोर्ड अन्य विषयों में यह निर्धारित करेगा कि निदेशक की नियुक्ति की अवधि को जारी रखा जाए या नहीं. समीक्षाधीन वर्ष के दौरान किसी भी निदेशक की नियुक्ति की अवधि को जारी रखने के बारे में निर्णय लेने का कोई अवसर नहीं हुआ और इसलिए, उनकी पुनः नियुक्ति पर निर्णय लेने का प्रश्न उठा ही नहीं.

मूल्यांकन के परिणाम के आधार पर, बोर्ड एवं समितियाँ, बोर्ड एवं समितियों की प्रभावकारिता एवं प्रकार्यता को और बेहतर बनाने हेतु एक कार्यवाही पर सहमत हुए.

### लेखा परीक्षा समिति

कंपनी ने अपनी स्वतंत्र लेखा परीक्षा समिति सन १९९८ में स्थापित की थी. उसके बाद से, कंपनी समय-समय पर समिति की संरचना और कामकाज की समीक्षा कर रही है तथा उस पर उचित बदलाव कर रही है ताकि वह अधिक प्रभावी सिद्ध हो सके एवं अधिनियम व सेबी विनियम के अंतर्गत विभिन्न अपेक्षाओं का अनुपालन हो सके.

३१ मार्च २०१७ को, लेखा परीक्षा समिति अध्यक्ष के रूप में श्री वी.बी. हरिभक्ति एवं सदस्यों के रूप में श्री अशोक जालान तथा डॉ. (श्रीमती) इन्दु शहानी के साथ गठित हुई. लेखा परीक्षा समिति के सभी सदस्य स्वतंत्र, गैर कार्यकारी निदेशक हैं और समिति में नियुक्ति के लिए उनके पास अपेक्षित

योग्यता और उनके पास वित्त, लेखा प्रथाओं और आंतरिक नियंत्रण का गहन ज्ञान है. कंपनी सेक्रेटरी लेखा परीक्षण समिति के सेक्रेटरी के रूप में कार्य करते हैं.

लेखा परीक्षा समिति की संदर्भ की शर्तें व्यापक हैं और जैसा नीचे वर्णित है, सूचीकरण विनियम के अधिनियम १८ और अधिनियम की खंड १७७ में अनिवार्य की गई अपेक्षाओं से बढ़कर हैं.

#### समिति की भूमिका और दायित्व:

- क) आंतरिक नियंत्रण प्रणालियों, परीक्षकों के अवलोकन सहित परीक्षा के विषय-क्षेत्र के बारे में विचार-विमर्श करना और बोर्ड को प्रस्तुत करने से पहले तिमाही, अर्ध-वार्षिकीय और वार्षिक वित्तीय विवरण की समीक्षा करना और आंतरिक नियंत्रण प्रणालियों के अनुपालन को भी सुनिश्चित करना;
- ख) यह निश्चित करने के लिए कि वित्तीय विवरण सही, पर्याप्त और विश्वास योग्य है, कंपनी की वित्तीय रिपोर्टिंग प्रक्रिया और इसकी वित्तीय जानकारी के प्रकटीकरण का निरीक्षण करना;
- ग) नियुक्ति, पुनः नियुक्ति और, यदि आवश्यक हो, वैधानिक लेखा परीक्षक का प्रतिस्थापन अथवा निष्कासन और उनकी नियुक्ति की शर्तों की बोर्ड को सिफारिश करना;
- घ) बोर्ड को प्रस्तुत करने से पहले तिमाही, अर्ध-वार्षिकीय और वार्षिक वित्तीय विवरण की मैनेजमेंट के साथ समीक्षा करना, जो मुख्यरूप से निम्नलिखित पर केन्द्रित हैं -
- कंपनी अधिनियम, २०१३ के खंड १३४ के उप-खंड (३) की धारा (सी) की शर्तों के अनुसार बोर्ड की रिपोर्ट में शामिल किए जाने वाले निदेशक के दायित्व कथन में शामिल किए जाने वाले मुद्दे
  - लेखा नीतियों और व्यवहारों में कोई भी बदलाव और उस बदलाव के कारण.
  - प्रमुख लेखा प्रविष्टियाँ जो मैनेजमेंट द्वारा निर्णय के प्रयोग पर आधारित आकलनों को शामिल करते हैं.
  - लेखा रिपोर्ट के प्रारूप में योग्यताएँ.
  - लेखा निष्कर्ष परिणामों से उत्पन्न हुए वित्तीय विवरण में किए गए उल्लेखनीय समायोजन.
  - जारी प्रसंग का पूर्वानुमान.
  - लेखा मानकों का अनुपालन.
  - सूचीकरण और वित्तीय विवरण संबंधित अन्य वैधानिक आवश्यकताओं का अनुपालन.

- संबंधित पार्टी ट्रांजेक्शन्स का प्रकटीकरण, अर्थात् समर्थकों अथवा मैनेजमेंट, उनकी सहकारी कंपनियां अथवा रिश्तेदारों, आदि के साथ मूल्यवान प्रकृति के कंपनी के ट्रांजेक्शन्स जिनका व्यापक रूप से कंपनी की हितों के साथ संभावित टकराव हो सकता है.

- च) सार्वजनिक प्रस्तावों और संबंधित मुद्दों द्वारा एकत्रित किए गए धन के अंतिम प्रयोग पर नज़र रखना;
- छ) लेखा परीक्षक की स्वतंत्रता और प्रदर्शन, और लेखा परीक्षा प्रक्रिया की प्रभावकारिता की समीक्षा करना और उस पर नज़र रखना;
- ज) संबंधित पार्टियों के साथ कंपनी के ट्रांजेक्शन्स में अनुवर्ती बदलाव या स्वीकृति;
- झ) अंतर-कंपनी ऋणों और निवेशों की समीक्षा;
- ट) जहाँ आवश्यक हो, कंपनी के उपक्रमों अथवा संपत्ति का मूल्य निर्धारण;
- ठ) वैधानिक और आंतरिक लेखा परीक्षकों के प्रदर्शन, आंतरिक नियंत्रण प्रणालियों की पर्याप्तता के बारे में मैनेजमेंट के साथ समीक्षा;
- ड) आंतरिक लेखा परीक्षा कार्य की पर्याप्तता की समीक्षा करना जिसमें आंतरिक लेखा परीक्षा विभाग, स्टाफिंग और विभाग का नेतृत्व करने वाले अधिकारी की वरिष्ठता, आंतरिक लेखा परीक्षा की संरचना व्याप्ति और आवृत्ति शामिल है;
- ढ) उल्लेखनीय विष्कर्ष परिणामों पर आंतरिक लेखा परीक्षकों के साथ चर्चा और उस पर आगे की कार्यवाही करना;
- ण) जिन मुद्दों में मूल्यवान प्रकृति के आंतरिक नियंत्रण प्रणालियों की संदिग्ध धोखाधड़ी अथवा अनियमितता अथवा असफलता है, उन मुद्दों की आंतरिक लेखा परीक्षकों द्वारा की गई आंतरिक छानबीन के विष्कर्ष परिणामों की समीक्षा करना और बोर्ड को उस मुद्दे की रिपोर्टिंग करना;
- त) लेखा परीक्षा आरंभ होने से पहले लेखा परीक्षा की प्रकृति और प्रसार पर वैधानिक लेखा परीक्षकों के साथ चर्चा और साथ ही, चिंताजनक क्षेत्र की उपस्थिति निश्चित करने के लिए लेखा परीक्षा पश्चात चर्चा;
- थ) कंपनी के वित्तीय नियंत्रणों और जोखिम प्रबंधन प्रणालियों की समीक्षा;
- द) जमाकर्ताओं, डिबेंचरधारकों, शेयरधारकों (घोषित लाभांशों के भुगतान न होने की स्थिति में) और लेनदारों के भुगतानों में टोस चूकों के लिए कारणों की जाँच-पड़ताल करना;
- ध) व्हिसिल ब्लोअर यंत्रावली की कार्यपद्धति की समीक्षा करना;
- न) उम्मीदवार की योग्यताओं, अनुभवों और पृष्ठभूमि, आदि का मूल्यांकन करने के बाद सीएफओ (अर्थात् पूर्णकालिक वित्त निदेशक अथवा वित्त कार्य का नेतृत्व करने वाला अथवा उस कार्य का संपादन करने वाला कोई अन्य व्यक्ति) की नियुक्ति की स्वीकृति;

प) बोर्ड द्वारा जैसे आवश्यक हो, कोई भी अन्य कार्य पूरा करना।

लेखा परीक्षा समिति निम्नलिखित सूचना की अनिवार्य रूप से समीक्षा करेगी:

१. प्रबंधन चर्चा और वित्तीय स्थिति और कार्यप्रणालियों के परिणाम का विश्लेषण;
२. मैनेजमेंट द्वारा प्रस्तुत किया गया उल्लेखनीय संबंधित पार्टी ट्रांजेक्शन्स (जैसा लेखा परीक्षा समिति में परिभाषित है) का विवरण;
३. वैधानिक लेखा परीक्षकों द्वारा जारी किए गए प्रबंधन पत्र/आंतरिक नियंत्रण दुर्बलताएं के बारे में पत्र;
४. आंतरिक नियंत्रण दुर्बलताओं से संबंधित आंतरिक लेखा परीक्षा रिपोर्ट्स; और
५. प्रमुख आंतरिक लेखा परीक्षक की नियुक्ति, निष्कासन और पारिश्रमिक की शर्तें।

वित्त वर्ष २०१६-१७ के दौरान लेखा परीक्षा समिति की (पांच) ५ बार: ३० मई २०१६, १२ अगस्त २०१६, १० नवंबर २०१६, ०९ फरवरी २०१७ तथा २९ मार्च २०१७ को बैठकें हुईं। इन बैठकों को काफी पहले निर्धारित किया गया था। इन बैठकों में लेखा परीक्षा समिति के सदस्यों के अलावा, आमंत्रितों के रूप में अन्य निदेशक, वित्त एवं आंतरिक लेखा परीक्षा कार्यों के प्रमुखों, कंपनी के वैधानिक लेखा परीक्षकों तथा समिति द्वारा जानकारी प्रदान करने के लिए जरूरी समझे गए कार्यकारीयों ने भाग लिया।

०४ अगस्त २०१६ को हुए कंपनी की वार्षिक साधारण बैठक में शेयरधारकों के प्रश्नों का उत्तर देने के लिए वी. बी. हरीभक्ति, लेखा परीक्षा समिति के चेयरमैन, उपस्थित थे।

### नामांकन तथा पारिश्रमिक समिति

नामांकन और पारिश्रमिक समिति एक अधिकार पत्र द्वारा नियंत्रित होता है। ३१ मार्च २०१७ को, नामांकन एवं पारिश्रमिक समिति अध्यक्ष के रूप में श्री वी.बी. हरीभक्ति एवं सदस्यों के रूप में श्री अशोक जालान तथा डॉ. (श्रीमती) इन्दु शहानी के साथ गठित हुईं। समिति के सभी सदस्य स्वतंत्र निदेशक हैं।

समिति के विचारार्थ विषय इस प्रकार हैं:

१. उन व्यक्तियों की पहचान करना जो निदेशक बनने की योग्यता रखते हैं और निर्धारित किए गए मानदंडों के अनुसार जो वरिष्ठ प्रबंधन में नियुक्त किए जा सकते हैं, बोर्ड को उनकी नियुक्ति और निष्कासन की सिफारिश करना;
२. प्रत्येक निदेशक के प्रदर्शन का मूल्यांकन करना;
३. योग्यताओं, सकारात्मक गुणों और निदेशक की स्वतंत्रता के लिए मानदंड प्रतिपादित करना और बोर्ड को निदेशकों, प्रमुख प्रबंधकीय

कर्मचारी और अन्य कर्मचारियों के लिए पारिश्रमिक से संबंधित एक पॉलिसी की सिफारिश करना;

४. पॉलिसी प्रतिपादित करते समय यह निश्चित करना कि -
    - अ. पारिश्रमिक का स्तर और संयोजन यथोचित है और कंपनी को सफलतापूर्वक चलाने के लिए आवश्यक उत्कृष्ट निदेशकों को आकर्षित करने, प्रतिधारण करने और प्रेरित करने के लिए पर्याप्त है;
    - ब. पारिश्रमिक से प्रदर्शन का संबंध स्पष्ट है और उचित प्रदर्शन कीर्तिमानों को पूरा करता है; और
    - क. निदेशकों, प्रमुख प्रबंधकीय कर्मचारियों और वरिष्ठ प्रबंधन के लिए पारिश्रमिक में स्थिर और प्रोत्साहन वेतन के बीच का संतुलन शामिल है जो कंपनी और उसके लक्ष्यों के संचालन के लिए उचित लघु और लम्बी अवधि के प्रदर्शन लक्ष्यों को दर्शाता है।
  ५. कंपनी की वित्तीय स्थिति, उद्योग में रुझान, नियुक्ति की योग्यताओं, अनुभव, पिछला कार्य निष्पादन, पिछला पारिश्रमिक, आदि पर विचार करना और कंपनी और शेयरधारकों के हित के बीच एक संतुलन बनाते हुए पारिश्रमिक संपुष्टि निर्धारित करने में निष्पक्षता उत्पन्न करना;
  ६. स्वतंत्र निदेशकों एवं बोर्ड के प्रदर्शन मूल्यांकन के लिए मूल्यांकन मानदंड निर्धारित करना/प्रतिपादित करना;
  ७. बोर्ड बहुरूपता पर एक नीति ढूँढ निकालना;
  ८. बोर्ड द्वारा समय समय पर निर्धारित किये हुए विशिष्ट दायित्वों का भार उठाना;
  ९. कंपनी की लागत पर परामर्शदाताओं को नियुक्त/प्रतिधारण करना, उसके कार्यों के संबंध में सहयोग देना, यदि आवश्यक हो;
  १०. कंपनी की कर्मचारी स्टॉक विकल्प योजना (ईएसओपी) के अंतर्गत कर्मचारियों को प्रदान किए जाने वाले स्टॉक विकल्पों की प्रमात्रा निर्धारित करना; स्टॉक विकल्प प्रदान करने के लिए योग्यता निर्धारित करना; कॉर्पोरेट कार्यवाहियों के मामले में न्यायोचित और यथोचित समायोजन करने के लिए पद्धति तय करना; स्टॉक विकल्प प्रदान करने, अधिकृत करने और प्रयोग करने के लिए पद्धति और शर्तें; स्टॉक विकल्पों का नकदीविहीन प्रयोग के लिए पद्धति, आदि।
- समीक्षाधीन वर्ष के दौरान, समिति की चार (४) बार यानी, ३० मई २०१६, १२ अगस्त २०१६, १० नवंबर २०१६ और २९ मार्च २०१७ को बैठकें हुईं।
- ०४ अगस्त २०१६ को हुए कंपनी की एजीएम में शेयरधारकों के प्रश्नों का उत्तर देने के लिए वी. बी. हरीभक्ति, नामांकन और पारिश्रमिक समिति के चेयरमैन, उपस्थित थे।

## अंशधारक संबंध समिति

अंशधारक संबंध समिति में अध्यक्ष के रूप में श्री वी.बी. हरिभक्ति एवं इसके सदस्य के रूप में डॉ. (श्रीमती) इन्दु शहानी, दोनों स्वतंत्र निदेशक, थे.

समिति को शेयरधारकों और निवेशकों की शेरों के हस्तांतरण व प्रेषण, वार्षिक रिपोर्ट की अप्राप्ति, घोषित लाभांश की अप्राप्ति, बिना दावे के लाभांश का भुगतान, बेहतर सुरक्षा धारक सेवाओं और संबंधों को सुगम बनाना, आदि से संबंधित शिकायतों, यदि कोई हो तो, उसे निपटाने की जिम्मेदारी सौंपी गई है.

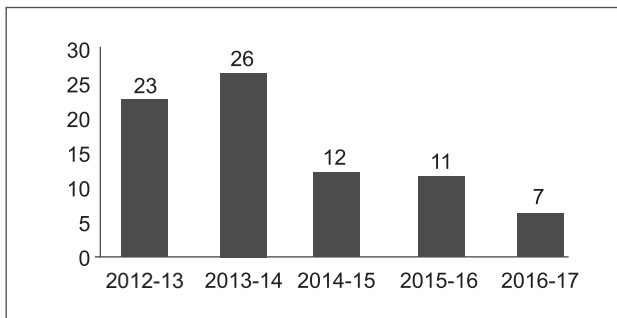
श्री मंगेश पाटिल, एक्ज़िक्यूटिव वाइस प्रेसिडेंट-वैधानिक तथा कराधान और कंपनी सचिव को कंपनी का अनुपालन अधिकारी मनोनीत किया गया है.

०४ अगस्त, २०१६ को हुई कंपनी की एजीएम में शेयरधारकों के प्रश्नों का उत्तर देने के लिए वी. बी. हरीभक्ति, अंशधारक संबंध समिति के चेयरमैन, उपस्थित थे.

**तालिका ३:** वित्त वर्ष २०१६-१७ के दौरान ध्यान दिए गए और निपटाई गई शिकायतें:

निवेशकों की शिकायतें	ध्यान में ली गयी/ सुलझायी गयी
वर्ष के आरंभ में अनिर्णीत	कुछ नहीं
वर्ष के दौरान प्राप्त	७
वर्ष के दौरान सुलझायी गयी	७
वर्ष के अंत में शेष अनसुलझी	कुछ नहीं

गत ५ वर्षों के दौरान शेरों से संबंधित शिकायतों का स्वरूप इस प्रकार रहा है :



बोर्ड की प्रत्येक बैठक में, अनुपालन अधिकारी द्वारा निदेशकों को शेयरधारकों की शिकायतों की स्थिति से अवगत कराया जाता है, जिसे बोर्ड द्वारा रिकॉर्ड में लिया जाता है.

चूंकि शेयरधारकों की सभी शिकायतों का समाधान एक्ज़िक्यूटिव स्तर पर हो गया था, अतः वित्तीय वर्ष २०१६-१७ के दौरान समिति के समक्ष शेयरधारकों की अनसुलझी शिकायतों पर विचार करने का कोई मुद्दा ही नहीं था.

## कॉर्पोरेट सामाजिक दायित्व (सीएसआर) समिति

कंपनी हमेशा से उन समुदायों की तरफ जिन्हें ये प्रभावित करती है, अपनी जिम्मेदारियों के प्रति जागरूक रही है और कानून द्वारा अनिवार्य बनाए जाने के लंबे समय पूर्व से विभिन्न सीएसआर गतिविधियां करती आ रही है. जैसा कि अधिनियम के तहत आवश्यक है, कंपनी की सीएसआर गतिविधियों की देखरेख और उसे दिशा देने के लिए, मार्च, २०१४ में बोर्ड की एक औपचारिक समिति का गठन किया गया था.

कंपनी की सीएसआर समिति में इसके अध्यक्ष के रूप में श्री शेखर बजाज एवं इसके सदस्यों के रूप में श्री अनंत बजाज एवं डॉ. (श्रीमती) इन्दु शहानी है.

कॉर्पोरेट सामाजिक दायित्व मामलों के संबंध में समिति की जिम्मेदारियों में शामिल हैं:

- बोर्ड की सीएसआर नीति और कार्यक्रमों का निरूपण एवं संस्तुति;
- सीएसआर परियोजनाओं या कार्यक्रमों या गतिविधियों को लागू करना एवं उनकी देखरेख;
- कॉर्पोरेट सामाजिक दायित्व कार्यक्रमों के संबंध में वार्षिक बजट की समीक्षा;
- सीएसआर के मामलों में कंपनी के रणनीतिक ढांचे और उद्देश्यों को स्थापित करने और विकसित करने के लिये प्रबंधन के साथ काम करना;
- महत्वपूर्ण सतत विकास और समुदाय संबंधों सहित कंपनी के सीएसआर कार्यक्रम पर प्रबंधन से रिपोर्ट प्राप्त करना;
- सीएसआर के क्षेत्र में वर्तमान एवं उभरते हुये मुद्दों और प्रवृत्तियों के साथ कंपनी पर उनके संभावित प्रभाव पर चर्चा की प्रबंधन से रिपोर्ट प्राप्त करना;
- सीएसआर कार्यक्रमों के प्रभाव का आकलन करने के लिए कंपनी के सीएसआर के प्रदर्शन पर प्रबंधन से रिपोर्ट प्राप्त;
- कंपनी के सीएसआर मामलों के विषय में लेखा परीक्षकों से या नियामक एजेंसियों या सलाहकार द्वारा दिये गये निष्कर्षों और सिफारिशों की समीक्षा करना; और
- बोर्ड की रिपोर्ट में कंपनी के सीएसआर मामलों के प्रकटीकरण की समीक्षा करना.

समीक्षा अंतर्गत वर्ष के दौरान, समिति २ (दो) बार मिली, यानी १० अक्टूबर २०१६ को एवं २९ मार्च २०१७ को.



सीएसआर नीति पत्रक और सीएसआर रिपोर्ट कंपनी के सदस्यों के लिये बोर्ड की रिपोर्ट का हिस्सा है।

## ईएसओपी के अंतर्गत शेयरों के आवंटन हेतु समिति

ईएसओपी के अंतर्गत शेयरों के आवंटन हेतु समिति का गठन कंपनी की

ईएसओपी के अंतर्गत कंपनी के योग्य कर्मचारियों को शेयर जारी करने एवं आवंटित करने की प्रक्रिया की शीघ्रता हेतु संबंधित विनियमों की आवश्यकताओं के अनुसार किया गया। शेयर आवंटन समिति में तीन निदेशक हैं, श्री शेखर बजाज व श्री अनंत बजाज एवं श्री अशोक जालान जो उसके सदस्य हैं। कंपनी सेक्रेटरी द्वारा समिति के आयोजक के रूप में कार्य किया जाता है।

## बोर्ड एवं समितियों की बैठकों एवं पिछली एजीएम में निदेशकों का उपस्थिति रिकॉर्ड

तालिका ४ : वित्तीय वर्ष २०१६-१७ के दौरान आयोजित एजीएम एवं बोर्ड व समितियों की बैठकों में निदेशकों की उपस्थिति के विवरण।

नाम	बोर्ड	लेखा परीक्षा समिति	नामांकन एवं पारिश्रमिक समिति	कॉर्पोरेट सामाजिक दायित्व समिति	शेयर आवंटन समिति	स्वतंत्र निदेशकों की बैठक	क्या अंतिम एजीएम में उपस्थिति रही
शेखर बजाज	६/६	लागू नहीं	लागू नहीं	२/२	५/५	लागू नहीं	हां
अनंत बजाज	६/६	लागू नहीं	लागू नहीं	२/२	५/५	लागू नहीं	हां
मधुर बजाज	६/६	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	हां
एच. वी. गोयंका	४/६	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	१/१	हां
अशोक जालान	६/६	५/५	४/४	लागू नहीं	५/५	१/१	हां
वी.बी. हरिभक्ति	६/६	५/५	४/४	लागू नहीं	लागू नहीं	१/१	हां
डॉ. (श्रीमती) इन्दु शहानी	३/६	३/५	३/४	२/२	लागू नहीं	१/१	हां
डॉ. आर.पी. सिंह	६/६	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	१/१	हां
अनुज पोद्दार	५/६	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	१/१	हां
सिद्धार्थ मेहता	६/६	लागू नहीं	लागू नहीं	लागू नहीं	लागू नहीं	१/१	हां

## पारिश्रमिक पॉलिसी / निदेशकों का पारिश्रमिक

नामांकन और पारिश्रमिक समिति की सिफारिश पर बोर्ड ने एक पारिश्रमिक नीति का निर्माण किया है, जो (अ) निदेशकों की योग्यताओं, सकारात्मक गुणों और निदेशकों की स्वतंत्रता निर्धारित करने के लिए मानदंड; और (ब) निदेशकों, प्रमुख प्रबंधकीय कार्मिकों और अन्य कर्मचारियों के लिए पारिश्रमिक पर एक नीति प्रदान करता है। विस्तृत पारिश्रमिक नीति को कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर डाली गई है।

## क) गैर-कार्यकारी निदेशकों का मुआवज़ा

कंपनी के गैर-कार्यकारी निदेशक, बोर्ड के स्वतंत्र रूप से कामकाज करने में एक महत्वपूर्ण भूमिका निभाते हैं। वे कंपनी द्वारा निर्णय लेने में एक बाहरी दृष्टिकोण पेश करते हैं तथा वस्तुनिष्ठ निर्णय को बनाए रखते हुए नेतृत्व एवं रणनीति पूर्ण मार्गदर्शन प्रदान करते हैं। वे कंपनी के कॉर्पोरेट प्रशासन के ढांचे पर भी नज़र रखते हैं।

गैर-कार्यकारी निदेशकों के पारिश्रमिक धारा १७९ के तहत निर्धारित आधार पर लागू नियम के साथ पठित और अधिनियम की अनुसूची V और सूचीकरण विनियमों के सीमा के भीतर तय किए गए हैं।

कंपनी के गैर-कार्यकारी निदेशक अपना पारिश्रमिक नीचे दिये अनुसार बोर्ड और समिति की बैठकों और आयोग में भाग लेने के लिए बैठक शुल्क के माध्यम से प्राप्त करते हैं:

- निदेशक मंडल द्वारा, अधिनियम के तहत निर्धारित समग्र सीमा के अंतर्गत स्वीकृत लेखा परीक्षा समिति और बोर्ड की प्रत्येक बैठक के लिए बैठक फ़ीस रु. १,००,०००/- और निदेशक द्वारा भाग ली हुई अन्य समितियों की बैठक के लिये बैठक फ़ीस रु. ५०,०००/-;
- ३१ जुलाई, २०१४ को आयोजित वार्षिक आम सभा में सदस्यों के अनुमोदन के अनुसरण में वार्षिक आधार पर निदेशक द्वारा भाग ली हुई बोर्ड और लेखा परीक्षा समिति की प्रत्येक बैठक के लिये अधिनियम के तहत निर्धारित कंपनी के शुद्ध लाभ की १% सीमा के अध्वधीन रु. १,००,०००/- कमीशन का भुगतान किया जाएगा;
- बोर्ड और समिति की बैठकों में भाग लेने के लिए गैर-कार्यकारी निदेशकों द्वारा किए गए यात्रा और अन्य संबंधित खर्च की प्रतिपूर्ति;
- कंपनी के स्वतंत्र निदेशक कंपनी की ईएसओपी में भाग लेने के हकदार नहीं हैं।

सर्विस कान्ट्रैक्ट, नोटिस अवधि तथा सेवरेन्स फ़ीस गैर-कार्यकारी निदेशकों पर लागू नहीं हैं।



तालिका ५: वर्ष के दौरान गैर-कार्यकारी निदेशकों को सिटिंग फीस और कमीशन के रूप में अदा किए गये पारिश्रमिक का विवरण इस प्रकार है :

(रकम रु. में)

निदेशक का नाम	सिटिंग फीस (कुल)	कमीशन (कुल) (नीचे दिये गये नोट का संदर्भ लें)	कुल
एच. वी. गोयंका	४,५०,०००	३,५०,०००	८,००,०००
अशोक जालान	१६,००,०००	६,००,०००	२२,००,०००
वी. बी. हरिभक्ति	१३,५०,०००	६,००,०००	१९,५०,०००
मधुर बजाज	६,००,०००	२,००,०००	८,००,०००
डॉ. (श्रीमती) इन्दु शहानी	९,००,०००	४,००,०००	१३,००,०००
डॉ. आर. पी. सिंह	६,५०,०००	३,००,०००	९,५०,०००
अनुज पोद्दार	५,५०,०००	-	५,५०,०००
सिद्धार्थ मेहता	६,५०,०००	-	६,५०,०००

नोट : कमीशन वित्त वर्ष २०१५-१६ से संबंधित है, जिसका भुगतान समीक्षाधीन वित्त वर्ष के दौरान किया गया। ३१ मार्च २०१७ को समाप्त हुए वर्ष के खातों में वित्त वर्ष २०१६-१७ के लिए एनईडी को कमीशन के तौर पर देय राशि, उनकी उपस्थिति वाली निदेशक मंडल और लेखा परीक्षा समिति की बैठकों की संख्या पर आधारित है।

इस रिपोर्ट की तारीख तक, श्री मधुर बजाज के पास कंपनी के २१२५०३५ इक्विटी शेयर हैं। किसी भी गैर-कार्यकारी निदेशक के पास कंपनी के कोई शेयर नहीं हैं

#### ख) कार्यकारी निदेशकों का पारिश्रमिक :

कंपनी, कार्यकारी निदेशकों को वेतन, अनुलाभों तथा भत्तों (निर्धारित अंश) एवं कमीशन (परिवर्तनशील अंश) के रूप में पारिश्रमिक का भुगतान करती है। एक्ज़िक्यूटिव डायरेक्टर, श्री शेखर बजाज, चेयरमैन व मैनेजिंग डायरेक्टर तथा श्री अनंत बजाज, ज्वाइंट मैनेजिंग डायरेक्टर को दिया गया वेतन शेयरधारकों द्वारा स्वीकृत श्रेणी के अंतर्गत है। चेयरमैन व मैनेजिंग डायरेक्टर तथा ज्वाइंट मैनेजिंग डायरेक्टर को अदा किए गये/अदा किए जाने वाले कमीशन की गणना क्रमशः २% तथा १% की दर से की गई है, जो कि किसी विशेष वित्तीय वर्ष में कंपनी के शुद्ध लाभ के संदर्भ में है तथा जिसकी गणना वित्तीय वर्ष के अंत में निदेशक मंडल द्वारा की गई है, जो कि कंपनी अधिनियम की धारा १९७ में विनिर्धारित समग्र सीलिंग्स के विषयाधीन है।

कार्यकारी निदेशक सेवानिवृत्ति लाभों के अधिकारी हैं जो उन्हें एक अनुमोदित जीवन बीमा कंपनी से एक वार्षिक भत्ते के रूप में देय है, और जो उनके लिए स्वीकृत अनुलाभों का अंश है। मैनेजिंग डायरेक्टर और ज्वाइंट मैनेजिंग डायरेक्टर की अवधि पाँच वर्षों का अतिक्रमण नहीं करती है।

कंपनी में प्रोत्साहक कार्यकारी निदेशक/ गैर-कार्यकारी निदेशकों के लिए कोई स्टॉक विकल्प कार्यक्रम नहीं है और इसलिए, यह उन्हें देय पारिश्रमिक संपुष्टि का अंश नहीं बनता है।

वित्तवर्ष २०१६-१७ के दौरान कंपनी ने अपने किसी भी गैर-कार्यकारी निदेशकों को और / अथवा कार्यकारी निदेशकों को कोई ऋण प्रस्तुत

नहीं किया।

वित्तवर्ष २०१६-१७ के दौरान निदेशकों को किए गए / देय पारिश्रमिक के भुगतान का विवरण 'फॉर्म एमजीटी-९' में निदेशक रिपोर्ट के परिशिष्ट में प्रदान किया गया है।

#### ग) प्रमुख प्रबंधकीय कार्मिक और कॉर्पोरेट प्रबंधन समिति के सदस्यों के लिए पारिश्रमिक नीति

प्रमुख प्रबंधकीय कार्मिक और कॉर्पोरेट प्रबंधन समिति के सदस्यों का पारिश्रमिक काफी हद तक मूल वेतन, अनुलाभ, भत्ते और प्रदर्शन प्रोत्साहन मिलाकर बनता है। कुल पारिश्रमिक के घटक विभिन्न दर्जों के लिए अलग होते हैं और कर्मचारी के औद्योगिक तरीकों, शैक्षणिक योग्यता और अनुभव, उसके द्वारा उठाई गई जिम्मेदारियों, उसकी वार्षिक कार्यकुशलता आदि द्वारा शासित होते हैं। कार्यकुशलता भुगतान नीति कंपनी के उद्देश्यों से मेल खाने वाले मापदंडों पर प्रत्येक अधिकारी का कार्यकुशलता भुगतान उसके व्यक्तिगत, व्यापारिक इकाई और कंपनी की समूची कार्यकुशलता से जुड़ा होता है।

#### निदेशकों की शेयरहोल्डिंग

३१ मार्च, २०१७ को निदेशकों द्वारा कंपनी में धारण किए गए शेयरों पर जानकारी 'फॉर्म एमजीटी-९' में निदेशक रिपोर्ट के परिशिष्ट में प्रदान की गई है।

#### सहायक कंपनियां

३१ मार्च २०१७ के अनुसार कंपनी की कोई सहायक कंपनी नहीं है। साथ ही, कंपनी की कोई ऐसी सामग्री सहायक नहीं है जिसका शुद्ध मूल्य ठीक पिछले

वित्त वर्ष में होल्डिंग कंपनी के संचयी शुद्ध मूल्य के २०% को पार करता हो और पिछले वित्त वर्ष के दौरान संचयी आय का २०% देता हो।

हालांकि, एक प्रचुर मात्रा में एहतियात के रूप में, लेखा परीक्षा समिति की सिफारिश पर निदेशक मंडल ने ३१ जुलाई २०१४ की अपनी बैठक में 'सामग्री' सहायकों का निर्धारण करने और उनकी स्वीकृति/रिपोर्टिंग यंत्रावली ('पॉलिसी') के लिए एक पॉलिसी को अपनाया. कथित पॉलिसी को कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित किया गया है.

### संबंधित पार्टी ट्रांजेक्शन्स (आरपीटी)

वर्ष २०१६-१७ के दौरान पूर्व स्वीकृति के लिए आरपीटीज को लेखा परीक्षा समिति के समक्ष रखा गया था. संबंधित पार्टियों के साथ ट्रांजेक्शन्स का एक संक्षिप्त विवरण वर्ष के दौरान समय समय पर लेखा परीक्षा समिति के समक्ष रखा गया. उपयुक्त प्रकटीकरण, जैसा लेखा-मानक - १८ द्वारा अपेक्षित है, वित्तीय विवरण में किए गए हैं.

कॉर्पोरेट प्रशासन पर अनुपालन रिपोर्ट के साथ संबंधित पार्टियों के साथ 'सामग्री' ट्रांजेक्शन्स के विवरण, यदि हैं, को हर तिमाही पर प्रकट किया गया.

समीक्षाधीन वर्ष के दौरान संबंधित पार्टियों के साथ ऐसे किसी भी सामग्री ट्रांजेक्शन में प्रवेश नहीं किया गया जिसका कंपनी के हित के साथ टकराव की स्थिति उत्पन्न करने की संभावना रही हो.

बोर्ड द्वारा आरपीटीज की पदार्थता पर और आरपीटीज के साथ व्यवहार पर एक नीति प्रतिपादित की गई और कथित नीति को कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित किया गया है.

### मटीरियल ट्रांजेक्शन्स का प्रकटीकरण

सूचीकरण अधिनियम प्रावधानों के तहत, वरिष्ठ प्रबंधन कर्मचारियों को बोर्ड को उन सभी मूल्यवान वित्तीय और व्यावसायिक ट्रांजेक्शन्स के बारे में नियतकालिक प्रकटीकरण करना आवश्यक है, जहाँ उनके ऐसे व्यक्तिगत हित थे (अथवा समझा गया था कि है) जो कंपनी के हित के साथ टकराव की स्थिति पैदा कर सकते थे. उपर्युक्त से संबंधित प्रावधान का पालन वर्ष के दौरान किया गया है.

### व्यवसाय आचरण तथा नैतिकता संबंधी आचार संहिता :

निदेशक मंडल ने व्यापार आचरण और आचार संहिता ('कोड'), को मंजूरी दी है जो बोर्ड के सभी सदस्यों और कर्मचारियों के लिए लागू है. आचार संहिता कंपनी के मूल्यों का वक्तव्य है और आचरण के मानक प्रदर्शित करता है जिसका सभी निदेशकों और कर्मचारियों द्वारा उनके व्यापारिक कार्यों में पालन किए जाने की अपेक्षा की जाती है तथा संहिता सत्यनिष्ठा, पारदर्शिता और निष्पक्षता के सिद्धांतों के प्रति कंपनी की कटिबद्धता दर्शाती है.

संहिता कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर उपलब्ध है. सभी निदेशकों और वरिष्ठ प्रबंधन कर्मचारियों ने २०१६-१७ के लिए संहिता के अनुपालन का अनुमोदन किया है. सभी कर्मचारियों को ई-मॉड्यूल पर कोड के अनुपालन की पुष्टि करना आवश्यक था. इस उद्देश्य से चेयरमैन और मैनेजिंग डायरेक्टर द्वारा हस्ताक्षर किया हुआ एक घोषणापत्र नीचे दिया गया है:

प्रति, बजाज इलेक्ट्रिकल्स लिमिटेड के सदस्यगण

#### विषय : व्यवसाय आचरण तथा नैतिकता संबंधी आचार संहिता के साथ अनुकूलन

सेबी (सूचीकरण दायित्वों और प्रकटीकरण आवश्यकताओं) अधिनियम, २०१५ के तहत दिये अनुसार, मैं एतद्वारा घोषणा करता हूँ कि मेरी सर्वश्रेष्ठ जानकारी और मान्यता के अनुसार, ३१ मार्च २०१७ को समाप्त होने वाले वर्ष के लिए व्यवसाय आचरण तथा नैतिकता संबंधी आचार संहिता का मंडल के सभी सदस्य और वरिष्ठ प्रबंधन कर्मचारी वर्ग पालन कर रहे हैं.

तिथि : २९ मई २०१७

स्थल : मुंबई

शेखर बजाज

चेयरमैन व मैनेजिंग डायरेक्टर

### इनसाइडर ट्रेडिंग पद्धति पर रोक के लिए संहिता

कंपनी के पास 'इनसाइडर ट्रेडिंग पद्धति पर रोक के लिए आचार संहिता' कंपनी के पास 'इनसाइडर ट्रेडिंग का निषेध' विनियम, १९९२ के अनुसार संशोधित रूप में तैयार थी. इन विनियमों को सेबी के विनियमों के नए सेट से प्रतिस्थापित किया गया है जो १५ मई २०१५ से प्रभावी है.

तदनुसार, २३ मार्च, २०१५ को आयोजित अपनी बैठक में बोर्ड ने निम्नलिखित को स्वीकृत किया और अपनाया,

क) फेयर डिस्क्लोज़र ऑफ़ अनपब्लिशड प्राइस सेंसिटिव इनफार्मेशन के लिए व्यवहार और पद्धति संहिता; और

ख) इसके कर्मचारियों और अन्य जुड़े व्यक्तियों द्वारा ट्रेडिंग को नियमित करने, उनकी निगरानी करने और रिपोर्ट करने के लिए आचार संहिता.

ये कथित संहिताएँ कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित की गई हैं और १५ मई, २०१५ से इनका पालन किया जा रहा है.

### आंतरिक नियंत्रण और जोखिम प्रबंधन का ढांचा :

कंपनी के पास आंतरिक लेखा परीक्षा के लिए मजबूत प्रणालियाँ हैं। आंतरिक लेखा परीक्षा में समस्त कारखाने, शाखा कार्यालय, गोदाम और केंद्रीय तौर पर नियंत्रित व्यापार और कार्यप्रणालियाँ शामिल की जाती हैं। वार्षिक आंतरिक लेखा परीक्षा कवर योजना प्रत्येक वर्ष के आरंभ में लेखा परीक्षा समिति द्वारा मंजूर की जाती है। हर तिमाही, बोर्ड की लेखा परीक्षा समिति के समक्ष नियंत्रण के मुख्य मुद्दे और पिछले मुद्दों पर की गई कार्यवाहियाँ पेश की जाती हैं।

सूचीकरण विनियम के अधिनियम २१ के अनुसरण में, जोखिम प्रबंधन समिति के गठन का प्रावधान कंपनी के लिए लागू नहीं है। हालांकि, यह सुनिश्चित करने के लिए कि कार्यकारी प्रबंधन एक ठीक ढंग से परिभाषित ढांचे के माध्यम से जोखिम का नियंत्रण करता है, कंपनी के पास जोखिम मूल्यांकन और न्यूनीकरण प्रक्रियाओं और आवधिक समीक्षा के बारे में बोर्ड को सूचित करने के लिए एक तंत्र है।

जोखिम प्रबंधन पर विस्तृत लेख बोर्ड रिपोर्ट के प्रबंधन चर्चा और समीक्षा खंड में दिया गया है।

### ‘व्हिसिल ब्लोअर पॉलिसी’ / चौकसी प्रणाली तथा प्रतिज्ञापन

कंपनी व्यावसायिकता के उच्चतम मानकों, ईमानदारी, एकता तथा नैतिक व्यवहार को अपनाकर अपने घटकों के मामलों का संचालन उचित एवं पारदर्शी तरीके से करने में विश्वास रखती है। कंपनी ऐसी संस्कृति की विकास के लिए प्रतिबद्ध है जो किसी गलत अथवा अस्वीकार्य व्यवहार और दुर्व्यवहार की किसी घटना के बारे में आवाज़ उठाने वाले किसी भी व्हिसिल ब्लोअर के लिए सुरक्षित हो।

अधिनियम के खंड १७७(९) के अनुसार, १२ फरवरी, २०१५ को आयोजित अपनी बैठक में निदेशक मंडल ने वर्तमान व्हिसिल ब्लोअर पॉलिसी (“पॉलिसी”) के अनुप्रयोग को कर्मचारियों और निदेशकों के साथ-साथ कंपनी के साथ व्यवहार करने वाले अन्य व्यक्तियों जैसे कि सविदाकारों, वेंडरों, ग्राहकों और बिज़नेस परामर्शदाताओं तक विस्तारित करने के लिए संशोधित किया।

पॉलिसी, निदेशक, कर्मचारी अथवा कंपनी के साथ लेन-देन करने वाले किसी भी व्यक्ति को एक यंत्रावली प्रदान करती है जिससे वे बिना उत्पीड़न के, भय के किसी भी अनैतिक आचरण, संदिग्ध और वास्तविक धोखाधड़ी, आचार संहिता का उल्लंघन, आदि जो कंपनी के हित के लिए हानिकारक हो, को मैनेजमेंट को रिपोर्ट कर सके। यह प्रणाली व्हिसिल ब्लोअर को किसी प्रकार के पक्षपात, परेशानी, उत्पीड़न, अथवा किसी भी अन्य अनुचित रोजगार व्यवहार से सुरक्षा प्रदान करती है।

एक उच्च स्तरीय समिति का गठन किया गया है जो दर्ज़ की गई शिकायतों के मामले देखती है। समिति, लेखा परीक्षा समिति और बोर्ड को रिपोर्ट करती है।

सभी मामलों में निदेशकों और उचित अथवा विशिष्ट मामलों में कर्मचारियों को लेखा परीक्षा समिति के चेयरमैन तक सीधी पहुँच प्राप्त होगी। संगठन में सभी कर्मचारियों को इस नीति की सूचना उचित ढंग से दी जा चुकी है और इसे कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित किया गया है।

### प्रकटीकरण

#### i) लेखा व्यवहार

वित्तीय विवरणियों को तैयार करने में कंपनी ने अकाउंटिंग स्टैंडर्ड्स में विनिर्धारित से भिन्न किसी व्यवहार का पालन नहीं किया है।

#### ii) लेखा अहर्ताएँ

कंपनी का हमेशा अस्वीकृत वित्तीय विवरणियाँ प्रस्तुत करने का प्रयत्न रहता है। समीक्षाधीन वर्ष के लिए कंपनी की स्टैंडअलोन वित्तीय विवरणियों में कोई लेखा अहर्ताएँ नहीं हैं।

कंपनी के निदेशक मंडल ने स्थगित कर परिसंपत्तियों के परिवर्तन की वास्तविक निश्चितता दर्शाने हेतु पर्याप्त भावी करयोग्य लाभों की उपलब्धता के विश्वासप्रद साक्ष्य की अनुपस्थिति में ऐसी स्थगित कर परिसंपत्तियों की पहचान के संबंध में कंपनी के सहयोगी, हिन्द लैप्स लिमिटेड के लेखा परीक्षकों द्वारा व्यक्त योग्य मत के आधार पर समेकित वित्तीय विवरणों पर अपने प्रतिवेदन में लेखा परीक्षकों द्वारा किए गए अस्वीकरण या प्रतिकूल टिप्पणी या योग्यता व आरक्षण पर उपयुक्त स्पष्टीकरण उपलब्ध करवाया है। योग्य मत का प्रभाव महत्वहीन है।

#### iii) लंबित मामलों और गैर-अनुपालन की घटनाओं का प्रकटीकरण

पिछले तीन वर्षों में कैपिटल मार्केट से संबंधित किसी मामले में कंपनी द्वारा अनुपालन न करने, स्टॉक एक्सचेंजों या सेबी अथवा किसी अन्य विधिक प्राधिकारी/नियामकों द्वारा कंपनी पर टीका-टिप्पणी या जुर्माना करने की कोई घटना नहीं हुई है।

#### iv) सीईओ/सीएफओ प्रमाणीकरण

सूचीकरण विनियम के अधिनियम १७ (८) के तहत वित्तीय विवरण और अन्य मुद्दों के संबंध में सीईओ और सीएफओ ने बोर्ड को प्रमाणित किया है। सीईओ/सीएफओ से संयुक्त प्रमाणपत्र इस वार्षिक रिपोर्ट में सम्मिलित है।

#### v) कॉर्पोरेट प्रशासन पर रिपोर्ट

यह अनुभाग, निदेशक की रिपोर्ट, मैनेजमेंट चर्चा और विश्लेषण और सामान्य शेयरहोल्डर सूचना में दी गई सूचना के साथ पठित पर अनुभाग,

वित्तवर्ष २०१६-१७ के दौरान, कॉर्पोरेट प्रशासन पर अनुपालन रिपोर्ट का गठन करते हैं।

**vi) कॉर्पोरेट प्रशासन पर लेखा परीक्षक का प्रमाणपत्र**

कंपनी ने सूचीकरण विनियम के अधिनियम ३४ में निर्धारित कॉर्पोरेट प्रशासन से संबंधित प्रावधानों के अनुपालन से संबंधित प्रमाणपत्र अपने वैधानिक लेखा परीक्षकों से प्राप्त किया है। यह प्रमाणपत्र इस वार्षिक रिपोर्ट में सम्मिलित है और कंपनी द्वारा दर्ज की जाने वाली वार्षिक रिपोर्ट के साथ स्टॉक एक्सचेंज को भेजी जाएगी।

**vii) सूचीकरण विनियम के अधिनियम २७ के तहत निर्दिष्ट विवेकाधीन आवश्यकताओं का अनुपालन**

कंपनी सूचीकरण अधिनियम की सभी अनिवार्य आवश्यकताओं का पालन कर रही है। कंपनी ने असंशोधित लेखापरीक्षा राय के साथ वित्तीय विवरण व्यवस्था के संदर्भ में विवेकाधीन आवश्यकता का भी अनुपालन किया है।

**संचार के साधन**

- (i) **तिमाही परिणाम :** कंपनी के तिमाही परिणाम स्टॉक एक्सचेंजों को प्रस्तुत किए जाते हैं तथा कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर प्रदर्शित किए जाते हैं और उसके उद्धरण समाचार पत्र 'फ्री प्रेस जर्नल' और 'नवशक्ति' में प्रकाशित किए जाते हैं। अधिकृत प्रेस विज्ञप्ति भी जारी की जाती है।
- (ii) **लेखा परीक्षित वार्षिक वित्तीय परिणाम :** सूचीकरण विनियम के तहत, कंपनी, ऑडिट किए हुए वार्षिक वित्तीय परिणामों को, वित्तीय वर्ष के समाप्त होने के निर्धारित साठ दिनों के भीतर प्रकाशित करती है तथा इसीलिए वित्तीय वर्ष के अंतिम तिमाही के 'अ-लेखापरीक्षित' परिणाम प्रकाशित नहीं हुए हैं।  
वार्षिक वित्तीय परिणाम, उन स्टॉक एक्सचेंजों को भी जहां कंपनी के शेयर्स लिस्टेड है, बता दिए जाते हैं, तथा कंपनी की वेबसाइट पर भी रखे जाते हैं; जबकि उसका उद्धरण समाचार पत्रों में प्रकाशित है।
- (iii) **समाचार प्रकाशन, प्रस्तुतिकरण आदि :** स्टॉक एक्सचेंजों को औपचारिक समाचार प्रकाशन और औपचारिक मीडिया प्रकाशन भेजे जाते हैं।
- (iv) **संस्थागत निवेशकों/विश्लेषकों को प्रस्तुतिकरण :** संस्थागत निवेशकों और वित्तीय विश्लेषकों को, कंपनी के अ-लेखापरीक्षित तिमाही वित्तीय परिणामों के साथ साथ वार्षिक लेखा परीक्षित वित्तीय परिणामों के विस्तृत प्रस्तुतिकरण पेश किए जाते हैं।
- (v) **हरित पहल के प्रचार के लिए इलेक्ट्रॉनिक संचार :** अधिनियम, के खंड २० और १२९, कंपनी (लेखा) नियम, २०१४ के साथ पठित, कंपनियों को रजिस्टर्ड सदस्यों/शेयरधारकों के उनके ई-मेल पतों पर कागजातों की इलेक्ट्रॉनिक रूप से जारी करने की अनुमति देता है।

कंपनी ने समीक्षाधीन वर्ष के दौरान, आम सभा बुलाने की सूचना, लेखा परीक्षित वित्तीय विवरणी, निदेशक की रिपोर्ट, लेखा परीक्षक की रिपोर्ट, जैसे कागजात इलेक्ट्रॉनिक माध्यम से, शेयरधारकों द्वारा उपलब्ध कराए गए ईमेल पतों और कंपनी को डिपॉजिटरीज द्वारा मिले ईमेल पतों पर भिजवाए। जो शेयरधारक कथित कागजातों को भौतिक रूप में प्राप्त करना चाहते थे, वे अनुरोध पर इन्हें भौतिक रूप में निरंतर प्राप्त करते रहे।

- (vi) **वेबसाइट :** कंपनी की वेबसाइट [www.bajajelectricals.com](http://www.bajajelectricals.com) पर एक समर्पित खंड 'इनवेस्टर रिलेशन्स' है जिसमें शेयरधारकों की जानकारी उपलब्ध है।  
अन्य में, सेबी द्वारा निर्दिष्ट सूचीकरण विनियम के अधिनियम ३०, ४६ और ६२ के तहत कंपनी अपनी जानकारी, विवरण और रिपोर्ट अपनी वेबसाइट पर भी दर्ज करती है।
- (vii) **वार्षिक रिपोर्ट :** अन्य बातों के साथ साथ लेखा परीक्षा किए गए वार्षिक खातों, निदेशकों की रिपोर्ट, लेखा परीक्षक की रिपोर्ट और अन्य जानकारी वाली वार्षिक रिपोर्ट सदस्य और उसके हकदार अन्य लोगों को वितरित की जाती है।
- (viii) **निवेशकों को स्मरणपत्र :** रिकॉर्ड के अनुसार दावा न किए गये लाभांश शेयरधारकों को प्रति वर्ष स्मरणपत्र भेजे जाते हैं।
- (ix) **एनएसई इलेक्ट्रॉनिक एप्लीकेशन प्रोसेसिंग सिस्टम (एनईएपीएस) :** एनईएपीएस कॉर्पोरेट्स के लिए एनएसई द्वारा तैयार की गई वेब आधारित एप्लीकेशन है। शेयरधारिता पैटर्न, कॉर्पोरेट प्रशासन रिपोर्ट, मीडिया प्रकाशन आदि जैसी सभी सामयिक अनुपालन फाइलिंग्स एनईएपीएस पर इलेक्ट्रॉनिक तरीके से फाइल की जाती हैं।
- (x) **बीएसई कॉर्पोरेट कॉम्प्लीएंस एंड लिस्टिंग सेंटर ("लिस्टिंग सेंटर") :** बीएसई का लिस्टिंग सेंटर कॉर्पोरेट्स के लिए बीएसई द्वारा तैयार की गई वेब आधारित एप्लीकेशन है। शेयरधारिता पैटर्न, कॉर्पोरेट प्रशासन रिपोर्ट और मीडिया प्रकाशन जैसी सभी सामयिक अनुपालन फाइलिंग्स लिस्टिंग सेंटर पर इलेक्ट्रॉनिक तरीके से फाइल की जाती हैं।
- (xi) **सेबी शिकायत निवारण प्रणाली (स्कोर्स) :** निवेशकों की शिकायतों को केंद्रीकृत वेब आधारित शिकायत निवारण प्रणाली में प्रोसेस किया जाता है। इस प्रणाली की खास विशेषताएँ हैं : सभी शिकायतों का केंद्रीकृत डेटाबेस, संबंधित कंपनियों द्वारा एक्शन टेकन रिपोर्ट्स (की गई कार्रवाईयों की रिपोर्टें) को ऑन लाईन अपलोड करना और शिकायतों पर की गई कार्रवाईयों और उनकी ऑनलाइन अवस्थिति को निवेशकों द्वारा ऑनलाइन देखना।

**विदेशी मुद्रा का खुलासा और इसकी प्रतिरक्षा**

कंपनी ने अपने बहीखातों में निम्नलिखित विदेशी विनियम का खुलासा किया है:

- क) वस्तुओं और सेवाओं की खरीद के लिए आयात के प्रति दायित्व,  
ख) विदेशी मुद्रा ऋण के प्रति दायित्व, जैसे कि बायर्स क्रेडिट, विदेशी मुद्रा सावधि ऋण इत्यादि,  
ग) 'मॉफी रिचर्ड्स' ब्रांड के इस्तेमाल के लिए देय रॉयल्टी के प्रति दायित्व  
घ) विभिन्न देशों में अपने निर्यात के कारण प्राप्तियों के मामले में कंपनी में विदेशी मुद्रा निवेश भी है।

एक निश्चित सीमा तक विदेशी मुद्रा जोखिम के प्रभाव को कम करने के लिए कंपनी का बैंक में ईईएफसी खाता है। अन्य दायित्वों एवं ऋणों के लिए कंपनी दायित्व से बचाव हेतु, जब भी और जैसे भी वह ऐसा करना उचित समझे, पूर्णतः या आंशिक रूप से फॉरवर्ड कवर (वचन संरक्षण) प्राप्त करती है।

### वस्तु मूल्य जोखिम

कंपनी लाईटिंग उत्पाद, छोटे कंज्यूमर ड्युरेबल्स एप्लायंसेस और पंखों का कारोबार करती है, जो यह ज्यादातर अन्य विक्रेताओं से खरीदती है, जबकि सीलिंग फ्रैन का छोटी मात्रा में घरेलू उत्पादन किया जाता है। विक्रेताओं के साथ भुगतान की शर्तें लागत और नियत लाभ के आधार पर हैं। कंपनी ईपीसी क्षेत्र में भी है, जिसमें यह ट्रांसमिशन लाइन टावर्स, हाई मास्ट एवं स्तम्भ, स्ट्रीट लाईटिंग, आदि टर्म की परियोजनाओं का कॉन्ट्रैक्ट लेती है। यह कंपनी के लिये तांबा, एल्यूमीनियम, प्लास्टिक, स्टील, जस्ता जैसे उत्पादों के लिए वस्तुओं के मूल्य जोखिम को उजागर करता है।

वर्तमान में, कंपनी वस्तुओं के मूल्य जोखिम के लिए जोखिम से प्रतिरक्षा नहीं करती है।

### नामांकन

व्यक्तिगत शेयरधारक जो शेयरों को एकल अथवा संयुक्त रूप से भौतिक रूप में धारण किए हुए हैं, वे एक व्यक्ति को नामांकित कर सकते हैं जिसके नाम शेयर्स हस्तांतरण योग्य हैं यदि रजिस्टर्ड शेयरधारक/शेयरधारकों की मृत्यु हो जाती है। निर्धारित नामांकन फॉर्म (एसएच-१३) को इसके अनुरोध पर कंपनी के शेयर हस्तांतरण एजेंट द्वारा भेजा जाएगा और यह कंपनी की वेबसाइट पर भी उपलब्ध होगा। इलेक्ट्रॉनिक रूप में धारण किए गए शेयर्स के लिए भी नामांकन सुविधा डिपॉजिटरी सहयोगी के पास उपलब्ध है जो एनएसडीएल और सीडीएसएल को लागू प्रयोज्य उप-विधियों और बिज़नेस नियमों के अनुसार है।

### इलेक्ट्रॉनिक माध्यमों से मतदान

अधिनियम के खंड १०८ तथा इसके अंतर्गत बनाए गए नियमों के अनुक्रम में प्रत्येक लिस्टेड कंपनी से अपेक्षा की जाती है कि वह अपने सदस्यों को साधारण सभाओं में इलेक्ट्रॉनिक माध्यमों से मतदान करने का अधिकार दे।

कंपनी ने इस दिशा में इस प्रयोजन हेतु अधिकृत एजेन्सी सीडीएसएल के साथ व्यवस्था करके अपने सदस्यों को ई-वोटिंग की सुविधा प्रदान की है।

इस प्रकार शेयरधारक एजीएम के नोटिस में दी गई मदों पर ई-वोटिंग के तरीके से अपने मतदान अधिकार का उपयोग कर सकेंगे। इसके अतिरिक्त, संशोधित कंपनी (प्रबंधन और प्रशासन) नियम, २०१४ के अनुसार कंपनी एजीएम के स्थल पर उन शेयरधारकों के लिए मतदान की सुविधा उपलब्ध कराने की व्यवस्था करेगी जिन्होंने सुदूरवर्ती ई-वोटिंग के माध्यम से मतदान नहीं किया।

जो शेयरधारक बैठक में भाग ले रहे हैं और जिन्होंने सुदूरवर्ती ई-वोटिंग द्वारा मतदान नहीं किया है, केवल वे ही बैठक में अपने मताधिकार का प्रयोग करने में सक्षम होंगे।

ई-वोटिंग की कट-ऑफ तिथि, संशोधित नियमों के अनुसार, २८ जुलाई २०१७ होगी और सुदूरवर्ती ई-वोटिंग तीन (३) दिनों की अवधि के लिए, ३१ जुलाई २०१७ (सुबह १०.०० बजे) से ०२ अगस्त २०१७ (सांय ५.०० बजे) तक खुली रहेगी। बोर्ड ने मेसर्स अनंत बी. खमनकर एंड कंपनी, प्रैक्टिसिंग कंपनी सेक्रेटरीज को न्यायोचित और स्वच्छ ढंग से सुदूरवर्ती ई-वोटिंग प्रक्रिया के साथ-साथ एजीएम पर मतपत्र द्वारा मतदान की जाँच करने के लिए जाँचकर्ता के रूप में नियुक्त किया है।

विस्तृत प्रक्रिया एजीएम के नोटिस पर दी गई है। किसी अन्य सहायता के लिए शेयरधारक कंपनी सेक्रेटरी से सम्पर्क कर सकते हैं।

### शेयर धारकों के लिए सामान्य सूचनाएं

#### क) कंपनी की जानकारी के विवरण

कंपनी भारत के महाराष्ट्र राज्य में पंजीकृत है। कंपनी को कॉर्पोरेट मामलों (एमसीए) के मंत्रालय द्वारा आबंटित किया गया कॉर्पोरेट आईडीएन्टिटी नंबर (सीआईएन) L३१५००MH१९३८PLC००९८८७ है।

#### ख) आम सभा की बैठकों पर जानकारी

i) अट्रहतरवीं (७८) वार्षिक सामान्य सभा :

दिन, दिनांक, समय व स्थान	गुरुवार, ०३ अगस्त २०१७, सुबह ११.३० बजे वालचंद हीराचंद हॉल, चौथी मंजिल, इंडियन मर्चेन्ट्स चेम्बर, आईएमसी मार्ग, चर्चगेट, मुंबई - ४०० ०२०.
प्रॉक्सी फॉर्म प्राप्त होने की अंतिम तिथि	मंगलवार, ०१ अगस्त २०१७ (सुबह ११.३० बजे से पूर्व, कंपनी के रजिस्टर्ड ऑफिस में)
खाता बंद करने की तिथियां	२९ जुलाई २०१७ से ०३ अगस्त २०१७ तक (दोनों दिन शामिल)



## ii) पूर्व तीन वार्षिक सामान्य सभा:

वार्षिक साधारण सभा	वित्तीय वर्ष	वार्षिक सामान्य सभा का दिन, तिथि और समय	बैठक का स्थान
७५वीं वार्षिक सामान्य सभा	२०१३-१४	गुरुवार, ३१ जुलाई २०१४ सुबह ११.३० बजे	
७६वीं वार्षिक सामान्य सभा	२०१४-१५	गुरुवार, ०६ अगस्त २०१५ दोपहर १२.३० बजे	
७७ वीं वार्षिक सामान्य सभा	२०१५-१६	गुरुवार, ०४ अगस्त २०१६ सुबह ११.०० बजे	वालचंद हिराचंद हॉल, ४ थी मंज़िल, इंडियन मर्चेन्ट्स चेम्बर, आईएमसी मार्ग, चर्चगेट, मुंबई-४०० ०२०.

## iii) पूर्व तीन ए. जी. एम. के दौरान पारित विशेष प्रस्तावों के विवरण:

पूर्व तीन ए.जी.एम के दौरान कोई विशेष प्रस्ताव पारित नहीं किया गया।

आगामी वार्षिक आम सभा में सौदे के लिए प्रस्तावित बिज़नेसेस में से किसी के लिए भी डाक मतपत्र द्वारा एक विशेष प्रस्ताव पारित करने की आवश्यकता नहीं है।

## iv) पिछले वर्ष के दौरान डाक मतपत्र द्वारा पारित किए गए विशेष प्रस्ताव (प्रस्तावों) का विवरण :

वित्तीय वर्ष २०१६-१७ के दौरान, कंपनी के संयुक्त प्रबंध निदेशक के रूप में श्री अनंत बजाज की पुनर्नियुक्ति एवं उन्हें देय पारिश्रमिक के अनुमोदन हेतु पोस्टल बैलेट के माध्यम से एक विशेष प्रस्ताव पारित किया गया।

विवरण	शेयरों की कुल संख्या	प्रतिशत (%)
विशेष संकल्प के पक्ष में मत दिए गए शेयरों की कुल संख्या	४४९७३८४२	९९.९६
विशेष संकल्प के विरुद्ध मत दिए गए शेयरों की कुल संख्या	१८५७९	०.०४
मान्य मतों की कुल संख्या	४४९९२४१३	१००.००

कंपनी द्वारा डाक मतदान प्रक्रिया को खंड ११० के प्रावधानों और अन्य प्रयोज्य प्रावधानों, यदि है, कंपनी (प्रबंधन और प्रशासन) नियम, २०१४ के नियम २२ के साथ इकट्ठे पठित, के अंतर्गत उपलब्ध ढंग के अनुसार संचालित किया गया। कंपनी ने इलेक्ट्रॉनिक मतदान ("रिमोट ई-वोटिंग") सुविधा एक विकल्प के रूप में अपने सभी सदस्यों को उपलब्ध कराई थी, जिससे डाक द्वारा भौतिक डाक मत पत्र फॉर्म भेजने के बजाय वे इलेक्ट्रॉनिक रूप से अपना मतदान करने में सक्षम हो सकें। कंपनी ने अपने सदस्यों को ई-वोटिंग सुविधा उपलब्ध कराने के लिए सीडीएसएल की सेवाएँ लीं।

डाक मतदान की सूचना विस्तृत निर्देश किट सहित थी जिससे सदस्य डाक द्वारा मतदान (रिमोट ई-वोटिंग सहित) के संचालन की पद्धति और ढंग को समझने में सक्षम हो जाएँ।

३१ मार्च २०१७ को समाप्त वित्तीय वर्ष के दौरान वित्तीय परिणामों की स्वीकृति के लिए बोर्ड की बैठकें निम्नलिखित तिथियों को हुईं:

पहली तिमाही के परिणाम	१२ अगस्त २०१६
दूसरी तिमाही तथा छमाही के परिणाम	१० नवंबर २०१६
तीसरी तिमाही के परिणाम	०९ फरवरी २०१७
चौथी तिमाही तथा वार्षिक परिणाम	२९ मई २०१७

## ग) वित्तीय कैलेंडर : वित्तीय वर्ष - ०१ अप्रैल से ३१ मार्च

वित्त वर्ष २०१७-१८ के वित्तीय परिणामों पर विचार करने के लिए बोर्ड की बैठकों की संभावित तिथियां निम्नवत हैं:

पहली तिमाही के परिणाम	अगस्त २०१७ के पहले हफ्ते में
दूसरी तिमाही तथा छमाही के परिणाम	नवंबर २०१७ के दूसरे हफ्ते में
तीसरी तिमाही के परिणाम	फरवरी २०१८ के दूसरे हफ्ते में
चौथी तिमाही तथा वार्षिक परिणाम	मई २०१८ के चौथे हफ्ते में

## (घ) लाभांश, लाभांश भुगतान तिथि एवं भुगतान का प्रकार

## i) लाभांश :

कंपनी के निदेशक मंडल ने वित्तीय वर्ष २०१६-१७ के लिए रु. २.८० प्रति इक्विटी शेयर (१४० प्रतिशत) का लाभांश प्रस्तावित किया है, जो आगामी एजीएम में हितधारकों द्वारा अनुमोदन के अधीन है। पिछले वर्ष दिया गया लाभांश रु. २.८० प्रति इक्विटी शेयर (१४० प्रतिशत) ही था।



ii) लाभांश भुगतान दिनांक :

इक्विटी शेयरों पर लाभांश, यदि इसे वार्षिक साधारण सभा में घोषित किया जाता है, ३ अगस्त २०१७ से ३० दिनों के भीतर जमा कर / भेज दिया जाएगा :

अ) शुक्रवार, २८ जुलाई २०१७ को व्यवसायिक समय के समापन पर नेशनल सिक्योरिटीज़ डिपॉज़िटरी लिमिटेड (एनएसडीएल) एवं सेन्ट्रल डिपॉज़िटरी सर्विसेस (इंडिया) लिमिटेड (सीडीएसएल) द्वारा कंपनी को उपलब्ध करवाए गए स्वामित्व डेटा के अनुसार, इलेक्ट्रॉनिक स्वरूप में शेयर धारण करने वाले सभी लाभार्थी स्वामियों को; एवं

ब) शुक्रवार, २८ जुलाई २०१७ को व्यवसायिक समय के समापन पर या उससे पहले कंपनी के साथ दाखिल सभी वैध शेयर अंतरणों को प्रभावी करने के पश्चात, भौतिक स्वरूप में शेयर धारण करने वाले सभी शेयरधारकों को।

iii) भुगतान का प्रकार :

सूचीकरण विनियमों के अनुसार, कंपनी द्वारा सदस्यों को भुगतान करने के लिए भारतीय रिजर्व बैंक द्वारा अनुमोदित भुगतान के किसी भी इलेक्ट्रॉनिक प्रकार का उपयोग किया जाएगा। जहाँ लाभांश भुगतान इलेक्ट्रॉनिक स्वरूप के माध्यम से किया जाता है, वहाँ ऐसी धनप्रेषण संबंधी सूचनाएँ सदस्यों को अलग से भेजी जाएँगी। जहाँ लाभांश का भुगतान इलेक्ट्रॉनिक स्वरूप में नहीं किया जा सकता, वहाँ उसका भुगतान वारंट्स द्वारा उस पर मुद्रित बैंक खाता विवरणों के साथ किया जाएगा। बैंक खाता विवरण उपलब्ध न होने की स्थिति में, वारंट्स पर सदस्यों का पता मुद्रित किया जाएगा।

इलेक्ट्रॉनिक स्वरूप के माध्यम से लाभांश के भुगतान में सक्षम बनाने हेतु, भौतिक स्वरूप में शेयर धारण करने वाले सदस्यों से अनुरोध किया जाता है कि वे कंपनी के शेयर अंतरण अभिकर्ता, यानी लिंक इनटाइम इंडिया

प्राइवेट लिमिटेड को अपने बैंक खाते के अद्यतन विवरण, बैंक खाते के 'कैन्सल्ड' चेक की एक फोटोकॉपी एवं पेन कार्ड की स्व-प्रमाणित प्रति के साथ प्रदान करें।

इलेक्ट्रॉनिक स्वरूप में शेयर धारण करने वाले लाभार्थी स्वामियों से अनुरोध किया जाता है कि वे अपने संबंधित डिपॉज़िटरी पार्टिसिपेंट्स को अपने बैंक खाता विवरण प्रदान करें और यह सुनिश्चित करें कि उन्होंने ऐसे परिवर्तन सही तरीके से रिकॉर्ड कर लिए हैं। बैंक खाते के विवरणों को अद्यतन करने हेतु अनुरोध लिंक इनटाइम / डिपॉज़िटरी पार्टिसिपेंट्स के साथ, जैसा भी मामला हो, पंजीकृत नमूना हस्ताक्षर के अनुसार हस्ताक्षरित होना चाहिए।

च) बिना दावे लाभांश/शेयर्स

जिन शेयरधारकों ने वर्ष २००९-१० से लेकर अपने लाभांश वारंट्स को भुनाया नहीं है, उनसे अनुरोध किया जाता है कि वे कंपनी से राशि का दावा करें।

अधिनियम के अनुच्छेद १२४(५) के अंतर्गत आवश्यकतानुसार, कंपनी द्वारा सात (७) वर्ष की अवधि तक सभी अभुगतानित या बिना दावे लाभांशों को केन्द्र सरकार द्वारा स्थापित इन्वेस्टर एजुकेशन एंड प्रोटेक्शन फंड (आईईपीएफ) में स्थानांतरित किया जाएगा। तदनुसार, २००९-१० के लिए अभुगतानित/बिना दावा किए गए लाभांश अगस्त २०१७ में फण्ड में हस्तांतरित कर दिये जाएंगे। शेयरधारकों से अनुरोध है कि इससे पहले कि राशि आईईपीएफ में हस्तांतरण के लिए देय हो जाए, वे अपने रिकार्ड्स की जाँच करें और यदि हैं, तो अपने दावे भेजें,

आईईपीएफ नियमों के अनुसार, सभी बकाया अभुगतानित या बिना दावे लाभांशों को कंपनी द्वारा अपनी वेबसाइट पर और साथ ही कॉर्पोरेट मामलों का मंत्रालय, भारत सरकार की वेबसाइट पर भी नियमित रूप से अपलोड किया जाता है।

तालिका ६ : ३१ मार्च २०१७ को बिना दावे के लाभांशों का विवरण नीचे दिया गया है:

वित्त वर्ष	लाभांश का प्रकार	लाभांश की राशि (₹.)	बिना दावे के लाभांश (₹.)	बिना दावा किया (%)	आईईपीएफ के हस्तांतरण के लिए नियत तारीख
२००९-१०	अंतिम	२३,५६,३३,१८८.००	९,२५,५८६.४०	०.३९	२७.०८.२०१७
२०१०-११	अंतिम	२७,८८,०२,९३०.००	१४,३९,६५३.६०	०.५२	२७.०८.२०१८
२०११-१२	अंतिम	२७,९०,७५,४५४.००	११,८९,४९३.२०	०.४३	२५.०८.२०१९
२०१२-१३	अंतिम	१९,९५,१०,६६२.००	८,९४,९५४.००	०.४५	०५.०९.२०२०
२०१३-१४	अंतिम	१५,०४,०९,९७१.००	९,३३,८८०.५०	०.६२	३०.०८.२०२१
२०१४-१५	अंतिम	१५,१२,२०,९९४.००	९,७१,९७१.५०	०.६४	०५.०९.२०२२
२०१५-१६	अंतरिम	२८,२६,५७,१३२.८०	१९,३७,९५५.६०	०.६९	०९.०४.२०२३

अधिनियम के अनुच्छेद १२४(६) के अनुसार, वे सभी शेयर जिनके संबंध में सात या उससे अधिक क्रमागत वर्षों तक लाभांश का भुगतान नहीं किया गया है या दावा नहीं किया गया है, उन्हें भी आईईपीएफ में स्थानांतरित किया जाएगा. कॉर्पोरेट मामलों का मंत्रालय, देखें इसकी अधिसूचना दिनांकित ५ सितंबर २०१६ एवं २८ फरवरी २०१७, ने इंवेस्टर एजुकेशन एंड प्रोटेक्शन फंड अथॉरिटी (अकाउंटिंग, ऑडिट, ट्रांसफर एंड रीफंड) रूल्स, २०१६ एवं इंवेस्टर एजुकेशन एंड प्रोटेक्शन फंड अथॉरिटी (अकाउंटिंग, ऑडिट, ट्रांसफर एंड रीफंड) अमेंडमेंट रूल्स, २०१७, क्रमशः (इन्हें एक साथ “नियम” कहा गया है) को अधिसूचित किया है, जिनमें अन्य बातों के साथ, एक ‘आईईपीएफ सस्पेंस अकाउंट में ऐसे शेयरों के अंतरण हेतु प्रावधान हैं.

उक्त नियमों के अनुसरण के अंतर्गत, वे शेयर जिनके संबंध में सात या

उससे अधिक क्रमागत वर्षों तक लाभांश का भुगतान नहीं किया गया है या दावा नहीं किया गया है, नियमों में व्यक्त प्रक्रिया के अनुसार कंपनी द्वारा आईईपीएफ सस्पेंस अकाउंट में अंतरित कर दिए जाएंगे. आईईपीएफ सस्पेंस अकाउंट में अंतरित शेयरों के विवरण कंपनी की वेबसाइट पर उपलब्ध करवाए जाएंगे.

वे शेयरधारक जिनकी राशियाँ एवं शेयर उपरोक्तानुसार आईईपीएफ में अंतरित हो गए हैं, वे उक्त नियमों के नियम ७ के प्रावधानों का अनुपालन करने के पश्चात लाभांश का रीफंड पाने एवं आईईपीएफ से शेयर के अंतरण का दावा करने के पात्र हैं. शेयरधारक के तैयार संदर्भ के लिए, कंपनी की वेबसाइट पर ‘निवेशक’ अनुच्छेद के अंतर्गत नियमों को उपलब्ध करवाया गया है.

सूचीकरण विनियमों की अनुसूची ५ के साथ पठित विनियम ३४(३) के अनुसार, सस्पेंस अकाउंट में शेयरों के विवरण निम्नानुसार हैं :

वर्ष के प्रारंभ में सस्पेंस अकाउंट में पड़े बकाया शेयरों एवं शेयरधारकों की समेकित संख्या	उन शेयरधारकों की संख्या, जिन्होंने वर्ष के दौरान सस्पेंस अकाउंट से शेयर अंतरित करने हेतु कंपनी से संपर्क किया है	उन शेयरधारकों की संख्या, जिनके शेयर वर्ष के दौरान सस्पेंस अकाउंट से अंतरित किए गए थे.	वर्ष के समापन पर सस्पेंस अकाउंट में पड़े बकाया शेयरों एवं शेयरधारकों की समेकित संख्या	इन शेयरों पर वोटिंग अधिकार तब तक अवरुद्ध रहेंगे, जब तक ऐसे शेयरों के सही स्वामी द्वारा शेयरों का दावा नहीं किया जाता.
शून्य	शून्य	शून्य	शून्य	शून्य

#### (छ) स्टॉक एक्सचेंज पर लिस्टिंग और स्टॉक कोड

कंपनी के शेयर्स वर्तमान में निम्नलिखित स्टॉक एक्सचेंजेस में सूचीबद्ध हैं:

नाम	पता	स्टॉक कोड
बीएसई लिमिटेड (बीएसई)	फिरोज जीजीभाय टॉवर्स, दलाल स्ट्रीट, मुंबई ४००००१	५०००३१
नेशनल स्टॉक एक्सचेंज ऑफ़ इंडिया लिमिटेड (एनएसई)	एक्सचेंज प्लाजा, बांद्रा-कुर्ला काम्प्लेक्स, बांद्रा (पूर्व), मुंबई ४०००५१	BAJAJELEC

डिपॉजिटरी (एनएसडीएल और सीडीएसएल) प्रणाली के अंतर्गत रु. २ प्रति शेयर के अंकित मूल्य वाले कंपनी के इक्विटी शेयर्स को आवंटित की गई आईएसआईएन संख्या आईएनई१९३ई०१०२५ है.

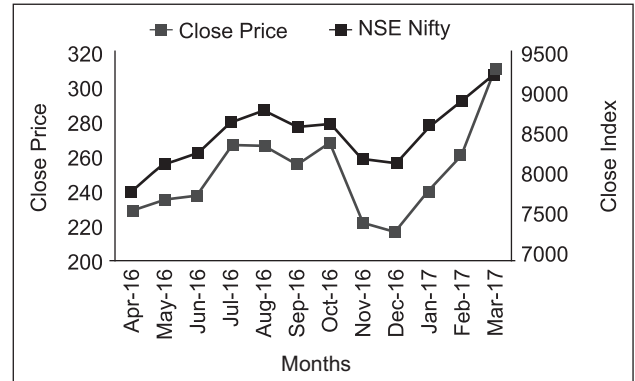
वित्तवर्ष २०१७-१८ के लिए कंपनी ने दोनों स्टॉक एक्सचेंजेस को वार्षिक लिस्टिंग शुल्क और दोनों डिपॉजिटरीज को वार्षिक कस्टडी/इश्यूर शुल्क का भुगतान किया है.

### (ज) बाज़ार मूल्य आँकड़े

तालिका ७: वित्त वर्ष २०१६-१७ दरमियान बीएसई तथा एनएसई पर कंपनी के इक्विटी शेयरों की हर माह की उच्च तथा निम्न कीमतों एवं ट्रेडिंग परिमाणों का विवरण :

माह	बीएसई			एनएसई		
	उच्च (₹.)	निम्न (₹.)	ट्रेड किए गए शेयरों की संख्या	उच्च (₹.)	निम्न (₹.)	ट्रेड किए गए शेयरों की संख्या
अप्रैल २०१६	२३४.९०	१८६.०५	१०९१५३८	२३५.००	१८५.१०	६३०५७०३
मई २०१६	२५७.००	२२३.८०	१२०६०४५	२५६.९५	२२४.००	८३२३९७८
जून २०१६	२३९.२५	२०९.३०	५८७७७२	२३९.७०	२०५.९५	३२९९९१६
जुलाई २०१६	२७०.६०	२३१.८०	११५३२५१	२७०.८०	२२८.५०	४३३४६४९
अगस्त २०१६	२८०.००	२४३.००	१४२७७९९	२८२.००	२४२.६०	५२०६३६८
सितंबर २०१६	२७७.२५	२४३.२०	३७९११२	२७७.५०	२४५.०५	१७४७३४४
अक्तूबर २०१६	२६९.४०	२५२.५०	११८२९३२	२७२.००	२५४.००	३२८७४६१
नवंबर २०१६	२६८.२०	२०२.५०	५५१०२०	२६८.५०	२०२.००	२७१६८०७
दिसंबर २०१६	२२५.००	२०३.८०	१७२४२२	२२५.३५	२०४.००	१२२९६९९
जनवरी २०१७	२४७.२०	२१७.००	१५५९३५८	२४९.३५	२१६.००	२४४३८२९
फरवरी २०१७	२७२.००	२४०.००	९२७४३८	२७२.००	२३८.८०	३८५१६२८
मार्च २०१७	३३४.९०	२५५.७५	२८८०८०३	३२९.८०	२५५.२५	११८७७२८९

ब्रॉड बेस्ड इंडिसेज़ - बीएसई सेन्सेक्स और एनएसई निफ्टी की तुलना में शेयर कीमत की कार्यकुशलता



(स्रोत : बीएसई और एनएसई वेबसाइट)

### (झ) शेयर ट्रांसफर प्रणाली

शेयर ट्रांसफर एजेंट/कंपनी द्वारा प्राप्त शेयर ट्रांसफर्स को प्राप्ति की तिथि से १५ दिनों के भीतर पंजीकृत किया जाता है, बशर्ते कि कागजात सब दृष्टि से पूरे हैं और ट्रांसफर के अंतर्गत शेयर्स किसी टकराव के तहत नहीं आते.

#### (i) शेयर पूँजी लेखा परीक्षा का समन्वय

सेबी के द्वारा अपेक्षित अनुसार, एक स्वतंत्र बाह्य लेखा परीक्षक द्वारा कंपनी की शेयर पूँजी की त्रैमासिक लेखा परीक्षा की जा रही है, जिसका उद्देश्य एनएसडीएल और सीडीएसएल में दाखिल की गई कुल शेयर पूँजी, जो कि भौतिक रूप में धारित है, को जारी तथा सूचीबद्ध पूँजी के साथ समन्वय करना है. इस संबंध में लेखा परीक्षक का प्रमाणपत्र बीएसई और एनएसई में और साथ ही निदेशक मंडल के समक्ष भी प्रस्तुत किया गया है.

## (ठ) शेयरधारिता का वितरण

तालिका ८ : श्रेणियों में शेयरधारिता का वितरण

श्रेणियाँ	३१ मार्च २०१७		३१ मार्च २०१६	
	शेयरों की संख्या	कुल पूँजी का %	शेयरों की संख्या	कुल पूँजी का %
प्रोत्साहक	६४२१८४८५	६३.४०	६४२१८४८५	६३.६१
फॉरेन इस्टिच्यूशनल इन्वेस्टर्स	७६४६९२१	७.५५	८७८२८७९	८.७०
म्यूचुअल फंड्स	६८२९०५७	६.७४	५८३६७२८	५.७८
नेशनलाइज्ड और अन्य बैंक तथा वित्तीय संस्था	६२३७०	०.०६	८३२८२	०.०८
एनआरआईज़ और ओसीबीज़	९८०५८२	०.९७	११०३४२९	१.१०
अन्य	२१५५२७६१	२१.२८	२०९२४१७३	२०.७३
<b>कुल</b>	<b>१०१२९०१७६</b>	<b>१००.००</b>	<b>१००९४८९७६</b>	<b>१००.००</b>

तालिका ९ : ३१ मार्च २०१७ को माप वर्ग के अनुसार शेयरधारिता का वितरण

श्रेणी	शेयरधारकों की संख्या	कुल शेयरधारकों को %	शेयरों की संख्या	कुल शेयरों का %
१ से ५००	२६,७७७	८७.२०	२६३६१७०	२.६०
५०१ से १०००	१,५६३	५.०९	१२४७९३६	१.२३
१००१ से २०००	९८०	३.१९	१४७३९२९	१.४६
२००१ से ३०००	४२०	१.३७	१०७८५४०	१.०६
३००१ से ४०००	१६०	०.५२	५७८३०३	०.५७
४००१ से ५०००	१६४	०.५३	७६९५०८	०.७६
५००१ से १००००	२८२	०.९२	२०७५१२४	२.०५
१०००१ व उससे अधिक	३६२	१.१८	९१४३०६६६	९०.२७
<b>कुल</b>	<b>३०,७०८</b>	<b>१००.००</b>	<b>१०१२९०१७६</b>	<b>१००.००</b>

## शेयर्स का डीमटेरियलाइजेशन और तरलता (लिक्विडिटी)

३१ मार्च २०१७ को कंपनी के ९८९२३९७५ (९७.६६%) इक्विटी शेयर्स डीमटेरियलाइज्ड रूप में धारण किए हुए थे जबकि ३१ मार्च २०१६ को ९८७७९३०५ (९७.८५%) इक्विटी शेयर्स इस रूप में थे. ३१ मार्च २०१७ को भौतिक और इलेक्ट्रॉनिक रूप में धारण किए गए शेयर्स तालिका १० में दिए गए हैं.

तालिका १० : भौतिक और इलेक्ट्रॉनिक रूप में धारण किए गए शेयर्स

	३१-मार्च-२०१७ को स्थिति		३१-मार्च-२०१६ को स्थिति		२०१६-१७ के दौरान शुद्ध बदलाव	
	शेयरों की संख्या	कुल शेयर धारिता का %	शेयरों की संख्या	कुल शेयर धारिता का %	शेयरों की संख्या	कुल शेयर धारिता का %
भौतिक (ए)	२३६६२०१	२.३४	२१६९६७१	२.१५	१९६५३०	०.१९
डीमैट (बी)						
एनएसडीएल	९६०६९७४२	९४.८४	९४८३५३२४	९३.९४	१२३४४१८	०.९०
सीडीएसएल	२८५४२३३	२.८२	३९४३९८१	३.९१	(१०८९७४८)	(१.०९)
उप-कुल (बी)	९८९२३९७५	९७.६६	९८७७९३०५	९७.८५	१४४६७०	(०.१९)
<b>कुल (ए) + (बी)</b>	<b>१०१२९०१७६</b>	<b>१००.००</b>	<b>१००९४८९७६</b>	<b>१००.००</b>	<b>३४१२००</b>	<b>-</b>

(ड) बकाया ग्लोबल डिपॉजिटरी रिसीट या अमेरिकन डिपॉजिटरी रिसीट या वारंट या किसी परिवर्तनीय उपकरणों, रुपांतरण की तारीख और इक्विटी पर संभावित असर: लागू नहीं

(ढ) पत्र व्यवहार हेतु पता :

शेयरधारकों के समस्त पत्र कंपनी के रजिस्ट्रार व शेयर ट्रांसफर एजेन्ट्स लिंक इनटाइम इंडिया प्राइवेट लिमिटेड या कंपनी के ऑफिस पर स्थित वैधानिक व सेक्रेटेरियल विभाग को भिजवाए जाने चाहिए, जिनके पते नीचे दिए गये हैं :

<p>लिंक इनटाइम इंडिया प्राइवेट लिमिटेड सी १०१, २४७ पार्क, एल बी एस मार्ग, विक्रोली (पश्चिम), मुंबई - ४०० ०८३. फ़ोन : ०२२ - ४९१८ ६००० फैक्स : ०२२ - ४९१८ ६०६० ई-मेल : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> वेबसाइट : <a href="http://www.linkintime.com">www.linkintime.com</a></p>	<p>मंगेश पाटील, अनुपालन अधिकारी वैधानिक व सेक्रेटेरियल विभाग बजाज इलेक्ट्रिकल्स लिमिटेड ४५/४७, वीर नरीमन रोड, मुंबई - ४०० ००१. फ़ोन : ०२२ - ६११० ७८००/६१४९ ७००० ई-मेल : <a href="mailto:legal@bajajelectricals.com">legal@bajajelectricals.com</a> वेबसाइट : <a href="http://www.bajajelectricals.com">www.bajajelectricals.com</a></p>
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(त) डिबेंचर ट्रस्टी:

एक्सिस ट्रस्टी सर्विसेज़ लिमिटेड  
दूसरी मंजिल 'ई', एक्सिस हाऊस, बॉम्बे डाईंग मिल्स कंपाउंड,  
पांडुरंग बुधकर मार्ग, वरली, मुंबई - ४०० ०२५.  
फ़ोन नं. : ०२२-२४२५ ५२१५/५२१६, फैक्स : ०२२-२४२५ ४२००  
ई-मेल : [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)  
वेबसाइट : [www.axistrustee.com](http://www.axistrustee.com)

(थ) कारखानों / प्लांट्स की अवस्थिति :

चाकण इकाई :	रांजनगांव इकाई :	विंड फ़ार्म :
<p>ग्राम महालुंगे, चाकण, चाकण-तलेगांव मार्ग, तालुका : खेड़, जिला : पुणे, महाराष्ट्र - ४१० ५०१.</p>	<p>एम आई डी सी-रांजनगांव, ग्राम : ढोकसांगवी, तालुका : शिरूर, जिला : पुणे, महाराष्ट्र-४१२ २१०.</p>	<p>ग्राम : वंकुसावडे तालुका : पाटण, जिला : सातारा, महाराष्ट्र-४१५ २०६.</p>





# Independent Auditors' Report

## TO THE MEMBERS OF BAJAJ ELECTRICALS LIMITED

### REPORT ON THE STANDALONE INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

1. We have audited the accompanying standalone financial statements of Bajaj Electricals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

of the state of affairs of the Company as at March 31, 2017, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### OTHER MATTER

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 30, 2016 and May 28, 2015 respectively.

Our opinion is not qualified in respect of these matters.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian

Accounting Standards specified under Section 133 of the Act.

- On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements;
  - The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term. The Company did not have any long-term derivative contracts as at March 31, 2017;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;
  - The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 which are as per the books of accounts maintained by the Company. The said disclosures as stated in notes to the financial statements include amounts aggregating ₹ 55,000/- which have been utilised for other than permitted transactions and amounts received aggregating



₹ 91,500/- from transactions which were not permitted. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures of denominations are in accordance with the records maintained by the company, which have been disclosed only on the basis of information available with the Management (Refer Note No. 46).

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants

Mumbai  
May 29, 2017

Anish P Amin  
Partner  
Membership Number : 40451

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## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Bajaj Electricals Limited on the standalone financial statements for the year ended March 31, 2017

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls over financial reporting of Bajaj Electricals Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting

(the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A company's internal financial control over financial reporting is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants

Mumbai  
May 29, 2017

Anish P Amin  
Partner  
Membership Number : 40451

## **Annexure B To Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Bajaj Electricals Limited on the standalone financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 2 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has granted unsecured loans, to 2 companies covered in the register maintained under Section 189 of the Act.

- (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prima facie prejudicial to the Company's interest.
- (b) In respect of the aforesaid loans, the parties are regular in paying interest.

In respect of the one of such aforesaid loans, no schedule for repayment of principal has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal.

In respect of the other loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. An amount aggregating ₹ 28,000,000 is outstanding towards principal as on March 31, 2017.

- (c) In respect of the aforesaid loan, the total amount overdue for more than ninety days as at March 31, 2017 is ₹ 28,000,000. In such instances, in our opinion, reasonable steps have been taken by the Company for the recovery of the principal amount. No interest is overdue with respect to the aforesaid loan.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of the loans and investments made, and guarantees provided by it. There is no security

provided by the Company to parties covered under Sections 185 & 186.

- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of service tax and sales tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in a few cases. The extent of the arrears of statutory dues outstanding as at March 31, 2017, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Due date	Date of Payment
The Central Sales Tax Act	Sales Tax	311,403	April 2016	May 21, 2016	April 29, 2017

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise, value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

(₹ in Lakh)

Name of the statute	Nature of dues	Amount as at March 31, 2017	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act and Local Sales Tax Acts	Sales Tax including interest and penalty, if applicable	5,814	Various Years	Dy. Commissioner / Commissioner / Jt. Commissioner Appeals
		253	Various Years	High Court
		467	Various Years	Tribunal
		223	Various Years	Appellate Tribunal
Income Tax Act, 1961	Income Tax	9	Various Years	ITAT

The Central Excise Act, 1944	Service Tax	153	Various Years	Dy. Commissioner / Commissioner / Jt. Commissioner Appeals
		1	Various Years	Tribunal

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants

Anish P Amin  
Partner

Mumbai  
May 29, 2017

Membership Number : 40451



# Balance Sheet

as at 31 March 2017

(₹ in Lakh)

	Notes	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
<b>ASSETS</b>				
<b>Non -Current Assets</b>				
Property, plant and equipment	2	31,003.80	27,640.39	27,543.57
Capital work in progres		785.21	2,066.76	317.79
Other intangible assets	3	2.39	5.03	1.06
Investments in associates and joint ventures	4	1,751.86	1,751.86	1,751.86
<b>Financial Assets</b>				
i) Investments	4	6,282.37	6,216.60	5,618.73
ii) Trade receivables	5	30,438.80	25,876.25	32,133.74
iii) Loans	6	290.29	302.13	334.54
iv) Other financial assets	7	5,612.65	5,018.00	2,640.54
Deferred tax assets (net)	8	5,594.95	4,927.79	5,530.81
Income tax assets (net)		3,157.11	5,384.16	5,662.46
Other non-current assets	9	9,903.86	8,516.96	3,372.09
<b>Total Non-Current Assets</b>		<b>94,823.29</b>	<b>87,705.93</b>	<b>84,907.19</b>
<b>Current Assets</b>				
Inventories	10	57,119.60	50,667.74	47,464.79
<b>Financial Assets</b>				
i) Trade receivables	5	134,941.04	141,232.23	136,489.07
ii) Cash and cash equivalents	11	2,508.23	4,657.94	3,342.81
iii) Bank balances other than (ii) above	11	4,018.29	891.68	423.27
iv) Loans	6	7.29	31.41	14.44
v) Other current financial assets	12	24.49	68.35	19.33
Other current assets	13	14,360.77	10,447.34	15,097.57
Assets classified as held for sale	14	253.57	255.04	221.58
<b>Total Current Assets</b>		<b>213,233.28</b>	<b>208,251.73</b>	<b>203,072.86</b>
<b>Total Assets</b>		<b>308,056.57</b>	<b>295,957.66</b>	<b>287,980.05</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	15	2,025.80	2,018.98	2,015.25
Other Equity	16	85,123.92	73,614.69	67,247.76
<b>Total Equity</b>		<b>87,149.72</b>	<b>75,633.67</b>	<b>69,263.01</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Borrowings	17	1,695.08	9,584.77	17,062.66
ii) Trade Payables	21	16.60	1,144.82	2,428.89
iii) Other Financial Liabilities	18	221.27	1,764.61	1,598.88
Provisions	19	1,339.11	1,396.73	1,516.87
Employee Benefit Obligations	20	7,264.58	6,112.45	5,262.43
<b>Total Non-Current Liabilities</b>		<b>10,536.64</b>	<b>20,003.38</b>	<b>27,869.73</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Borrowings	17	52,858.40	72,505.84	76,179.56
ii) Trade Payables	21			
Total Outstanding dues of Micro enterprises & small enterprises		1,529.09	759.51	975.51
Total Outstanding dues of other than Micro enterprises & small enterprises		61,492.05	55,238.39	62,922.27
iii) Other Financial Liabilities	18	25,248.18	12,672.20	5,603.89
Provisions	19	6,552.65	6,725.97	5,394.79
Employee Benefit Obligations	20	2,380.67	1,464.48	988.51
Other Current Liabilities	22	59,499.17	50,604.22	38,454.78
Liabilities directly associated with assets classified as held for sale	14	810.00	350.00	328.00
<b>Total Current Liabilities</b>		<b>210,370.21</b>	<b>200,320.61</b>	<b>190,847.31</b>
<b>Total Liabilities</b>		<b>220,906.85</b>	<b>220,323.99</b>	<b>218,717.04</b>
<b>Total Equity &amp; Liabilities</b>		<b>308,056.57</b>	<b>295,957.66</b>	<b>287,980.05</b>
<b>Summary of significant accounting policies followed by the Company</b>	1A			
<b>The accompanying notes are an integral part of the Financial Statements</b>				

As per our report attached of even date

For **Dalal & Shah LLP**  
 Firm Registration No. 102021W/W100110  
 Chartered Accountants

**Anish Amin**  
 Partner  
 Membership No.40451  
 Mumbai, May 29, 2017

**Mangesh Patil**  
 Executive Vice President  
 Legal & Company Secretary

**Anant Purandare**  
 President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**  
 Chairman & Managing Director

**Anant Bajaj**  
 Joint Managing Director

**V.B.Haribhakti**  
 Chairman - Audit Committee

The financial statements are approved for issue by the Company's Board of Directors on May 29, 2017.

# Statement of Profit and Loss Account

for the year ended 31 March 2017

	Notes	31-Mar-17	31-Mar-16
(₹ in Lakh)			
<b>Income:</b>			
Revenue from operations	23	429,825.90	462,669.82
Other income	24	3,051.82	4,383.74
Other gains/(losses) - net	24	506.81	424.73
<b>Total Income</b>		<b>433,384.53</b>	<b>467,478.29</b>
<b>Expenses:</b>			
Cost of materials consumed	25	19,546.06	17,858.85
Purchases of stock-in-trade	25	257,692.78	294,146.53
Changes in inventories of work-in-progress, finished goods, stock-in-trade	25	(1,512.06)	(3,181.66)
Erection & subcontracting expenses	26	29,378.77	29,549.61
Excise duty	27	3,654.68	3,640.55
Employee benefit expenses	28	32,889.96	28,505.04
Depreciation and amortisation expense	29	2,987.14	2,737.90
Other expenses	30	63,899.50	65,726.56
Finance cost	31	8,043.76	10,807.94
<b>Total Expenses</b>		<b>416,580.59</b>	<b>449,791.32</b>
<b>Profit before exceptional items and tax</b>		<b>16,803.94</b>	<b>17,686.97</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>16,803.94</b>	<b>17,686.97</b>
Income tax expense:			
Current tax	32	6,600.00	5,930.00
Deferred tax		(562.15)	710.14
Taxes of earlier years		-	12.15
<b>Total tax expenses</b>		<b>6,037.85</b>	<b>6,652.29</b>
<b>Profit for the year</b>		<b>10,766.09</b>	<b>11,034.68</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Actuarial (gains)/losses on defined benefit plans		334.53	331.76
Tax impacts on above		(105.01)	(107.12)
<b>Total Comprehensive Income</b>		<b>10,536.57</b>	<b>10,810.04</b>
<b>Earnings per equity share (face value per share ₹ 2) (see note 39)</b>			
Basic		10.65	10.94
Diluted		10.63	10.92
<b>Summary of significant accounting policies followed by the Company</b>	1A		
<b>The accompanying notes are an integral part of the Financial Statements</b>			

As per our report attached of even date

For **Dalal & Shah LLP**

Firm Registration No. 102021W/W100110

Chartered Accountants

**Anish Amin**

Partner

Membership No.40451

Mumbai, May 29, 2017

**Mangesh Patil**

Executive Vice President

Legal & Company Secretary

**Anant Purandare**

President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**

Chairman & Managing Director

**Anant Bajaj**

Joint Managing Director

**V.B.Haribhakti**

Chairman - Audit Committee

# Statement of changes in equity for the year ended 31 March 2017

## A. EQUITY SHARE CAPITAL

Particulars	Note No.	Year ended 31 March 2017	Year ended 31 March 2016
At the beginning of the year	15	2,018.98	2,015.25
Changes in equity share capital during the year		6.82	3.73
At the end of the year		<b>2,025.80</b>	<b>2,018.98</b>

## B. OTHER EQUITY

Particulars	Note No.	Reserves and surplus					Other reserves			Total
		Securities premium reserve	Debt Redemption Reserve	Shares Option Outstanding	General Reserve	Retained earnings	Redemption Reserve	Capital Reserve		
Balance at 1 April 2015	16	21,001.91	2,500.00	555.56	42,077.06	987.52	135.71	10.00	67,102.05	67,247.76
Profit for the year		-	-	-	-	11,034.67	-	-	11,034.67	11,034.67
Other comprehensive income		-	-	-	-	(224.64)	-	-	(224.64)	(224.64)
<b>Total comprehensive income for the year</b>		<b>21,001.91</b>	<b>2,500.00</b>	<b>555.56</b>	<b>42,077.06</b>	<b>11,777.55</b>	<b>135.71</b>	<b>10.00</b>	<b>77,912.08</b>	<b>78,057.79</b>
Exercise of options - proceeds received		312.58	-	-	-	-	-	-	312.58	312.58
Exercise of options - transferred from shares options outstanding account		29.80	-	-	-	-	-	-	29.80	29.80
Employee stock option expense		-	-	502.01	-	-	-	-	502.01	502.01
Transferred to General reserve for options vested cancelled		-	-	(25.71)	-	-	-	-	(25.71)	(25.71)
Reversal of employee stock option expenses for options unvested cancelled		-	-	(34.26)	-	-	-	-	(34.26)	(34.26)
Transferred to securities premium for exercise of options		-	-	(29.80)	-	(3,000.00)	-	-	(29.80)	(29.80)
Transfer from retained earnings		-	-	(1.34)	-	-	-	-	(1.34)	(1.34)
Transfer to revaluation reserve		-	-	-	25.71	-	-	-	25.71	25.71
Transferred from stock options reserve for vested options cancelled		-	-	-	-	(1,511.44)	-	-	(1,511.44)	(1,511.44)
Proposed dividend on equity shares		-	-	-	-	(307.73)	-	-	(307.73)	(307.73)
Dividend distribution tax on proposed dividend		-	-	-	-	(2,826.57)	-	-	(2,826.57)	(2,826.57)
Interim dividend paid		-	-	-	-	(575.42)	-	-	(575.42)	(575.42)
Dividend distribution tax paid on interim dividend		-	-	-	-	(0.93)	-	-	(0.93)	(0.93)
Dividend alongwith dividend distribution tax paid on exercise of stock option		-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2016</b>	<b>16</b>	<b>21,344.29</b>	<b>2,500.00</b>	<b>967.80</b>	<b>45,101.43</b>	<b>3,555.46</b>	<b>135.71</b>	<b>10.00</b>	<b>73,468.98</b>	<b>73,614.89</b>
Profit for the year		-	-	-	-	10,766.09	-	-	10,766.09	10,766.09
Other comprehensive income		-	-	-	-	(229.52)	-	-	(229.52)	(229.52)
<b>Total comprehensive income for the year</b>		<b>21,344.29</b>	<b>2,500.00</b>	<b>967.80</b>	<b>45,101.43</b>	<b>14,092.02</b>	<b>135.71</b>	<b>10.00</b>	<b>84,005.55</b>	<b>84,151.26</b>
Exercise of options - proceeds received		582.48	-	-	-	-	-	-	582.48	582.48
Exercise of options - transferred from shares options outstanding account		102.39	-	-	-	-	-	-	102.39	102.39
Employee stock option expense		-	-	422.99	-	-	-	-	422.99	422.99
Transferred to General reserve for options vested cancelled		-	-	(56.60)	-	-	-	-	(56.60)	(56.60)
Reversal of employee stock option expenses for options unvested cancelled		-	-	(32.81)	-	-	-	-	(32.81)	(32.81)
Transferred to securities premium for exercise of options		-	-	(102.39)	-	-	-	-	(102.39)	(102.39)
Transfer from retained earnings		-	-	-	-	-	-	-	-	-
Transfer to revaluation reserve		-	-	-	-	-	-	-	-	-
Transferred from stock options reserve for vested options cancelled		-	-	-	56.60	-	-	-	56.60	56.60
<b>Balance at 31 March 2017</b>	<b>16</b>	<b>22,029.16</b>	<b>2,500.00</b>	<b>1,198.99</b>	<b>45,168.03</b>	<b>14,092.02</b>	<b>135.71</b>	<b>10.00</b>	<b>84,978.21</b>	<b>85,123.92</b>

As per our report attached of even date

For **Dalal & Shah LLP**  
 Firm Registration No. 102021WW/100110  
 Chartered Accountants

**Anish Amin**  
 Partner  
 Membership No.40451  
 Mumbai, May 29, 2017

**Mangesh Patil**  
 Executive Vice President  
 Legat & Company Secretary

**Anant Purandare**  
 President & Chief Financial Officer

**For and on behalf of the Board**  
**Shekhar Bajaj**  
 Chairman & Managing Director  
**Anant Bajaj**  
 Joint Managing Director  
**V.B. Haribhakti**  
 Chairman - Audit Committee

# Cash Flow Statement

for the year ended 31 March 2017

Particulars	Year Ended	
	31 March 2017	31 March 2016
	(₹ in Lakh)	
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	16,803.94	17,686.97
Adjustments for:		
Depreciation and amortisation expense	2,987.14	2,737.90
Employee share-based payment expense	390.19	467.75
(Gain)/Loss on disposal of property, plant and equipment	(156.47)	(46.40)
Measurement of financial assets and liabilities held at fair value through Profit or Loss	6.24	(210.55)
Measurement of financial assets and liabilities held at amortised cost	(710.85)	(2,299.73)
Measurement of provisions at fair value	(232.97)	(122.76)
Income from Financial Guarantee Contracts	(136.47)	(136.47)
Finance costs	8,043.76	10,807.94
Interest received	(281.67)	(156.19)
Net exchange differences	-	(16.28)
Provision for Doubtful Debts & Advances (net of write back)	2,086.22	832.03
Impairment of financial assets	531.56	-
Amounts written off	358.17	1,938.95
	<b>29,688.79</b>	<b>31,483.16</b>
<b>Change in operating assets and liabilities:</b>		
(Increase)/decrease in trade receivables	(510.91)	906.55
(Increase)/decrease in other financial and other assets	(4,263.26)	(2,547.07)
(Increase)/decrease in inventories	(6,451.86)	(3,202.95)
Increase/(decrease) in trade payables, provisions, employee benefit obligations, other financial liabilities and other liabilities	29,569.50	9,509.51
<b>Cash generated from operations</b>	<b>48,032.26</b>	<b>36,149.20</b>
Income taxes paid	(4,372.95)	(5,663.85)
<b>Net cash inflow from operating activities</b>	<b>43,659.31</b>	<b>30,485.35</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(5,478.60)	(4,697.40)
Proceeds from sale of non current assets held for sale	118.18	13.00
Recovery of Loans to employees and related parties	35.96	15.44
Proceeds from sale of property, plant and equipment	397.61	67.42
Advance received against proposed Sale of Fixed Assets	510.00	50.00
Advances of Capital nature	(145.09)	(367.24)
Loans and advances (given)/repaid by Associates and Joint Ventures	(1,456.57)	1,993.38
Increase/(Decrease) in Bank Deposits	(3,261.25)	(2,519.10)
Interest received	265.23	159.77
<b>Net cash outflow from investing activities</b>	<b>(9,014.53)</b>	<b>(5,284.73)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	589.30	316.31
Proceeds from borrowings	25,443.40	12,076.97
Repayment of borrowings	(54,954.48)	(21,800.15)
Foreign Exchange (Loss)/Gain	(203.87)	(587.63)
Interest paid	(7,659.29)	(8,683.83)
Interim Dividend paid to Company's shareholders	-	(2,826.57)
Tax on Interim Dividend paid	-	(575.42)
Dividends paid to Company's shareholders*	(9.55)	(1,497.44)
Tax on Dividend paid	-	(307.73)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(36,794.49)</b>	<b>(23,885.49)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,149.71)</b>	<b>1,315.13</b>
Cash and cash equivalents at the beginning of the financial year	4,657.94	3,342.81
<b>Cash and cash equivalents at end of the year</b>	<b>2,508.23</b>	<b>4,657.94</b>

\*Dividend of ₹ 9.54 lakh pertains to unpaid dividend of previous year paid in the current year.

As per our report attached of even date

For **Dalal & Shah LLP**

Firm Registration No. 102021W/W100110

Chartered Accountants

**Anish Amin**

Partner

Membership No.40451

Mumbai, May 29, 2017

**Mangesh Patil**

Executive Vice President

Legal & Company Secretary

**Anant Purandare**

President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**

Chairman & Managing Director

**Anant Bajaj**

Joint Managing Director

**V.B.Haribhakti**

Chairman - Audit Committee

# Notes to financial statements for the year ended 31 March 2017

## Summary of significant accounting policies followed by the Company

### 1A GENERAL INFORMATION

The Company ("Bajaj Electricals Limited", "BEL") is an existing public limited company incorporated on 14th July 1938 under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at 45/47, Veer Nariman Road, Mumbai-400 001. The Company offers a diverse range of products and services including sales, distribution and marketing of electrical appliances, manufacture of fans and high masts, poles and towers and products relating to industrial, commercial, and domestic lighting, undertakes turnkey, commercial and rural lighting projects, design, manufacture, erection and commissioning of high masts, poles and towers. The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The financial statements are presented in Indian Rupee (₹).

### 1B SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. Refer Note no. 1E on 'First Time Adoption of Ind AS' for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial

performance and cash flows which is separately presented in the annual report.

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- assets held for sale which are measured at lower of carrying value and fair value less cost to sell;
- defined benefit plans where plan assets are measured at fair value; and
- share-based payments at fair value as on the grant date of options given to employees.

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. The critical estimates and judgements are presented in detail in the annual report in Note no. 1D.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As set out in the Schedule III to the Companies Act, 2013, the normal operating cycle cannot be identified for the Company and hence it is assumed to have a duration of twelve months.

#### 2 Revenue recognition :

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount

of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(1) Sales :

(a) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.

(b) Export sales are recognised on the date of ship on board signifying transfer of rewards of ownership to the buyer as per terms of sale and initially recorded at the relevant exchange rates prevailing on the date of transaction.

(2) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(3) Revenue from construction contracts is recognised based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. Provision for foreseeable losses/ construction contingencies on said contracts is made on the basis of technical assessments of costs to be incurred and revenue to be accounted for.

**3 Other income :**

(1) Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(2) Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(3) Profit/Loss on sale of investment is recognised on the contract date.

(4) Others :

The Company recognises other income (including rent, income from power generated, income from scrap sales, income from claims received, etc.) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

**4 Property, plant and equipment :**

**A) Transition to Ind AS**

On transition to Ind AS, BEL has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

**B) Asset class :**

i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land

ii) All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

iii) Capital goods manufactured by the Company for its own use are carried at their cost of production (including duties and other levies, if any) less accumulated depreciation.

iv) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the year in which they are incurred.

v) Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipments which are carried at cost are recognised in the statement of profit and loss.



**C) Depreciation :**

- i) Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Premium of Leasehold land and leasehold improvements cost are amortised over the primary period of lease.
- ii) "100% depreciation is provided in the month of addition for :
  - a) All additions to fixed assets costing ₹ 5,000 or less and
  - b) Temporary structure cost at project site"
- iii) Where a significant component (in terms of cost) of an asset has an economic useful life different than that of it's corresponding
- vi) Assets which are depreciated over useful life different than those indicated by schedule II are as under :

asset, the component is depreciated over it's applicable life.

- iv) Useful life of property, plant and equipment are determined by the management by internal technical assessments at each annual reporting date, except in case where such assessment suggests a life significantly different from those prescribed by Schedule II - Part "C", where the useful life is as assessed and certified by a technical expert.
- v) The company considers the residual value of no asset categories other than vehicles, for providing depreciation charge. The residual value on any other asset category other than vehicles is considered to be insignificant.

Sr No.	Asset Account Name	Useful Life
1	Building Factory	15,16, 20, and 21 years
2	Building Office	70 yrs
3	Plant & Machinery	Ranging from 2 to 20 years based on the type and to reflect the actual usage of the assets.
4	Electrical Installation	Ranging from 6 to 8 years depending on the usage of the assets
5	Roads & Culverts	21 years
6	Dies, Jigs & Moulds	Ranging from 1 to 10 years considering useful life of the assets

**5 Intangible assets:**

An intangible asset shall be recognised if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and
- (b) the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

**A) Asset class & depreciation:**

Computer softwares / licenses are carried at historical cost. They have a finite useful life of 3 years and are carried at cost less accumulated amortisation and impairment losses. Computer licenses which are purchased on annual

subscription basis are expensed off in the year of purchase.

**B) Transition to Ind AS**

On transition to Ind AS, BEL has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

**Research and development:**

Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Payments for research work by either in-house or by outsourced agency are being expensed out upto the stage of completion. However, expenditure incurred at development phase (either In-house or outsourced), are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the intangible asset under development so that it will be available for use.
- management intends to complete the intangible asset under development and use or sell it
- there is an ability to use or sell the intangible asset under development
- it can be demonstrated how the intangible asset under development will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset under development are available, and
- the expenditure attributable to the intangible asset under development during its development can be reliably measured.

Directly attributable costs that are capitalised include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as an intangible asset and amortised from the point at which the asset is available for use. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

## 6 Impairment of assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in the prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## 7 Non-current assets held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will

be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets (including those that are part of a disposal group) classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the Company that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

## 8 Financial assets:

### A) Classification:

BEL classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether BEL has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

BEL reclassifies debt investments when and only when its business model for managing those assets changes.

## B) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the BEL classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for

selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### Equity instruments

BEL measures all equity investments at fair value through profit and loss or at fair value through other comprehensive income basis the irrevocable option available to it on share-by-share basis. Dividends from such investments are recognised in profit or loss as other income when BEL's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## C) Impairment of financial assets:

BEL assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI

debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, BEL applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### D) Derecognition of financial assets:

A financial asset is derecognised only when

- BEL has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if BEL has not retained control of the financial asset. Where BEL retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### E) Derecognition of financial liabilities:

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished, ie when the obligation specified in the contract is discharged or cancelled or expired. In case the financial instruments are renegotiated or modified, the event is evaluated as to whether it is a modification or an extinguishment of the financial instrument.

The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent

different from the discounted present value of the remaining cash flows of the original financial liability.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

#### 9 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### 11 Trade and other payables

These amounts represent liabilities for goods and services provided to BEL prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### 12 Intra group financial guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) or the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the contractual payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

### 13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### 14 Derivatives and hedging activities

The company enters into derivatives like forwards, currency swaps etc. to hedge its foreign currency risks. Derivatives are initially recognised at fair value

on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/liabilities are classified under "other financial assets/other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

### 15 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of BEL or the counterparty.

### 16 Inventories :

#### **Raw materials and stores, work in progress, traded and finished goods**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 17 Foreign currency transactions :

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is BEL's functional and presentation currency.

- a) On initial recognition, all foreign currency transactions are recorded at foreign exchange rate on the date of transaction.



- b) Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year.
- c) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss

## 18 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income.

### A. Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and BEL intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### B. Deferred tax

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and

laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 19 Operating leases

### As a lessee

Leases in which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit & Loss on a straight line basis over the period of the lease.

### As a lessor

The Company has leased certain tangible assets and such leases where the Company has sustainably retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit & Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.



## 20 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs also include exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

## 21 Provisions, contingent liabilities and contingent assets

### A. Provisions

A provision is recognised if

- the business has present legal or constructive obligation as a result of an event in the past;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount of the obligation has been reliably estimated.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### B. Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### C. Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

## 22 Employee benefits

### A. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### B. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### C. Post-employment obligations

The company operates the following post-employment schemes

- (a) defined benefit plans - gratuity and obligation towards shortfall of Provident Fund Trusts.

- (b) defined contribution plans - Provident fund (RPFC Contributions), superannuation and pension.

#### **Defined benefit plans :**

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policies of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC) a related party.

Provident fund contributions (after paying family pension scheme portion to Provident Fund Authority) are made to Company's Provident Fund Trust. Deficits, if any, of the fund as compared to actuarial liability is to be additionally contributed by the Company and hence recognised as a liability.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Insurance policy held by the company from insurers who are related parties are not qualifying insurance policies and hence the right to reimbursement is recognised as a separate assets under other non-current and/or current assets as the case may be.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### **Defined contribution plans :**

In respect of certain employees, BEL pays provident fund contributions to publicly administered provident funds as per local regulations. BEL has no further payment obligations once the contributions have been paid. Such contributions are accounted for as employee benefit expense when they are due. Defined contribution to superannuation fund is being made to Life Insurance Corporation of India (LIC) as per the scheme of the Company. Defined contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority whereas the contributions for National Pension Scheme is made to Stock Holding Corporation of India Limited.

#### **D. Employee stock option scheme**

The Company operates a number of equity settled, employee share based compensation plans, under which the Company receives services from employees as consideration for equity shares of the Company. The Company has granted stock options to its employees under the Growth Plan as well as Loyalty Plan.

The fair value of the employee services received in exchange for the grant of the options is determined by reference to the fair value of the options as at the Grant Date and is recognised as an 'employee benefits expense' with a corresponding increase in equity. The total expense is recognised over the vesting period which is the period over which the applicable vesting condition is to be satisfied. The total amount to be expensed is determined by reference to the fair value of the options granted excluding the impact of any service vesting conditions.

At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the service vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

If at any point of time after the vesting of the share options, the right to the same expires (either by virtue of lapse of the exercise period or the employee leaving the Company), the fair value of the options accruing in favour of the said employee are written back to the General Reserve in the reporting period in which the right expires.

## 23 Segment reporting

An operating segment is a component of BEL that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments often exhibit similar long-term financial performance if they have similar economic characteristics. Two or more operating segments are aggregated by BEL into a single operating segment if aggregation is consistent with the core principle of this Ind AS, the segments have similar economic characteristics, and the segments are similar in aspects as defined by Ind AS.

BEL report separately, information about an operating segment that meets any of quantitative thresholds as defined by Ind AS. Operating segments that do not meet any of the quantitative thresholds, are considered reportable and separately disclosed, only if management of BEL believes that information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are not reportable separately are combined and disclosed in an 'all other segments' category.

## 24 Dividends

Provision is made for the amount of any final dividend declared, being appropriately authorised in Annual General Meeting and no longer at the discretion of the Company. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## 25 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have

changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

- 26 All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## 1C ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Amendments to Ind AS 102, Share-based Payment:

The amendment to Ind AS 102 clarifies the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in Ind AS 102 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority.

The amendment is effective for accounting periods beginning on or after 1 April 2017 and early adoption of the same is not permitted. The Company is evaluating the requirements of the amendment and the impact on the financial statements is being evaluated.

Amendments to Ind AS 7, Cash Flow Statements:

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from:

- Cash flows, such as drawdowns and repayments of borrowings; and
- Non-cash changes (i.e. changes in fair values), changes resulting from acquisitions and disposals of subsidiaries/businesses and the effect of foreign exchange differences.

The amendment to Ind AS 7 does not prescribe any specific disclosure format. However, it suggests that a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities would meet the disclosure

requirement. Where a reconciliation is used, the disclosure should provide sufficient information to link items included in the reconciliation to the balance sheet and statement of cash flows. The amendment is effective for accounting periods beginning on or after 1 April 2017 and early adoption of the same is not permitted. The said amendment will not have any impact on the Company's cash flow, since the amendment requires only additional disclosures.

## 1D SUMMARY OF CRITICAL ESTIMATES & JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included below.

### 1 Share based payment

The Company operates a number of equity settled, employee share based compensation plans, under which the Company receives services from employees as consideration for equity shares of the Company. The Company has granted stock options to its employees under the Growth Plan as well as Loyalty Plan.

The fair value of the employee services received in exchange for the grant of the options is determined by reference to the grant date fair value of the options granted. The estimate also includes a forfeiture rate. At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates. Such assumptions and judgments may change in the future thereby causing a material adjustment to such expense in profit and loss account.

### 2 Warranty expenses provision

The Company generally offers 1 to 2 year warranties for its consumer products. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current period are consistent with

those in the prior years. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives. Such assumptions and judgments may change in the future thereby causing a material adjustment to such expense in profit and loss account and carrying value of warranty provision in the balance sheet.

### 3 Provision for trade receivables

The Company makes allowances for doubtful accounts receivable using simplified approach. Significant judgment is used to estimate doubtful accounts. In estimating doubtful accounts historical and anticipated customer performance are considered. Changes in the economy, industry, or specific customer conditions may require adjustments to the allowance for doubtful accounts recorded in the financial statements.

### 4 Deferred taxes

The company recognises that net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

### 5 Revenue from construction contracts

#### a Recognition of revenue

Revenue from construction contracts is recognised based on the stage of completion determined with reference to the costs incurred on construction contracts and their estimated total costs. The determination of stage of completion requires the Company to estimate the costs incurred till date as a proportion of total costs for the construction contract and such determination of stage of completion involves critical judgment of cost incurred which is attributable to the portion of work completed.

#### b Provision for foreseeable loss on construction contracts

The company recognises in full all foreseeable losses which may arise on account of the construction contract immediately in the books of account which goes well with the basic accounting principle of prudence. When it is probable that total contract costs will exceed total contract revenue, the expected losses are recognised as

an expense immediately by the company. The amount of such a loss is determined irrespective of whether work has commenced on the contract; the stage of completion of contract activity; or the amount of profits expected to arise on other contracts which are not treated as a single construction contract.

In doing so, the management estimates various aspects like analysis of the total contract revenue, estimated total contract costs on a contract-by-contract basis, analysis of the cumulative progress billings, cumulative total actual costs incurred, contractually agreed timeline set out in the contracts to identify any major delays and/or cost overruns which might result in profitable contracts becoming loss-making, expected penalty and liquidated damages estimate etc.

Such assumptions and judgments may change in the future thereby causing, either an improvement, whether material or not, to the margin and profitability or recognising further losses in addition to recognised earlier, in respect of the said construction contracts which were earlier tested for recognition of foreseeable losses.

## **6 Provision for sales incentive schemes**

The Company records provision for sales incentives as a reduction of revenue in its financial statements. The Company offers on-going trade promotion programmes with customers, distribution tie up programmes, festive schemes, retailer bonding schemes, etc. that require the Company to estimate and accrue the expected costs of such programmes.

Estimated sales incentives are calculated and recorded at the time related sales are made and are based primarily on historical rates and consideration of recent promotional activities. The determination of sales incentive liabilities requires the Company to use judgment for estimates that include current and past trade-promotion spending patterns, status of trade-promotional activities and the interpretation of historical spending trends by customer and category. BEL reviews the assumptions and adjust the sales incentives provision at each reporting dates. Our financial statements could be materially impacted if the actual promotion rates fluctuate from the estimated rate.

## **7 Impairment of investment in joint venture**

The Company has invested in its joint venture, Starlite Lighting Limited through equity capital, preference capital and loans and advances. The JV manufactures lighting products and appliances viz CFL bulbs, LED bulbs, water heaters for the Company and also manufactures air conditioning units for Voltas Limited. It has plan to manufacture few more appliances viz Mixers, Room Coolers and LED fittings and luminaries for the Company.

To ascertain the recoverability of the investment made by the Company in the JV, the Company and the JV have jointly prepared a business plan and the impairment testing of the investment made by the Company in the JV is done on the basis of financial projections and future cashflows prepared jointly by the management of both the companies. The achievement of the business plan and the financial projections are based on some assumptions about future business scenario like demand for the products, technology changes, raw material availability, prices of inputs etc.

## **8 Inventories**

The impairment of inventories is done on the basis of its aging, discontinuance of products/model, damage conditions of goods, obsolesce, expected salability. The value is written down at its estimated realisable value less cost to sell.

## **9 Fair value of financial guarantee given**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for loss it incurs because a specified debtor fails to make payment that is due in accordance with the original or modified terms of a debt instrument.

For assessment of the fair value of the financial guarantee given to the lenders of our JV Starlite Lighting Limited, the Company has considered the future projections of the JV basis which the loan repayments by JV are considered. Also the loan rate at which the JV would have got the borrowings facility independently is assessed by the Company on the basis of spreads in bps over FIMMDA-PDAI Gilt Curve for valuation of corporate bonds as announced by CRISIL in its monthly valuation matrix as at 31 March 2015

For the financial guarantees given, the Company may be required to make payments to banks / financial



institutions only in the event of a default in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the bankers / financial institutions for a credit loss that may incur less any amounts that the Company expects to receive from the JV or any other party on behalf of JV. At present, the Company has estimated no default of any loans by JV and hence there is no estimated liability by the Company on behalf of the said guarantee given.

## 10 Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, the Company treats them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on our financial position or profitability.

## 11 Non-current assets classified as held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Upon relocation of Company's employees to new office premises in Mumbai, the leasehold immovable property together with buildings and structure standing thereon was lying vacant. The said transaction involves the transfer of leasehold rights. The Company has made an estimate of the fair value of the leasehold right in the land, the valuation for which is based on the unobservable inputs which involves the estimation of consideration made by the management of the Company.

## 1E FIRST TIME ADOPTION OF IND AS

These are Bajaj Electricals Limited's ("BEL" or "Company") first financial statements prepared in accordance with Ind AS. The accounting policies set out in this financial statements have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (date of transition). In preparing its opening Ind AS balance sheet, BEL has adjusted the amounts reported previously in

financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP" or "Indian GAAP" or "IGAAP"). An explanation of how the transition from previous GAAP to Ind AS has affected BEL's financial position, financial performance and cash flows is set out in the following tables and notes.

Explanation 1 – Exemptions and exceptions availed

Explanation 2 – Total Comprehensive Income Reconciliation for the year ended 31 March 2016

Explanation 3 – Equity Reconciliation as at the date of transition (April 1, 2015) and as at 31 March 2016

Explanation 4 – Impact on cash flows for the year ended 31 March 2016

Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

### Ind AS Optional exemptions

- Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets

Accordingly, BEL has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

- Share-based payment transactions

Ind AS 102 deals with the accounting and disclosure requirements related to share-based payment transactions. Under Ind AS 101, a first-time adopter is encouraged, but not required, to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind ASs. However, if a first-time adopter elects to apply Ind AS 102 to such equity instruments, it



may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in Ind AS 102.

The Company operates a number of equity settled, employee share based compensation plans, under which the Company receives services from employees as consideration for equity shares of the Company. The Company has granted stock options to its employees under the Growth Plan as well as Loyalty Plan.

Accordingly, BEL has elected this optional exemption and hence Ind AS 102 Share-based payments has not been applied to equity instruments that vested before the date of transition.

- Investments in subsidiaries, joint ventures and associates

When an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries, joint ventures and associates either at cost; or in accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost.

The deemed cost of such an investment shall be its:

- (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
- (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

Accordingly BEL has an investment in a joint venture Starlite Lighting Limited ("SLL") and in an associate Hind Lamps Limited ("HLL") which are disclosed at previous GAAP carrying amount at the date of transition

- Non-current assets held for sale and discontinued operations

Ind AS 105 requires non-current assets (or disposal groups) that meet the criteria to be classified as held for sale, non-current assets (or disposal groups) that are held for distribution to owners and operations that meet the criteria to be classified as discontinued and carried at lower of its carrying amount and fair value less cost to sell on the initial date of such identification.

A first time adopter can:

- (a) measure such assets or operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs in accordance with Ind AS 105; and
- (b) recognise directly in retained earnings any difference between that amount and the carrying amount of

those assets at the date of transition to Ind ASs determined under the entity's previous GAAP.

BEL has certain non-current assets that qualify to be classified as non-current assets held for sale under Ind AS 105. Accordingly, BEL has measured such assets at the carrying value at the date of transition to Ind AS determined under the entity's previous GAAP. Also since the carrying value is lesser as compared to the fair value less cost to sell on the initial date of such identification, there is no impact on retained earnings.

### Ind AS mandatory exceptions

- De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

BEL has a factoring and channel financing facility for its trade receivables. Such trade receivables

under the respective facilities do not meet derecognition criteria as there is a final recourse on BEL. Since BEL has the necessary information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions, BEL has chosen to apply the same for outstanding transactions as at the transition date.

Hence such factored trade receivables are grossed up and the corresponding amount is shown as short term borrowings under current financial liabilities. In case of channel financing facility, the corresponding amount is shown as current liabilities.

- Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

- Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly classification and measurement of financial assets have been made based on the facts and circumstances that exist at the date of transition to Ind AS

Explanation 2 - Total comprehensive income reconciliation for the year ended 31 March 2016 and Equity Reconciliation as at the date of transition (1 April 2015) and as at 31 March 2016

Particulars	Notes	Amount (₹ in lakh)
<b>Net profit as per previous GAAP (IGAAP)</b>		<b>9,560.10</b>
Actuarial gains and losses on defined benefit plans moved to Other Comprehensive Income	A	331.76
Employee compensation expenses for ESOP options	B	(467.75)
Finance Income on Amortisation of Valuation of Corporate Guarantee Given	C	136.47
Financial instruments held at fair value through profit or loss and amortised cost	D	597.87
Net impact on cost due to Financial Arrangements to Business	E	43.78
Net Impact on P&L due to discounting of Financial Assets & Financial Liabilities	F	1,700.35
Other Adjustments	G	(13.96)
Deferred taxes on above adjustments	H	(853.95)
<b>Net profit as per Ind AS</b>		<b>11,034.67</b>
Other comprehensive income, net of income tax	I	(224.64)
<b>Total comprehensive income as per Ind AS</b>		<b>10,810.03</b>

- Government loans

A company shall classify all government loans received as a financial liability or an equity instrument in accordance with Ind AS 32, Financial Instruments: Presentation. A first-time adopter shall apply the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind ASs and shall not recognise the corresponding benefit of the government loan at a below-market rate of interest as a government grant. Consequently, if a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest on a basis consistent with Ind AS requirements, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet. An entity shall apply Ind AS 109 to the measurement of such loans after the date of transition to Ind AS.

However, an entity may apply the requirements in Ind AS 109 and Ind AS 20 retrospectively to any government loan originated before the date of transition to Ind ASs, provided that the information needed to do so had been obtained at the time of initially accounting for that loan.

The company has sales tax deferral loan at the transition date which is to be paid in instalments to the state government authorities. Accordingly it has chosen to apply the requirements of Ind AS 109 and Ind AS 20 prospectively to such kind of loans.

Particulars	Notes	31-Mar-16	Mar-15
<b>Total Equity as per previous GAAP</b>		<b>75,149.56</b>	<b>68,698.41</b>
Financial guarantee contracts	C	136.47	-
Financial instruments held at fair value through profit and loss and amortised cost	D	1,252.25	654.38
Net impact on equity due to financing arrangements to business	E	70.32	26.54
Net impact on equity due to discounting of financial assets and liabilities	F	(877.53)	(2,577.88)
Other adjustments	G	7.05	-
Deferred tax on above adjustments	H	(104.42)	642.41
Reversal of dividend for financial year 2014-15	K	-	1,819.16
<b>Total Equity as per Ind AS</b>		<b>75,633.70</b>	<b>69,263.02</b>

**(A) Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2016 increased by ₹ 331.76 lakh. There is no impact on the total equity as at 31 March 2016.

**(B) Equity-settled employee share-based plan**

Under the previous GAAP, the cost of equity-settled employee share-based plan was recognised using the intrinsic value method. The options are granted at closing price on the exchange where there is highest trading volume on working day prior to the date of grant, resulting in no intrinsic value. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account is ₹ 967.80 lakh as at 31 March 2016 (1 April 2015 - ₹ 555.56 lakh). The profit for the year ended 31 March 2016 decreased by ₹ 467.75 lakh. There is no impact on total equity.

**(C) Financial guarantee contracts**

Under the previous GAAP, financial guarantee given was disclosed as a contingent liability. Under Ind AS, financial guarantee contracts are considered as financial liabilities and are measured at initial recognition at fair value. Subsequently, it is measured at an amount initially recognised less the cumulative amount of income recognised under Ind AS. Consequently,

at the transition date, a financial guarantee obligation was recognised of the value ₹ 622.02 lakh and the corresponding value is added to the cost of investment in Joint Venture 'Starlite Lighting Limited'. The profit for the year and total equity as at 31 March 2016 has increased to the extent of ₹ 136.47 lakh on account of finance income on the financial guarantee obligation. Accordingly, the balance of financial guarantee obligation is ₹ 485.55 lakh as at 31 March 2016.

**(D) Investment in preference shares of a Starlite Lighting Limited (joint venture) and Hind Lamps Limited (associate)**

The Company has investment in preference shares which are either redeemable at premium or carry a cumulative rate of interest. Under the previous GAAP, the said investments were classified as long term investments or current investments based on the intended holding period. These investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the said investments are considered as financial assets and classified as per the business model under which they are held. Thereby these investments are either classified at fair value through profit or loss or at amortised cost. The company measures preference shares of HLL and 0% Non-convertible preference shares of SLL at amortised cost and both issues of 9% non-convertible preference shares of SLL at fair value through profit or loss. These shares have been recognised at their fair value at initial recognition with a corresponding adjustment made to equity in case of SLL and to investment in equity of HLL in case of HLL. Consequently, total equity as at 1 April 2015 has increased by ₹ 654.38 lakh. The interest income in respect of preference shares held at amortised cost is

₹ 392.87 lakh and the fair value gain recognised is ₹ 205 lakh for the year ended 31 March 2016. Accordingly, the profit for the year has increased by ₹ 597.87 lakh and total equity as at 31 March 2016 has increased by ₹ 1,252.25 lakh.

### (E) Financing arrangements

#### (i) Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31 March 2016 have been reduced by ₹ 12.75 lakh (1 April 2015 – ₹ 28.71 lakh) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount. The profit for the year ended 31 March 2016 reduced by ₹ 15.96 lakh as a result of the additional interest expense.

#### (ii) Fair valuation of forward contracts:

Under previous GAAP, premium on forward contracts was amortised over the life of the contract. Under Ind AS, forward contracts are measured at fair value (MTM). Accordingly, there is an increase in equity of ₹ 51.33 lakh (1 April 2015 – ₹ 94.65 lakh) as at 31 March 2016. The net profit for the year ended 31 March 2016 has reduced by ₹ 43.33 lakh.

The derivatives asset are marked to market at each reporting date. Accordingly, there is a decrease in equity of ₹ 52.11 lakh (1 April 2015 – ₹ 96.83 lakh) as at 31 March 2016. The net profit for the year ended 31 March 2016 has increased by ₹ 44.72 lakh.

#### (iii) Fair valuation of currency swap:

Under previous GAAP, changes in fair value of currency swap were recognised only to the extent of losses. Under Ind AS, derivative contracts are required to be measured at fair value (i.e. Marked-to-

market). Accordingly, currency swaps are marked to market and a fair value gain of ₹ 58.34 lakh has been recognised for the year ended 31 March 2016 and total equity has increased by that amount as at 31 March 2016.

### (F) Net Impact on Profit or Loss due to discounting of Financial Assets & Financial Liabilities

#### (i) Warranty provision and expense

Under the previous GAAP, long term provisions were not discounted. Under Ind AS, where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. Accordingly, the warranty provision is recorded at its present value using an appropriate discount rate. Ind AS also provides that the discounted liability is to be increased in each period to reflect the unwinding effect of passage of time. The said increase is recognised as finance cost. Consequently, the warranty provision has decreased by ₹ 229.86 lakh for the year ended 31 March 2016 (1 April 2015 - ₹ 249.63 lakh). The total equity has increased by ₹ 249.63 lakh as at 1 April 2015. The profit for the year ended 31 March 2016 has reduced to the extent of ₹ 142.53 lakh as a result of the finance cost recognised and has increased to the extent ₹ 122.76 lakh on account of discounted value of warranty expense for the year ended 31 March 2016. The net decrease in profit is of ₹ 19.77 lakh for the year ended 31 March 2016.

#### (ii) Interest-free refundable security deposits

Under the previous GAAP, interest free lease security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required at initial recognition at fair value. Accordingly, the company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent under non-current assets. Consequent to this change, the amount of security deposits

decreased by ₹ 193.86 lakh as at 31 March 2016 (1 April 2015 – ₹ 289.86 lakh). The prepaid rent increased by ₹ 173.23 lakh as at 31 March 2016 (1 April 2015 - ₹ 271.75 lakh). Total equity decreased by ₹ 20.63 lakh (1 April 2015 - ₹ 18.11 lakh) for the year ended 31 March 2016. The profit for the year decreased by ₹ 2.52 lakh due to amortisation of the prepaid rent of ₹ 98.52 lakh which is partially off-set by notional interest income of ₹ 96 lakh.

**(iii) Retention Receivable**

Under the previous GAAP, contract revenue was recognised on the basis of consideration received or receivable. Under Ind AS, contract revenue should be recognised on the basis of fair value of consideration received or receivable. Where there is a significant financing component in the revenue, the fair value of the consideration would be the discounted value of revenue. The company has long term retention receivables from construction contracts. Accordingly, contract revenue has been discounted to its present value to the extent of long term retention receivables to reflect its fair value. The carrying amount of retention receivable is increased by the interest amount to reflect the passage of time. This income is recorded as finance income in the profit and loss statement. If a trade receivable is received earlier than its due date, the revenue increases to the extent of the difference between the transaction value and carrying value. Consequently, long term trade receivables have reduced by ₹ 1,237.36 lakh as at 31 March 2016 (1 April 2015 - ₹ 3,239.48 lakh) and equity has increased by an equivalent amount. The revenue for the year ended 31 March 2016 has increased by ₹ 363.93 lakh and the interest income has increased by ₹ 1,638.19 lakh. Accordingly, the profit and total equity for the year ended 31 March 2016 has increased by ₹ 2,002.12 lakh.

**(iv) Retention payable**

The company has long term retention payables in respect of subcontracting and erection expenses. Under previous GAAP, these amounts were recognised at the

transaction value. Under Ind AS, financial liabilities are recognised at fair value at initial recognition and subsequently carried at amortised cost. Accordingly, the company has discounted its retention payable. The carrying value of retention payable will be increased by the interest expense each year to reflect the passage of time. This interest expense is recognised as finance cost. If retention payable is paid earlier than its due date, the difference between the transaction value and carrying amount is recognised as additional erection expense. Consequently, retention payable for the year ended 31 March 2016 has reduced by ₹ 150.60 lakh (1 April 2015 - ₹ 430.08 lakh) and equity has increased by an equivalent amount. The subcontracting expense for the year has increased by ₹ 92.74 lakh and the interest expense recognised for the year is ₹ 186.74 lakh. Accordingly, profit for the year has reduced by ₹ 279.48 lakh.

**(G) Other Adjustments**

**(i) Revaluation Reserve**

Under previous GAAP, the company had revalued some items of its property, plant and equipment (buildings and premises on ownership basis) and had recognised a revaluation reserve. Under Ind AS, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value. Accordingly, the revaluation reserve of ₹ 808.60 lakh is no longer required and has been transferred to retained earnings at the transition date. The profit has reduced by ₹ 21.01 lakh for the year ended 31 March 2016 as there is no revaluation reserve to absorb the increase in depreciation due to revaluation of property, plant and equipment. There is no impact on total equity for the year ended 31 March 2016 or 1 April 2015.

**(ii) Non-Current Assets held for sale**

The company is intending to sell its Naperol Tower and Reay road property and has located buyers for the same. Under previous GAAP, the concept of assets held for sale does not exist. Ind AS requires non-current assets to be identified as held for sale if the carrying amount will be recovered



principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Ind AS 105 lays down detailed guidelines and criteria in this regard. Based on the assessment performed by the management, it has been determined that the assets and liabilities of Naperol Tower and Reay Road should be presented as held for sale under Ind AS. Consequently, the assets and liabilities of the above mentioned assets held for sale have been presented separately from the other assets and other liabilities respectively in the balance sheet and depreciation on those non-current assets has been ceased. Accordingly, depreciation of ₹ 7.05 lakh has been reversed for the year ended 31 March 2016 resulting which profit and total equity have increased by an equivalent amount. Based on above, the following assets and liabilities were classified as held for sale as at 31 March 2016:

#### (H) Deferred Tax

Under previous GAAP, deferred tax was accounted based on the differences between taxable profits and accounting profits for the period. Under Ind AS, entities are required to use a balance sheet approach, which is based on the temporary differences between the carrying amounts of an asset or liability in the balance sheet and its tax base. Deferred tax shall also be created on various transitional adjustments. For transactions and other events recognised in profit or loss, any related tax effects are also recognised in profit or loss. For transactions and other events recognised outside profit or loss (either in other comprehensive income or directly in equity), any related tax effects are also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively). Consequently, deferred tax assets (net) have increased by ₹ 642.41 lakh with an equivalent increase in equity as at 1 April 2015. The company has recognised deferred tax liability (net) of ₹ 853.95 lakh for the year ended 31 March 2016 in the profit and loss account and other comprehensive income has increased to the extent of ₹ 107.12 lakh on account of deferred tax asset created. Accordingly, total equity as the 31 March 2016 has reduced by ₹ 104.42 lakh.

#### (I) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' consist of remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. Consequently, the other comprehensive income has decreased by ₹ 224.64 lakh (net of deferred tax) on account of remeasurement of defined benefit plans for the year ended 31 March 2016.

#### (J) Retained Earnings

Retained earnings as at 1 April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

#### (K) Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹ 1,819.16 lakh (inclusive of dividend distribution tax of ₹ 307.73 lakh) as at 1 April 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity as at 1 April 2015 increased by an equivalent amount. The said dividend has been paid in the financial year 2015-16. There was no proposed dividend as at 31 March 2016.

Ind AS Adjustments having no effect on profit or total equity.

#### 1. Provision for discounts and schemes:

Under previous GAAP, provision for discounts and schemes were classified as provisions. Under Ind AS, these have been netted off from trade receivables since they are considered as crystallised liability. Accordingly, trade receivables has reduced by ₹ 3,541.31 lakh as at 31 March 2016 (1 April 2015 - ₹ 2,204.10 lakh).



Similarly cash discount under previous GAAP was considered as an expense. Under Ind AS, revenue is to be shown net of all discounts, rebates, etc. Accordingly the cash discount has been netted against sales. This has reduced the sales and expenses by ₹ 3,185.26 lakh for the year ended 31 March 2016. This however has no impact on profit.

## **2. Excise Duty**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by ₹ 3,640.55 lakh.

## **3. Commercial Paper**

Under previous GAAP, the amount payable on maturity was recognised as borrowings and the difference between amount received from holders of commercial paper and amount payable on maturity was recognised as prepaid expense. Under Ind AS, borrowings are financial liabilities which are measured at amortised cost using effective interest rate. Accordingly, prepaid interest has been net off from borrowings to reflect the amortised cost and borrowings has reduced by ₹ 45.43 lakh as at 1 April 2015. There is no commercial paper as at 31 March 2016.

## **4. Factoring and Channel Financing**

The company offers its dealers and distributors a channel financing facility using which they customers can discount bills drawn on them by the company using the company's line of credit. The interest will be borne by the company. This facility has 100% recourse to the Company. It also offers the facility of factoring. This facility is with full recourse to the company. Under previous GAAP, bills discounted and factoring were disclosed as contingent liability. Under Ind AS, trade receivables should be derecognised only if it meets the derecognition requirements of Ind AS. Accordingly, trade receivables have

increased by ₹ 7,215.36 lakh (1 April 2015 - ₹ 6,440.81 lakh) with a corresponding increase in borrowings of ₹ 5,082.40 lakh (1 April 2015 - ₹ 4,604.23 lakh) in relation to factoring and an increase of ₹ 2,132.96 lakh (1 April 2015 - ₹ 1,836.58 lakh) in other financial liabilities in relation to channel financing as at 31 March 2016.

## **5. Acceptances**

The company offers its vendors a facility using which vendors can discount bills drawn on the company using the company's line of credit. The interest will be borne by the company. Under previous GAAP, these acceptances from vendors were classified under trade payables. However, they are in the nature of short term borrowings from the bank. Accordingly, acceptances have been reclassified to borrowings from trade payables. Accordingly, acceptances of ₹ 50,118.89 lakh (1 April 2015 - ₹ 57,329.76 lakh) have been reclassified to borrowings as at 31 March 2016.

## **6. Loan to an associate (Hind Lamps Limited)**

The company has extended a loan of ₹ 1,152 lakh to its associate company Hind Lamps Limited. The said loan has also been provided to the extent of ₹ 1,000 lakh and net amount was reflected under the previous GAAP under loans and advances. This loan had no repayment terms and carried a mandated rate of 6% through its term. Under Ind AS, where there are such loans which are given to subsidiary, associate or joint venture, without any repayment terms the same is considered as a capital infusion in such subsidiary, associate or joint venture. Accordingly, the loan of ₹ 1,152 lakh has been added as an investment in the associate and the same has been impaired to the extent of ₹ 1,000 lakh. This classification does not have any impact on equity.

Explanation 4 – Impact on cash flows for the year ended 31 March 2016

There are no impacts in cash flows due to transition to Ind AS.

## NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Lakh)														
	Freehold Land	Lease hold Land	Building	Ownership Premises	Plant & Machinery	Furniture & Fixtures	Electrical Installations	Office Equipment	Vehicles	Dies & Jigs	Leasehold Improvements	Temporary Structures	Roads & Borewell	IT Hardware	Total
Deemed cost as at 1 April 2015	2,089.19	2,822.49	1,902.59	10,629.24	5,305.52	792.07	148.03	366.43	340.19	1,031.86	138.14	-	53.31	1,924.51	27,543.57
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	9.03	-	114.25	663.30	293.88	321.44	89.68	96.19	104.93	440.22	55.88	48.89	-	703.78	2,941.47
Asset classified as held for sale	-	-	-	35.63	-	-	-	-	-	-	-	-	-	-	35.63
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	21.15	11.19	8.40	2.78	5.20	29.55	0.75	-	-	-	5.55	84.57
Closing gross carrying amount as at 31 March 2016	2,098.22	2,822.49	2,016.84	11,235.76	5,585.21	1,105.11	234.93	457.42	415.57	1,471.33	194.02	48.89	53.31	2,622.74	30,364.84
Accumulated depreciation as at 1 April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	37.50	102.24	195.07	874.70	164.15	44.63	107.95	60.93	294.03	40.60	48.89	24.55	739.67	2,734.91
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	0.36	0.67	2.42	0.85	1.02	3.22	0.05	-	-	-	1.87	10.46
Closing accumulated depreciation as at 31 March 2016	-	37.50	102.24	194.71	874.03	161.73	43.78	106.93	57.71	293.98	40.60	48.89	24.55	737.80	2,724.45
Net carrying amount as at 31 March 2016	2,098.22	2,784.99	1,914.60	11,041.05	4,714.18	943.38	191.15	350.49	357.86	1,177.35	153.42	-	28.76	1,884.94	27,640.39
Gross block as at 1 April 2016	2,098.22	2,822.49	2,016.84	11,235.76	5,585.21	1,105.11	234.93	457.42	415.57	1,471.33	194.02	48.89	53.31	2,622.74	30,364.84
Additions	-	-	1,924.83	28.29	1,614.23	364.66	156.66	192.87	92.12	373.73	-	31.53	37.80	1,943.43	6,760.15
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	-	-	-	35.63	-	-	-	-	-	-	-	-	-	-	35.63
Disposals	-	-	-	-	425.77	10.13	3.92	14.52	4.59	-	-	-	-	19.34	478.27
Closing gross carrying amount as at 31 March 2017	2,098.22	2,822.49	3,941.67	11,228.42	6,776.67	1,459.64	387.67	635.77	503.10	1,845.06	194.02	80.42	91.11	4,546.83	36,611.09
Opening accumulated depreciation as at 1 April 2016	-	37.50	102.24	194.71	874.03	161.73	43.78	106.93	57.71	293.98	40.60	48.89	24.55	737.80	2,724.45
Depreciation charge during the year	-	54.18	144.34	200.81	836.33	163.33	29.40	126.79	57.27	365.28	45.26	31.53	2.77	927.20	2,984.49
Asset classified as held for sale	-	-	-	1.48	-	-	-	-	-	-	-	-	-	-	1.48
Disposals	-	-	-	-	71.00	2.80	0.93	9.61	2.52	-	-	-	-	13.31	100.17
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment on Impairment of Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2017	-	91.68	246.58	394.04	1,639.36	322.26	72.25	224.11	112.46	659.26	85.86	80.42	27.32	1,651.69	5,607.29
Net carrying amount as at 31 March 2017	2,098.22	2,730.81	3,695.09	10,834.38	5,137.31	1,137.38	315.42	411.66	390.64	1,185.80	108.16	-	63.79	2,895.14	31,003.80

## Notes forming part of the Financial Statements for the year ended 31 March 2017

### (i) Leased assets

	(₹ in Lakh)		
	31-Mar-17	31-Mar-16	1-Apr-15
Furniture, fittings and equipment			
Cost / Deemed cost	637.91	1,063.30	1,063.30
Accumulated depreciation	106.54	98.27	-
Net carrying amount	531.37	965.03	1,063.30

### (ii) Property, plant and equipment pledged as security

Refer to note 43 for information on property, plant and equipment pledged as security by the group.

### (iii) Contractual obligations

Refer to note 41 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### (iv) Capital work-in-progress

Capital work-in-progress mainly comprises Property, Plant and Equipments used in R& D Centre.

### (v) Refer Note 1B.4 for Accounting Policy

## NOTE 3 : OTHER INTANGIBLE ASSETS

Particulars	(₹ in Lakh)		
	Trade Marks	Computer Software	Total
Deemed cost as at 1 April 2015	0.51	0.55	1.06
Additions	-	6.96	6.96
<b>Closing gross carrying amount as at 31 March 2016</b>	<b>0.51</b>	<b>7.51</b>	<b>8.02</b>
Opening accumulated amortisation as at 1 April 2015	-	-	-
Amortisation charge for the year	0.05	2.94	2.99
<b>Closing accumulated amortisation as at 31 March 2016</b>	<b>0.05</b>	<b>2.94</b>	<b>2.99</b>
<b>Closing net carrying amount as at 31 March 2016</b>	<b>0.46</b>	<b>4.57</b>	<b>5.03</b>
<b>Gross block cost as at 1 April 2016</b>	<b>0.51</b>	<b>7.51</b>	<b>8.02</b>
Additions	-	-	-
<b>Closing gross carrying amount as at 31 March 2017</b>	<b>0.51</b>	<b>7.51</b>	<b>8.02</b>
Opening accumulated amortisation as at 1 April 2016	0.05	2.94	2.99
Amortisation charge for the year	0.05	2.59	2.64
Disposals	-	-	-
<b>Closing accumulated amortisation as at 31 March 2017</b>	<b>0.10</b>	<b>5.53</b>	<b>5.63</b>
<b>Closing net carrying amount as at 31 March 2017</b>	<b>0.41</b>	<b>1.98</b>	<b>2.39</b>

## FINANCIAL ASSETS

## NOTE 4 : INVESTMENTS

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Investment in equity instruments of associate &amp; joint venture (fully paid up)</b>			
<b>Unquoted</b>			
Non-current equity investments (unquoted) Hind Lamps Limited.	1,684.53	1,684.53	1,684.53
Accumulated impairment in value of investments in Hind Lamps Limited.	(1,000.00)	(1,000.00)	(1,000.00)
	<b>684.53</b>	<b>684.53</b>	<b>684.53</b>
Non-current equity investments (unquoted) Starlite Lighting Ltd.	1,067.33	1,067.33	1,067.33
<b>Total investments in associate &amp; joint venture</b>	<b>1,751.86</b>	<b>1,751.86</b>	<b>1,751.86</b>

## Note 4 : i)

## 4 (a) Investment in equity instruments

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Investment in equity shares (fully paid up)</b>			
<b>Unquoted</b>			
<b>Measured at fair value through profit and loss</b>			
Non-current equity investments (unquoted) M. P. Lamps Limited 48,000 (48,000) equity shares of ₹ 10 each; (Partly paid shares - ₹ 2.50 Per share paid up, Called up ₹ 5 per share) 95,997 (95,997) Equity shares of ₹ 10 each; (Partly paid shares - ₹ 1.25 Per share paid up, Called up ₹ 5 per share).**	2.40	2.40	2.40
Accumulated Fair value loss recorded in value of investments M. P. Lamps Limited.	(2.40)	(2.40)	(2.40)
Non-current equity investments (unquoted) Mayank Electro Ltd. 100 (100) equity shares of ₹ 100 each.	0.10	0.10	0.10
<b>Total equity instruments</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>

## 4 (b) Investment in debt instruments

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Investment in preference shares (fully paid up)</b>			
<b>Unquoted</b>			
<b>Measured at fair value through profit and loss</b>			
10,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable in 3 equal tranches at the end of 8th, 9th & 10th year from the date of allotment i.e. 5 June 2008.	1,606.84	1,606.83	1,452.09
5,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable in 3 equal tranches at the end of 13th, 14th & 15th year from the date of allotment i.e. 15 October 2009.	521.83	521.83	471.57
<b>Measured at amortised cost</b>			
2,800,000 - 0% redeemable preference shares (Unquoted) of ₹ 25 each of Hind Lamps Ltd, redeemable at the end of term of 10 years, at a premium of ₹ 20 per share (date of allotment 26 December 2012)***	692.14	626.38	566.86
30,000,000 - 0% reedemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, in 3 equal tranches at an yield of 10% at the end of 6th, 7th & 8th year from the date of allotment i.e. 8 January 2014.*	3,461.46	3,461.46	3,128.11
<b>Total preference shares</b>	<b>6,282.27</b>	<b>6,216.50</b>	<b>5,618.63</b>
<b>Total non-current investments</b>	<b>6,282.37</b>	<b>6,216.60</b>	<b>5,618.73</b>

\* The investment is shown net of impairment.

\*\* In respect of Investments made in M. P. Lamps Ltd., calls of ₹ 2.50 per share on 48,000 equity shares and ₹ 3.75 per share on 95,997 Equity Shares aggregating to ₹ 4.80 lakh have not been paid by the Company. On principles of prudence the entire investment in M.P. Lamps Ltd. is considered as diminished and accordingly carried at ₹ NIL.

\*\*\*There is proposed scheme of demerger under consideration by both the Bajaj Electricals Limited ("Resulting Company") and Hind Lamps Limited ("Demerged Company") to demerge the manufacturing business ("Demerged Undertaking") of Hind Lamps Limited and to be transferred to Bajaj Electricals Limited.

As per the modified draft rehabilitation scheme filed with the Hon'ble BIFR for the revival of the Demerged Company, the net worth of the Demerged Company was expected to turn positive by 31 March 2014. The Demerged Company couldn't achieve the aforesaid objective and accordingly the management of the Demerged Company decided to make an attempt to achieve positive net worth by 31 March 2015. However, as on 31 March 2015, the Demerged Company could not achieve positive net worth and accordingly, it has been proposed to demerge the Manufacturing Business of the Demerged Company with the Resulting Company with effect from the appointed date of 31 March 2014.

The scheme of arrangement (the "Scheme") is drawn up pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 as may be applicable for the transfer by way of demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company in the manner provided for in the Scheme.

The Board of Directors of the Demerged Company and the Resulting Company are of the view that the transfer and vesting of the Manufacturing Business of the Demerged Company to the Resulting Company will enable both the Demerged Company and the Resulting Company to achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders. The Resulting Company's existing management expertise and quality systems & controls will enhance the performance of the business of the Demerged Undertaking. The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company and the Resulting Company and to facilitate the revival of the Manufacturing Business of the Demerged Company upon its consolidation with the Resulting Company.

#### NOTE 5 : TRADE RECEIVABLES

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Current Portion	134,941.04	141,232.23	136,489.07
Non-current portion	30,438.80	25,876.25	32,133.74
	<b>165,379.84</b>	<b>167,108.48</b>	<b>168,622.81</b>
Unsecured, considered good inclusive of related parties	165,379.84	167,108.48	168,622.81
Doubtful	15,223.16	13,262.33	12,615.79
<b>Total</b>	<b>180,603.00</b>	<b>180,370.81</b>	<b>181,238.60</b>
Allowance for doubtful debts	(15,223.16)	(13,262.33)	(12,615.79)
<b>Total unsecured trade receivables</b>	<b>165,379.84</b>	<b>167,108.48</b>	<b>168,622.81</b>
Receivable from related parties	43.32	171.42	89.95

#### Transferred receivables

The carrying amount of trade receivables, include receivables which are subject to factoring arrangements and channel financing facilities. Under this arrangement the Company has transferred the relevant receivables to the factor in exchange for cash. The said facilities are with recourse to company. the Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as unsecured borrowings/other current liabilities.

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Transferred receivables	13,950.82	11,545.93	10,169.63
Associated secured borrowing	745.77	5,082.40	4,604.23
Other current Liabilities	13,205.05	2,132.96	1,836.58

#### NOTE 6 : LOANS

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Non Current</b>			
<b>Unsecured, considered good</b>			
Loan to Joint venture - Starlight Lighting Ltd	280.00	280.00	280.00
Loan to employees	10.29	22.13	54.54
<b>Total Non-current loans</b>	<b>290.29</b>	<b>302.13</b>	<b>334.54</b>

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Current</b>			
<b>Unsecured, considered good</b>			
Loan to employees	7.29	31.41	14.44
<b>Total current loans</b>	<b>7.29</b>	<b>31.41</b>	<b>14.44</b>

**NOTE 7 : OTHER FINANCIAL ASSETS**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Security deposits	3,394.80	2,816.99	2,358.35
Provision of doubtful security deposits	(284.25)	(165.18)	(31.21)
	3,110.55	2,651.81	2,327.14
Deposits with maturity more than 12 months	-	5.00	5.00
Fixed deposit under lien (Non-Current)	2,497.08	2,357.44	306.75
Interest Accrued on Bank Deposits	5.02	3.75	1.65
<b>Total non-current other financial assets</b>	<b>5,612.65</b>	<b>5,018.00</b>	<b>2,640.54</b>

**NOTE 8 : DEFERRED TAX ASSETS (NET)**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Deferred tax assets	8,863.14	7,255.76	7,473.24
Deferred tax liabilities	3,268.19	2,327.97	1,942.43
<b>Total deferred tax assets</b>	<b>5,594.95</b>	<b>4,927.79</b>	<b>5,530.81</b>

**Movement in Deferred Tax Liabilities****The balance comprises temporary differences attributable to :**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Defined benefit obligations (Gratuity)	143.26	189.52	293.63
Leave Entitlement Liability	1,636.74	1,100.36	870.47
Provision for Doubtful Debts	5,268.43	4,589.83	4,368.88
Provision for Advance Recoverable	630.16	586.76	519.75
Financial assets measured at amortised cost	395.15	428.22	1,121.12
Others	789.40	361.07	299.39
<b>Total deferred tax assets</b>	<b>8,863.14</b>	<b>7,255.76</b>	<b>7,473.24</b>

**Movement in deferred tax assets**

(₹ in Lakh)

	Defined benefit obligations (Gratuity)	Leave Entitlement Liability	Provision for Doubtful Debts	Provision for Advance Recoverable	Financial assets measured at amortised cost	Others	Total
<b>At 1 April 2015</b>	293.63	870.47	4,368.88	519.75	1,121.12	299.39	7,473.25
(Charged) / credited :							-
to Profit or Loss	(211.23)	229.89	220.95	67.01	(692.90)	61.68	(324.60)
to other comprehensive income	107.12	-	-	-	-	-	107.12
<b>At 31 March 2016</b>	<b>189.52</b>	<b>1,100.36</b>	<b>4,589.84</b>	<b>586.76</b>	<b>428.22</b>	<b>361.07</b>	<b>7,255.76</b>
(Charged) / credited :	-	-	-	-	-	-	-
to Profit or Loss	(151.27)	536.39	678.60	43.39	(33.07)	428.33	1,502.37
to other comprehensive income	105.01						105.01
Deferred tax on basis adjustment							
<b>At 31 March 2017</b>	<b>143.26</b>	<b>1,636.75</b>	<b>5,268.44</b>	<b>630.15</b>	<b>395.15</b>	<b>789.40</b>	<b>8,863.14</b>



The balance comprises temporary differences attributable to :

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Property, plant and equipment	2,965.71	1,951.82	1,557.38
Borrowings	0.75	4.40	9.93
Financial Assets measured at Amortised Cost	192.42	219.65	138.39
Financial Liabilities measured at Amortised Cost	81.74	131.67	235.23
Others	27.57	20.43	1.50
<b>Total deferred tax liabilities</b>	<b>3,268.19</b>	<b>2,327.97</b>	<b>1,942.43</b>

#### Movement in deferred tax liabilities

(₹ in Lakh)

	Property, plant and equipment	Borrowings	Financial Assets measured at Amortised Cost	Financial Liabilities measured at Amortised Cost	Others	Total
<b>At 1 April 2015</b>	1,557.38	9.93	138.39	235.23	1.50	1,942.43
(Charged) / credited :						-
to Profit or Loss	394.44	(5.53)	81.26	(103.56)	18.93	385.54
to other comprehensive income	-	-	-	-	-	-
<b>At 31 March 2016</b>	<b>1,951.82</b>	<b>4.40</b>	<b>219.65</b>	<b>131.67</b>	<b>20.43</b>	<b>2,327.97</b>
(Charged) / credited :						
to Profit or Loss	1,013.89	(3.65)	(27.23)	(49.93)	7.14	940.22
to other comprehensive income						-
Deferred tax on basis adjustment						-
<b>At 31 March 2017</b>	<b>2,965.71</b>	<b>0.75</b>	<b>192.42</b>	<b>81.74</b>	<b>27.57</b>	<b>3,268.19</b>

#### NOTE 9 : OTHER NON-CURRENT ASSETS

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Capital Advances	526.91	381.82	14.58
Advances - Non Current	1,380.14	1,901.56	691.26
Sales tax recoverables	3,016.32	1,871.27	1,288.06
Balances with central government & excise department	15.00	35.20	46.26
Prepaid rent	301.44	225.21	242.04
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	3,000.60	2,432.17	1,560.52
Advance to Joint venture Starlight Lighting Limited	2,200.00	2,200.00	-
	<b>10,440.41</b>	<b>9,047.23</b>	<b>3,842.70</b>
Provision for Doubtful Advances	(536.55)	(530.27)	(470.63)
<b>Total other non-current assets</b>	<b>9,903.86</b>	<b>8,516.96</b>	<b>3,372.09</b>

#### NOTE 10 : INVENTORIES

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Raw material	8,533.71	3,284.34	3,182.79
Work-in-progress	726.54	505.78	902.85
Finished goods	5,445.94	3,095.55	2,274.19
Traded goods	38,961.47	41,401.94	38,054.31
Material in Transit	3,143.29	1,761.92	2,352.18
Stores and spares	307.26	616.97	697.06
Others	1.38	1.24	1.41
<b>Total Inventories</b>	<b>57,119.60</b>	<b>50,667.74</b>	<b>47,464.79</b>

**Amounts recognised in profit or loss**

Write-downs of inventories to net realisable value amounted to ₹ 800.69 lakh (31 March 2016 - (₹ 166.04 lakh)). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

**NOTE 11 : CASH AND CASH EQUIVALENTS**

	(₹ in Lakh)		
	31-Mar-17	31-Mar-16	1-Apr-15
<b>Balances with banks</b>			
in current accounts	892.04	906.41	1,279.11
in cash credit accounts	193.56	333.03	66.65
in EEFC accounts	23.53	87.17	-
Cheques in Hand	1,304.98	826.75	1,908.59
Deposits with maturity of less than three months	-	2,400.00	-
Cash on hand	94.12	104.58	88.46
<b>Total cash and cash equivalents</b>	<b>2,508.23</b>	<b>4,657.94</b>	<b>3,342.81</b>

**NOTE 11 : BANK BALANCES OTHER THAN (ii) ABOVE**

	(₹ in Lakh)		
	31-Mar-17	31-Mar-16	1-Apr-15
Unpaid Dividend Accounts	82.93	92.47	77.55
Fixed deposit under lien	3,930.36	799.21	345.72
Deposits with maturity of more than three months & less than twelve months	5.00	-	-
<b>Total other bank balances</b>	<b>4,018.29</b>	<b>891.68</b>	<b>423.27</b>

**NOTE 12 : OTHER CURRENT FINANCIAL ASSETS**

	(₹ in Lakh)		
	31-Mar-17	31-Mar-16	1-Apr-15
Interest Accrued on Bank Deposits	24.49	9.32	15.00
Derivative Asset	-	59.03	4.33
<b>Total other current financial assets</b>	<b>24.49</b>	<b>68.35</b>	<b>19.33</b>

**NOTE 13 : OTHER CURRENT ASSETS**

	(₹ in Lakh)		
	31-Mar-17	31-Mar-16	1-Apr-15
Amount due from customers for contract work	1,451.31	724.73	1,479.80
Loans & advances - current	4,974.54	2,343.41	3,213.48
Advance to Associate - Hind Lamps Ltd	753.47	163.56	26.94
Export benefits	27.22	64.70	79.47
Advance to Joint venture - Starlight Lighting Limited	1,716.66	850.00	2,980.00
Current - Balances with central government & excise department	1,747.14	1,906.45	2,448.02
Contract work in progress	2,361.83	3,118.44	3,662.48
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	1,328.60	1,276.05	1,207.38
<b>Total other current assets</b>	<b>14,360.77</b>	<b>10,447.34</b>	<b>15,097.57</b>

**NOTE 14 : ASSETS CLASSIFIED AS HELD FOR SALE**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Building	219.41	219.41	219.41
Ownership Premises	34.16	35.63	2.17
<b>Total assets classified as held for sale</b>	<b>253.57</b>	<b>255.04</b>	<b>221.58</b>
<b>Liabilities with respect to assets classified as held for sale</b>	<b>810.00</b>	<b>350.00</b>	<b>328.00</b>

Upon relocation of Company's employees to new office premises in Mumbai, the leasehold immovable property together with buildings and structure standing thereon was lying vacant. Therefore, the Board of Directors of the Company approved the sale and transfer of leasehold rights therein in favour of the purchaser vide Resolution dated 23 March 2015 subject to the permissions from the appropriate authorities and accordingly the said transaction of sale and transfer of leasehold rights was to be completed within one (1) year. However, on account of delay in getting the requisite permissions from the appropriate authorities the transaction is yet pending.

Further, on 29 March 2017, the Board of Directors of the Company approved the sale of Company owned residential premises to unlock the investment therein as the usage thereof was minimum. The sale of these residential premises will be completed within one (1) year.

The asset held for sale are not attached to any reported business segment but part of other unallocable assets.

**NOTE 15 : EQUITY SHARE CAPITAL**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
	Amount	Amount	Amount
<b>Authorised</b>			
200000000 (200000000) Equity shares of ₹ 2 each.	4,000.00	4,000.00	4,000.00

**Issued, subscribed & paid up**
**i) Movement in Equity Share Capital**

(₹ in Lakh)

	No of Shares	Amount
<b>As at 1 April 2015</b>	<b>100762426</b>	<b>2,015.25</b>
Exercise of Options	186550	3.73
<b>As At 31 March 2016</b>	<b>100948976</b>	<b>2,018.98</b>
Exercise of Options	341200	6.82
<b>As At 31 March 2017</b>	<b>101290176</b>	<b>2,025.80</b>

**ii) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**iii) The Details of Shareholders holding more than 5% Shares:**

Name of the Shareholder	As at 31-Mar-17		As at 31-Mar-16		As at 1-Apr-15	
	Nos.	% Holding	Nos.	% Holding	Nos.	% Holding
Jamnalal Sons Private Limited	19872830	19.62	19872830	19.69	19872830	19.72
Bajaj Holdings & Investment Limited	16697840	16.49	16697840	16.54	16697840	16.57

Equity Shares reserved for issue under Employee Stock options outstanding as at the end of the year :

Summary of Stock Options	As at 31-Mar-17
Number of Stock Options not yet granted	91188227
Number of Stock Options Vested & Exercisable	981300
Number of Stock Options Unvested	1107250
<b>Total Equity Shares reserved for issuance under ESOP Scheme outstanding</b>	<b>93276777</b>

**NOTE 16 : OTHER EQUITY****i) Securities premium reserve**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening Balance</b>	21,344.29	21,001.91
Exercise of options - proceeds received	582.48	312.58
Exercise of options - transferred from shares options outstanding account	102.39	29.80
<b>Closing Balance</b>	<b>22,029.16</b>	<b>21,344.29</b>

**ii) Debenture redemption reserve**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening Balance</b>	2,500.00	2,500.00
Appropriation during the year	-	-
<b>Closing Balance</b>	<b>2,500.00</b>	<b>2,500.00</b>

**iii) General Reserve**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening Balance</b>	45,101.43	42,077.06
Add : Transfer from retained earnings	-	3,000.00
Less : Transfer from revaluation reserve	-	1.34
Add : Transferred from stock options reserve for vested options cancelled	56.60	25.71
<b>Closing Balance</b>	<b>45,158.03</b>	<b>45,101.43</b>

**iv) Shares options outstanding account**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening Balance</b>	967.80	555.56
Add : Employee stock option expense	423.00	502.01
Less : Transferred to general reserve for options vested cancelled	56.60	25.71
Less : Reversal of employee stock option expenses for options unvested cancelled	32.81	34.26
Less : Transferred to securities premium for exercise of options	102.39	29.80
<b>Closing Balance</b>	<b>1,199.00</b>	<b>967.80</b>

**v) Retained earnings**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening Balance</b>	3,555.46	967.52
Net profit for the period	10,766.08	11,034.67
Remeasurements of post-employment benefit obligation, net of tax	(229.52)	(224.64)
Less : Transfer to general reserve	-	3,000.00
Less: Proposed dividend on equity shares	-	1,511.44
Less: Dividend distribution tax on proposed dividend	-	307.73
Less: Interim dividend paid	-	2,826.57
Less: Dividend distribution tax paid on interim dividend	-	575.42
Less: Dividend alongwith dividend distribution tax paid on exercise of stock option	-	0.93
<b>Closing Balance</b>	<b>14,092.02</b>	<b>3,555.46</b>

**vi) Capital reserve**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Opening Balance	10.00	10.00
<b>Closing Balance</b>	<b>10.00</b>	<b>10.00</b>

**vii) Capital redemption reserve**

	(₹ in Lakh)	
	31-Mar-17	31-Mar-16
Opening Balance	135.71	135.71
<b>Closing Balance</b>	<b>135.71</b>	<b>135.71</b>
<b>Total Reserves &amp; surplus</b>	<b>85,123.92</b>	<b>73,614.69</b>

**FINANCIAL LIABILITIES**
**NOTE 17 : BORROWINGS**

	(₹ in Lakh)					
	Maturity date	Terms of repayment	Coupon / interest rate	31-Mar-17	31-Mar-16	1-Apr-15
<b>Non-current</b>						
<b>Secured</b>						
Non-convertible debentures	₹ 4,000 lakh - 28-Apr-16	Single repayment at the end of the term	Zero Coupon *			
	₹ 6,000 lakh - 24-Apr-17			-	5,993.05	9,981.18
Term loan						
From bank						
Foreign currency loan from Kotak Mahindra Bank Ltd.	EMI of USD 416,666.67 due on 5th of each month	24 EMI of USD 416,666.67 commencing from 5-Sept-15 Till 5-Aug-17	4.15% p.a	-	1,374.52	4,417.20
<b>Total secured non-current borrowings</b>				-	<b>7,367.57</b>	<b>14,398.38</b>
<b>Unsecured</b>						
Sales tax deferral			Interest Free	1,695.08	2,217.20	2,664.28
<b>Total unsecured non-current borrowings</b>				<b>1,695.08</b>	<b>2,217.20</b>	<b>2,664.28</b>
<b>Total non-current borrowings</b>				<b>1,695.08</b>	<b>9,584.77</b>	<b>17,062.66</b>

	(₹ in Lakh)					
	Maturity date	Terms of repayment	Coupon / interest rate	31-Mar-17	31-Mar-16	1-Apr-15
<b>Current</b>						
Loans repayable on demand						
<b>Secured</b>						
Cash credits	Payable on demand	Payable on demand		4,870.26	3,635.95	9,202.19
Foreign currency loans	As per annexure	As per annexure	As per annexure	4,256.02	2,376.26	5,116.31
<b>Total secured current borrowings</b>				<b>9,126.28</b>	<b>6,012.21</b>	<b>14,318.50</b>
<b>Unsecured</b>						
Other short term loans	As per annexure	As per annexure	As per annexure	-	-	3,500.00
Sales bills discounting				745.77	5,082.40	4,604.23
Commercial papers	As per annexure	As per annexure	As per annexure	22,329.33	-	2,454.57
Hundi Acceptances				20,657.02	57,329.76	50,118.89
Foreign currency loans	As per annexure	As per annexure	As per annexure	-	4,081.47	1,183.37
<b>Total unsecured current borrowings</b>				<b>43,732.12</b>	<b>66,493.63</b>	<b>61,861.06</b>
<b>Total current borrowings</b>				<b>52,858.40</b>	<b>72,505.84</b>	<b>76,179.56</b>

**Secured Non Current Borrowings:****Sr. No. Nature of Security and Terms**

**Zero Coupon Redeemable Non Convertible Debentures (NCD) are secured by First Charge over the following premises :**

- Delhi Office : No. DSM-514 to DSM-521, DLF Tower, 5th Floor, 15 Shivaji Marg, Nazafgarh Road Industrial Area, Delhi -110015
- Office Premises No : 001, 701 & 801, 'Rustomjee Aspiree', Bhanu Shankar Yagnik Marg, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
- Factory Units (Unit I and II) at Ranjangaon - Plot No. B-7 & B-29 , Ranjangaon Industrial Area, Village Dhoksangvi, Taluka Shirur, Dist. Pune
- Factory unit at Chakan - Village Mahalunge, Chakan Talegoan Road, Khed, Pune - 410501
- Showroom on Ground floor and Office Premises on Second Floor at Bajaj Bhawan 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.

Sr. No.	Face Value per Debenture	No of Debentures	O/s as on	O/s as on	As on	Date of Allotment	Coupon Rate*	Repayment Terms	
			31-Mar-17 (₹ lakh)	31-Mar-16 (₹ lakh)	01-Apr-15 (₹ lakh)			Days	Due Date
1	₹ 1000000	400	-	4,000	4,000	26-Mar-14	Zero Coupon	764	28-Apr-16
2	₹ 1000000	600	6,000	6,000	6,000	26-Mar-14		1125	**24-Apr-17

\*NCD's are issued at Zero Coupon corresponding to YTM of 10.85% p.a. compounded annually. Post downgrading of credit rating by ICRA Ltd. (Credit Rating Agency) from 'A+' to 'A' on 24 February 2015, the YTM has been increased by 0.25% p.a. with effect from 24 February 2015.

"ICRA Limited vide its letter No 2016-17/MUM/0697 dated 18 August 2016, communicated that it has upgraded the rating of the Company's NCD programme from 'A' to 'A+'. However there is no corresponding change in the interest rate.

\*\* Current (shown as Other Current Financial Liabilities in Note no. 18)

**Foreign Currency Term Loan :**

Foreign Currency Term loan is availed from Kotak Mahindra Bank Ltd is secured by :

**Nature of Security**

First Charge on following properties:

- Kosi Factory Unit at Khasra No.647,648, NH 02, Km 109 Mile Stone, Village Dautana, Chhatta, Kosi Kallan, Mathura - 281 403.
- Office Premises No: 502, 'Rustomjee Aspiree', Bhanu Shankar Yagnik Marg, Off Eastern Express Highway, Sion (East), Mumbai - 400 022.
- R & D centre at Plot no. 27/ pt 2 at Millennium Business Park, TTC Industrial area, Mahape, Navi Mumbai.
- Wind Farm : Village Vankusawade, Tal. Patan, Dist. Satara, Maharashtra - 415 206.

(₹ in Lakh)

Term loan in foreign currency	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Foreign currency term loan from bank	1,349.34	4,687.27	6,240.12
Outstanding term loan	1,349.34	3,312.75	1,822.92
Less : Current maturities of long term borrowing	-	<b>1,374.52</b>	<b>4,417.20</b>



**Unsecured:**
**Sales Tax Deferral Liability/Loan**

**Terms of Repayment:** Sales Tax deferral liability/loan is repayable free of interest over predefined instalments from the initial date of deferment of liability, as per respective schemes of incentive.

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Non-current</b>			
Apr'16 - 295.72 lakh, May'16 - 151.36 lakh	-	-	447.08
Apr'17 - 408.75 lakh, May'17 - 113.37 lakh	-	522.12	522.12
Apr'18 - 470.98 lakh, May'18 - 76.96 lakh	547.94	547.94	547.94
Apr'19 - 429.38 lakh, May'19 - 37.04 lakh	466.42	466.42	466.42
Apr'20 - 327.93 lakh	327.93	327.93	327.93
Apr'21 - 228.51 lakh	228.51	228.51	228.51
Apr'22 - 107.63 lakh	107.63	107.63	107.63
Apr'23 - 16.65 lakh	16.65	16.65	16.65
	<b>1,695.08</b>	<b>2,217.20</b>	<b>2,664.28</b>
Apr'17 - 408.75 lakh, May'17 - 113.37 lakh	522.12	447.08	387.12
	<b>2,217.20</b>	<b>2,664.28</b>	<b>3,051.40</b>

**Secured Current Borrowings:**

Loans from Consortium Banks are secured by :

- a First pari passu charge by way of hypothecation of inventories and book debts.
- b First pari passu charge on the Company's immovable properties at :
  - i) Wardha premises - Plot no. 36, Block no. 17, Mouza no. 225, Bacharaj road, Gandhi Chowk, Wardha.
  - ii) Hari Kunj - Flat No. 103 and 104, 'B' wing, Sindhi Society, Chembur East, Mumbai - 400 071.
- c Second pari passu charge over present and future Fixed Assets of the Company, situated at :
  - i) Ranjangaon Units : Village Dhoksanghvi, Taluka Shirur, Ranjangaon, Dist. Pune - 412 210.
  - ii) Chakan Unit : Village Mahalunge, Chakan Talegaon Road, Khed, Pune - 410 501.
  - iii) Wind Farm : Village Vankusawade, Tal. Patan, Dist. Satara, Maharashtra - 415 206.
  - iv) Showroom on Ground floor and Office Premises on Second Floor at Bajaj Bhawan 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400 021.
  - v) Delhi Office : No. DSM-514 to DSM-521, DLF Tower, 5th Floor, 15 Shivaji Marg, Nazafgarh Road Industrial Area, Delhi - West, Delhi -110 015.
  - vi) Office Premises No : 001, 502, 701 and 801, 'Rustomjee Aspiree', Bhanu Shankar Yagnik Marg, Off Eastern Highway, Sion (East), Mumbai - 400 022.
  - vii) Kosi Factory Unit at Khasra No.647,648, NH 02, Km 109 Mile Stone, Village Dautana, Chhatta, Kosi Kallan, Mathura - 281 403.
  - viii) R & D centre at Plot no. 27/ pt 2/ at Millennium Business Park, TTC Industrial area, Mahape, Navi Mumbai.

These securities also extend to the various credit facilities including Bank Guarantees and Letters of Credit of ₹ **156,469.16 lakh** (Previous year ₹ 121,964.98 lakh) executed on behalf of the Company in the normal course of business.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 42.

**Terms of Repayment for loans outstanding as on 31 March 2017****Secured**

Foreign Currency Loans includes Buyer's Credit as per the details given below :

Lending Bank	Maturity Date	Terms of Repayment	Interest rate %	Liability In ₹ lakh as on 31-Mar-17
Yes Bank Ltd	5-Apr-17	180 days	1.46	419.11
Yes Bank Ltd	21-Apr-17	164 days	1.48	262.56
Yes Bank Ltd	5-May-17	179 days	1.48	380.25
Yes Bank Ltd	5-May-17	164 days	1.53	308.52
Yes Bank Ltd	26-May-17	179 days	1.48	298.12
Yes Bank Ltd	9-Jun-17	178 days	1.75	252.75
Yes Bank Ltd	21-Jun-17	180 days	2.02	390.33
Yes Bank Ltd	29-Jun-17	177 days	0.70	261.88
Yes Bank Ltd	3-Jul-17	179 days	1.87	462.84
Yes Bank Ltd	3-Jul-17	179 days	2.01	203.71
Yes Bank Ltd	11-Jul-17	180 days	1.88	228.78
Yes Bank Ltd	19-Jul-17	180 days	1.75	367.75
Yes Bank Ltd	1-Aug-17	180 days	1.74	419.42
			<b>Total</b>	<b>4,256.02</b>

**Unsecured****Commercial Papers**

Name of the Subscriber	Date of Maturity	Terms of Repayment	Rate of	Liability In ₹ lakh as on 31-Mar-17
			Interest (%)	
HDFC BANK LTD	8-May-17	90 days	7.00%	2,482.56
ICICI BANK LTD	16-Jun-17	177 days	7.40%	2,462.81
ICICI BANK LTD	20-Jun-17	179 days	7.40%	2,460.87
ICICI BANK LTD	26-Jun-17	178 days	7.55%	2,457.11
HDFC BANK LTD	28-Jun-17	90 days	7.00%	2,458.52
ICICI BANK LTD	30-Jun-17	178 days	7.55%	2,455.11
BNP PARIBAS	25-Jan-18	363 days	7.25%	3,778.41
BNP PARIBAS	31-Jan-18	362 days	7.25%	3,773.93
			<b>Total</b>	<b>22,329.32</b>

**Terms of Repayment for loans outstanding as on 31 March 2016**

Secured Foreign Currency Loans includes Buyer's Credit as per the details given below :

Lending Bank	Maturity Date	Terms of Repayment	Interest rate %	Liability In ₹ lakh as on 31-Mar-16
Yes Bank Ltd.	22-Apr-16	178 days	0.83	948.01
Yes Bank Ltd.	28-Apr-16	178 days	0.95	333.94
Yes Bank Ltd.	4-May-16	180 days	0.97	323.21
Yes Bank Ltd.	18-May-16	180 days	1.07	243.41
Yes Bank Ltd.	1-Jun-16	180 days	1.22	296.00
Yes Bank Ltd.	3-Jun-16	179 days	1.24	231.69
			<b>Total</b>	<b>2,376.26</b>

**Unsecured Foreign Currency Loans includes Buyer's Credit as per the details given below :**

Lending Bank	Maturity Date	Terms of Repayment	Interest rate %	Liability In ₹ lakh as on 31-Mar-16
RBL Bank Ltd.	3-Aug-16	180 days	1.47	177.35
RBL Bank Ltd.	8-Aug-16	180 days	1.47	73.82
RBL Bank Ltd.	9-Aug-16	180 days	1.47	106.54
RBL Bank Ltd.	9-Aug-16	180 days	1.62	212.56
RBL Bank Ltd.	12-Aug-16	178 days	1.30	672.43
RBL Bank Ltd.	26-Aug-16	179 days	1.49	70.77
RBL Bank Ltd.	5-Aug-16	148 days	1.23	1,136.08
RBL Bank Ltd.	12-Sep-16	179 days	1.36	102.69
RBL Bank Ltd.	8-Sep-16	163 days	1.18	1,126.67
RBL Bank Ltd.	23-Jan-17	341 days	0.70	193.22
FirstRand Bank Ltd.	3-May-16	90 days	1.12	209.34
			<b>Total</b>	<b>4,081.47</b>

**Terms of Repayment for loans outstanding as on 1 April 2015**
**Secured Foreign Currency Loans include Buyer's Credit as per the details given below**

Lending Bank	Maturity Date	Terms of Repayment	Interest rate %	Liability In ₹ lakh as on 1-Apr-15
Yes Bank Ltd.	7-Apr-15	180 days	0.76	424.35
Yes Bank Ltd.	10-Apr-15	178 days	0.75	464.86
Yes Bank Ltd.	15-Apr-15	180 days	0.75	236.23
Yes Bank Ltd.	20-Apr-15	180 days	0.75	64.73
Yes Bank Ltd.	24-Apr-15	179 days	0.75	434.56
Yes Bank Ltd.	27-Apr-15	180 days	0.80	210.38
Yes Bank Ltd.	28-Apr-15	174 days	0.83	172.42
Yes Bank Ltd.	7-May-15	181 days	0.76	722.19
Yes Bank Ltd.	8-May-15	179 days	0.83	254.58
Yes Bank Ltd.	22-May-15	177 days	0.86	137.05
State Bank of India	12-Jun-15	177 days	1.12	59.99
State Bank of India	12-Jun-15	177 days	1.12	30.75
State Bank of India	12-Jun-15	177 days	1.12	12.07
State Bank of India	12-Jun-15	177 days	1.12	36.70
State Bank of India	12-Jun-15	177 days	1.12	156.51
State Bank of India	12-Jun-15	177 days	1.12	13.94
State Bank of India	12-Jun-15	177 days	1.12	90.94
Yes Bank Ltd.	17-Jun-15	180 days	0.82	347.94
Yes Bank Ltd.	19-Jun-15	178 days	0.83	416.34
Yes Bank Ltd.	22-Jun-15	180 days	0.84	129.22
State Bank of India	26-Jun-15	179 days	1.14	183.69
State Bank of India	26-Jun-15	179 days	1.14	65.09
State Bank of India	7-Jul-15	180 days	1.06	64.12
State Bank of India	7-Jul-15	180 days	1.06	73.77
State Bank of India	7-Jul-15	180 days	1.06	65.63
State Bank of India	7-Jul-15	180 days	1.06	83.12
State Bank of India	7-Jul-15	180 days	1.06	74.43
Yes Bank Ltd.	20-Oct-15	270 days	0.81	90.71
			<b>Total</b>	<b>5,116.31</b>

**Unsecured****Other Short Term Loans**

Name of the Bank	Date of Maturity/Payment	Terms of Repayment	Rate of Interest (%)	Liability In ₹ lakh as on 1-Apr-15
Kotak Mahindra Bank Ltd. (erstwhile ING Vysya Bank Ltd.)	6-Apr-15	10 days	10.80	2,000.00
Kotak Mahindra Bank Ltd. (erstwhile ING Vysya Bank Ltd.)	6-Apr-15	7 days	10.80	1,500.00
				<b>3,500.00</b>

**Commercial Papers**

Name of the Subscriber	Maturity Date	Terms of Repayment	Rate of Interest (%)	Liability In ₹ lakh as on 1-Apr-15
Kotak Mahindra Trustee Company Ltd A/C Kotak Floater Long Term Scheme	12-Jun-15	199 days	9.70	2,454.57
				<b>2,454.57</b>

**Unsecured Foreign Currency Loans include Buyer's Credit as per the details given below**

Lending Bank	Maturity Date	Terms of Repayment	Interest rate %	Liability In ₹ lakh as on 1-Apr-15
Deutsche Bank AG Singapore	22-Jul-15	180 days	0.54	450.47
Deutsche Bank AG Singapore	22-Jul-15	176 days	0.54	222.52
Deutsche Bank AG Singapore	11-Aug-15	180 days	0.56	107.59
Deutsche Bank AG Singapore	11-Aug-15	180 days	0.56	177.10
Deutsche Bank AG Singapore	21-Aug-15	178 days	0.56	225.69
				<b>1,183.37</b>

**NOTE 18 : OTHER FINANCIAL LIABILITIES**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Non Current</b>			
Deposits received	6.05	6.05	6.05
Accrued premium on redemption of NCD but not due	-	1,409.49	1,107.28
Financial gurarantee liability	215.22	349.07	485.55
<b>Total other non-current financial liabilities</b>	<b>221.27</b>	<b>1,764.61</b>	<b>1,598.88</b>

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Current</b>			
Current maturities of NCD (see note 17)	5,999.50	4,000.00	-
Current maturities of foreign currency loan (see note 17)	1,349.34	3,312.75	1,822.92
Accrued interest on NCD but not due	2,231.94	939.66	-
Current maturities of sales tax defferal (see note 17)	522.12	447.08	387.12
Capital creditors	6.11	9.08	8.90
Unpaid dividends	82.93	92.48	77.55
Trade deposits (dealers, vendors etc.)	901.58	917.93	900.04
Interest (payable) accrued and not due	25.39	30.09	38.99
Interest accrued and due on borrowings	9.67	34.19	40.89
Channel financing liability	13,205.05	2,132.96	1,836.58
Financial gurarantee liability short term	133.85	136.47	136.47
Derivative liability	213.88	52.79	101.15
Other payables	566.82	566.72	253.28
<b>Total other non-current financial liabilities</b>	<b>25,248.18</b>	<b>12,672.20</b>	<b>5,603.89</b>

**NOTE 19 : PROVISIONS**

(₹ in Lakh)

	31-Mar-17			31-Mar-16			1-Apr-15		
	Current	Non Current	Total	Current	Non Current	Total	Current	Non Current	Total
Service warranties	5,427.27	1,339.11	6,766.38	6,095.86	1,396.73	7,492.59	4,990.06	1,516.87	6,506.93
Legal claims	473.38	-	473.38	275.04	-	275.04	273.11	-	273.11
Sales tax forms liability	652.00	-	652.00	355.07	-	355.07	131.62	-	131.62
<b>Total Provisions</b>	<b>6,552.65</b>	<b>1,339.11</b>	<b>7,891.76</b>	<b>6,725.97</b>	<b>1,396.73</b>	<b>8,122.70</b>	<b>5,394.79</b>	<b>1,516.87</b>	<b>6,911.66</b>

(₹ in Lakh)

Particulars	Service Warranties	Legal Claims	Sales tax Forms Liability
<b>Opening balance as on 1 April 2015</b>	<b>6,506.93</b>	<b>273.11</b>	<b>131.62</b>
Add : Provided during the year (net of utilisation for service warranties)	4,605.16	16.93	223.45
Add : Finance cost	19.76	-	-
Less : Utilised during the year	3,639.26	15.00	-
<b>Closing balance as on 31 March 2016</b>	<b>7,492.59</b>	<b>275.04</b>	<b>355.07</b>
Add : Provided during the year (net of utilisation for service warranties)	3,347.79	198.34	535.93
Add : Finance cost	18.99	-	-
Less : Utilised during the year	4,092.99	-	239.00
<b>Closing balance as on 31 March 2017</b>	<b>6,766.38</b>	<b>473.38</b>	<b>652.00</b>

**NOTE 20 : EMPLOYEE BENEFIT OBLIGATIONS**

(₹ in Lakh)

	31-Mar-17			31-Mar-16			1-Apr-15		
	Current	Non Current	Total	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	1,392.58	3,336.79	4,729.37	882.36	2,297.15	3,179.51	736.43	1,778.79	2,515.22
Interest rate guarantee on provident dent fund	-	172.73	172.73	-	141.62	141.62	-	119.38	119.38
Gratuity	988.09	3,755.06	4,743.15	582.12	3,673.68	4,255.80	252.08	3,364.26	3,616.34
<b>Total employee benefit obligations</b>	<b>2,380.67</b>	<b>7,264.58</b>	<b>9,645.25</b>	<b>1,464.48</b>	<b>6,112.45</b>	<b>7,576.93</b>	<b>988.51</b>	<b>5,262.43</b>	<b>6,250.94</b>

**Description of Risk Exposures**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the employee benefit. The assumptions are as follows:

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the benefit and will thus result in an increase in the value of the liability.

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 10,00,000).

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Asset Volatility Risk:** Gratuity funds are with the Insurance Companies and those are subject to interest rate risk and the Insurance Company's fund managers manage interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The company intends to maintain the current investment mix in the continuing years.

For PF Trust Managed Assets, the plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan asset investments are in fixed income securities with high grades. The company has a risk management strategy for PF Fund Investments where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Our PF funds are managed by PF trust and the investment decisions are taken by Trustees as per advice and recommendations of 2 professional consultants. Any deviations from the range are corrected by rebalancing the portfolio.

### Asset Liability Matching Strategies

The Company has purchased insurance policy from renowned insurance companies, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

But insurers has ensured that the investment positions are managed within an asset-liability matching (ALM) framework to achieve long-term investments that are in line with the obligations under the employee benefit plans.

As far as the PF Trust Investments are concerned, the same are managed by Trustees as per advice and recommendations of 2 professional consultants. The Employees' Provident Fund Organisation, Ministry of Labour, Government of India, vide its notification in official gazette notified the pattern of investment for EPF exempted establishments, which depicts the obligatory pattern of investments of PF contributions and interests. The pattern mandates to invest as below :

Category No.	Category / Sub-Category	Percentage of amount to be invested
(i)	Government Securities and Related Investments	Minimum 45% and upto 50%
(ii)	Debt Instruments and Related Investments	Minimum 35% and upto 45%
(iii)	Short-Term Debt Instruments and Related Investments	Upto 5%
(iv)	Equity and Related Investments	Minimum 5% and upto 15%
(v)	Asset Backed, Trust Structured and Miscellaneous Investments	Upto 5%

The Leave Encashment Schemes, superannuation and pension schemes are managed on unfunded basis, hence Asset Liability Matching Strategies are not applicable

### Effect of any Amendments, Curtailments and Settlements

In connection with the closure of Kosi factory, a curtailment loss was incurred and a settlement arrangement agreed with the employees which were settled for all retirement benefit plan obligations relating to the employees of that factory. The terminated employees were not eligible for gratuity, nonetheless, they were paid an adhoc ex-gratia towards curtailment and retrenchment of their services. Likewise the terminated employees were paid off for their due Leave Balances. The terminated employees of Kosi Unit were covered under RPFC and thus Bajaj Electricals Limited had no liability towards settlement of their PF Claims

### Sensitivity Analysis

The readers of the annual report should note that the sensitivity analysis presented here may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation for the prior period.



The amounts recognised in the balance sheet and the movements in the net defined benefit obligation along with its current and non-current balances are as follows :

Particulars	Gratuity - Defined Benefit Plan			Provident Fund - Defined Benefit Plan *			Earned Leave - Defined Contribution Plan			Sick Leave - Defined Contribution Plan		
	31-Mar-17	31-Mar-16	1-Apr-15	31-Mar-17	31-Mar-16	1-Apr-15	31-Mar-17	31-Mar-16	1-Apr-15	31-Mar-17	31-Mar-16	1-Apr-15
Present Value of Obligation	508,365,670	425,579,954	361,148,232	1,107,106,009	948,569,921	810,710,436	392,062,817	266,074,291	217,791,787	80,874,870	51,876,495	32,905,873
Fair Value of Plan Assets	34,051,747	69,392,962	95,530,441	1,131,585,274	977,924,463	835,832,594	-	-	-	-	-	-
<b>Surplus / (Deficit)</b>	<b>(474,313,923)</b>	<b>(356,186,992)</b>	<b>(265,617,791)</b>	<b>24,479,265</b>	<b>29,354,542</b>	<b>25,122,158</b>	<b>(392,062,817)</b>	<b>(266,074,291)</b>	<b>(217,791,787)</b>	<b>(80,874,870)</b>	<b>(51,876,495)</b>	<b>(32,905,873)</b>
Effects of Asset Ceiling, if any	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Asset / (Liability)</b>	<b>(474,313,923)</b>	<b>(356,186,992)</b>	<b>(265,617,791)</b>	<b>24,479,265</b>	<b>29,354,542</b>	<b>25,122,158</b>	<b>(392,062,817)</b>	<b>(266,074,291)</b>	<b>(217,791,787)</b>	<b>(80,874,870)</b>	<b>(51,876,495)</b>	<b>(32,905,873)</b>
Current Asset / (Liability) (Short term)	(98,808,380)	(58,212,166)	(25,208,046)	-	-	-	(120,489,922)	(76,338,009)	(65,027,736)	(19,555,132)	(12,684,712)	(7,787,798)
Non-Current Asset / (Liability) (Long term)	(375,505,543)	(297,974,826)	(240,409,745)	24,479,265	29,354,542	25,122,158	(271,572,895)	(189,736,282)	(152,764,051)	(61,319,738)	(39,191,783)	(25,118,075)
Non-Qualifying Insurance Policy - Reimbursement Right (Bajaj Allianz Policy) #	<b>432,920,190</b>	<b>301,427,263</b>	<b>181,257,670</b>	-	-	-	-	-	-	-	-	-
Current Asset (Short term)	132,860,127	127,605,128	120,738,486	-	-	-	-	-	-	-	-	-
Non-Current Asset (Long term)	300,060,063	173,822,135	60,519,184	-	-	-	-	-	-	-	-	-

\* The present value of obligation of provident fund represents the aggregate of accumulated fund value of ₹ 1,089,833,403 (As on 31 March 2016 - ₹ 934,407,118; As on 1 April 2015 - ₹ 798,772,150) and interest rate guarantee ₹ 17,272,606 (As on 31 March 2016 - ₹ 14,162,803; As on 1 April 2015 - ₹ 11,938,286). Of the above, the interest rate guarantee is recognised as provision in the Company's books, while the accumulated fund value is recognised by the Bajaj Electricals Limited Employees' Provident Fund Trusts. The interest rate guarantee so recognised in the Company's books is considered as non-current liability.

# The Fair Value of Non-Qualifying Insurance Policy (being a Reimbursement Right as is with Bajaj Allianz) is split in current and non current basis the expected cash flows (on undiscounted basis) over the next 1 year as forming part of maturity profile of Defined Benefit Obligation of Gratuity based on the Actuarial Valuation of Gratuity. The Fair Value of Qualifying Insurance Policy (Plan Asset's Fair Value) is ignored for this split of Reimbursement Right into current and non-current assuming all the payouts shall be done from Non-Qualifying Insurance Policy during 1 year from the reporting date.

**Expenses Recognised during the year**

Particulars	Gratuity - Defined Benefit Plan		Provident Fund - Defined Benefit Plan		Earned Leave - Defined Contribution Plan		Sick Leave - Defined Contribution Plan	
	For the year ending		For the year ending		For the year ending		For the year ending	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Actuarially Ascertained Costs charged to P&L :								
Current Service Cost	52,042,111	43,596,583	55,559,003	48,813,685	158,227,261	82,213,576	28,998,375	18,970,622
Interest Expense or Cost	33,171,652	28,249,682	81,900,357	65,905,066	-	-	-	-
Investment Income	(28,903,428)	(21,650,877)	(74,811,221)	(66,030,774)	-	-	-	-
<b>In profit and loss</b>	<b>56,310,335</b>	<b>50,195,388</b>	<b>62,648,139</b>	<b>48,687,977</b>	<b>158,227,261</b>	<b>82,213,576</b>	<b>28,998,375</b>	<b>18,970,622</b>
<b>Re-measurement (or Actuarial) (gain) / loss arising from:</b>								
Change in demographic assumptions	-	-	-	-	-	-	-	-
Change in financial assumptions	45,157,287	30,764,192	-	-	-	-	-	-
Experience variance (i.e. Actual experience vs assumptions)	(6,563,150)	4,468,304	3,109,803	2,224,516	-	-	-	-
Return on plan assets , excluding amount recognised in interest expense/(income)	(8,251,358)	(4,280,927)	(5,323,662)	(9,735,672)	-	-	-	-
<b>In Other Comprehensive Income</b>	<b>30,342,779</b>	<b>30,951,569</b>	<b>(2,213,859)</b>	<b>(7,511,156)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses Recognised during the year</b>	<b>86,653,114</b>	<b>81,146,957</b>	<b>60,434,280</b>	<b>41,176,821</b>	<b>158,227,261</b>	<b>82,213,576</b>	<b>28,998,375</b>	<b>18,970,622</b>

**Expenses Recognised during the year**

Particulars	Provident Fund - Defined Contribution Plan		Superannuation - Defined Contribution Plan		Pension - Defined Contribution Plan	
	For the year ending		For the year ending		For the year ending	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Non-Actuarial Expense recognised in the statement of Profit & Loss	7,956,603	7,952,638	31,225,090	30,184,568	37,804,048	35,597,395

**Gratuity:**

The benefit valued under gratuity obligation are summarised below:

Type of Plan	Defined Benefit
Employer's Contribution	100%
Employee's Contribution	Nil
Normal Retirement Age	58 Years

The payment of gratuity is required by the Payment of Gratuity Act, 1972. Responsibility for governance of the plans, including investment decisions and contribution schedules lies with the company. Though the investments for gratuity fund are managed by an insurance company, the company owns the accountability and responsibility of the fund.

For Bajaj Electricals Limited, the gratuity benefit payable to the employees of the Company is greater of the two : (i) The provisions of the Payment of Gratuity Act, 1972 or (ii) The Company's gratuity scheme as described below.

**(i) The provisions of the Payment of Gratuity Act, 1972 :**

<b>Benefits as per the Payment of Gratuity Act, 1972</b>	
Salary for calculation of Gratuity (GS)	Last drawn basic salary including dearness allowance (if any)
Gratuity Service (SER)	Completed years of Continuous Service with part thereof in excess of six months
Vesting period	5 Years #
Benefit on normal retirement	$15/26 * \text{Last drawn salary} * \text{Number of completed years}$
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit based on the service upto the date of exit.
Benefit on death in service	Same as normal retirement benefit and no vesting period condition applies.
Limit	₹ 1,000,000

**(ii) The Company's gratuity scheme :**

<b>Benefits as per the Company's Gratuity Scheme for HO Employees ( Category S - Staff)</b>	
Salary for calculation of Gratuity (GS)	Basic Salary + Special Pay + Personal Pay + DCA + FDA
Gratuity Service (SER)	Completed years of Continuous Service with part thereof in excess of six months
Vesting period	5 Years #
Benefit on normal retirement	$21/26 * \text{Last drawn salary} * \text{Number of completed years}$
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit based on the service upto the date of exit.
Benefit on death in service	Same as normal retirement benefit and no vesting period condition applies.
Limit	No Limit

<b>Benefits as per the Company's Gratuity Scheme for HO – Category E - Executives &amp; Category PSG - Project Services Group and Category Factory Staff - Chakan &amp; Ranjangaon Employees</b>												
Salary for calculation of Gratuity (GS)	HO Category II: Basic Salary Factory Staff : Basic Salary + DA, if any											
Gratuity Service (SER)	Completed years of Continuous Service with part thereof in excess of six months											
Vesting period	5 Years #											
Benefit on normal retirement	<table border="1"> <thead> <tr> <th>Service</th> <th>Benefits</th> </tr> </thead> <tbody> <tr> <td>Between 5 &amp; 9 years</td> <td>60% x GS x SER</td> </tr> <tr> <td>Between 10 &amp; 14 years</td> <td>70% x GS x SER</td> </tr> <tr> <td>Between 15 &amp; 24 years</td> <td>80% x GS x SER</td> </tr> <tr> <td>25 years &amp; Above</td> <td>GS x SER</td> </tr> </tbody> </table>	Service	Benefits	Between 5 & 9 years	60% x GS x SER	Between 10 & 14 years	70% x GS x SER	Between 15 & 24 years	80% x GS x SER	25 years & Above	GS x SER	
Service	Benefits											
Between 5 & 9 years	60% x GS x SER											
Between 10 & 14 years	70% x GS x SER											
Between 15 & 24 years	80% x GS x SER											
25 years & Above	GS x SER											
Benefit on early retirement / termination / resignation / withdrawal	<table border="1"> <thead> <tr> <th>Service</th> <th>Benefits</th> </tr> </thead> <tbody> <tr> <td>Between 5 &amp; 9 years</td> <td>60% x GS x SER</td> </tr> <tr> <td>Between 10 &amp; 14 years</td> <td>70% x GS x SER</td> </tr> <tr> <td>Between 15 &amp; 24 years</td> <td>80% x GS x SER</td> </tr> <tr> <td>25 years &amp; Above</td> <td>90% x GS x SER</td> </tr> </tbody> </table>	Service	Benefits	Between 5 & 9 years	60% x GS x SER	Between 10 & 14 years	70% x GS x SER	Between 15 & 24 years	80% x GS x SER	25 years & Above	90% x GS x SER	
Service	Benefits											
Between 5 & 9 years	60% x GS x SER											
Between 10 & 14 years	70% x GS x SER											
Between 15 & 24 years	80% x GS x SER											
25 years & Above	90% x GS x SER											
Benefit on death in service	HO Category II: GS x SER Factory Staff : Same as normal retirement benefit based on the service upto the date of exit.											
Limit	No Limit											

# - Completion of 240 days during the 5th year can be treated as completion of 1 year of continuous service. For the purpose of calculating qualifying services beyond minimum continuous service years, 6 months and above shall be rounded off to one year.

### Changes in the Present Value of Obligation

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
<b>Present Value of Obligation as at the beginning</b>	425,579,954	361,148,232
Current Service Cost	52,042,111	43,596,583
Interest Expense or Cost	33,171,652	28,249,682
<b>Re-measurement (or Actuarial) (gain) / loss arising from:</b>		
- change in demographic assumptions	-	-
- change in financial assumptions	45,157,287	30,764,192
- experience variance (i.e. Actual experience vs assumptions)	(6,563,150)	4,468,304
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(41,022,185)	(42,647,039)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>508,365,669</b>	<b>425,579,954</b>

### Changes in the Fair Value of Plan Assets

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
<b>Fair Value of Plan Assets as at the beginning</b>	69,392,962	95,530,440
Investment Income	5,408,806	7,472,567
Employer's Contribution	19,111	10,747,349
Employee's Contribution	-	-
Benefits Paid	(39,927,414)	(42,647,039)
Return on plan assets , excluding amount recognised in interest (expense)/income	(841,718)	(1,710,355)
Acquisition Adjustment	-	-
<b>Fair Value of Plan Assets as at the end</b>	<b>34,051,747</b>	<b>69,392,962</b>

### Changes in the Fair Value of Reimbursement Right

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
<b>Fair Value of Reimbursement Right as at the beginning</b>	301,427,263	181,257,670
Investment Income	23,494,622	14,178,310
Employer's Contribution	100,000,000	100,000,000
Employee's Contribution	-	-
Benefits Paid	(1,094,771)	-
Return on plan assets , excluding amount recognised in interest (expense)/income	9,093,075	5,991,284
Acquisition Adjustment	-	-
<b>Fair Value of Reimbursement Right as at the end</b>	<b>432,920,189</b>	<b>301,427,264</b>

### Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on		
	31-Mar-17	31-Mar-16	1-Apr-15
Funds managed by Insurer	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

As the funds are managed wholly by the insurance company, the break-up of the plan assets is unavailable

The significant actuarial assumptions are as follows:

#### Financial Assumptions

Particulars	As on		
	31-Mar-17	31-Mar-16	1-Apr-15
Discount rate (per annum)	6.70%	7.80%	7.80%
Salary growth rate (per annum)	10.00%	9.00%	7.00%

#### Demographic Assumptions

Particulars	As on		
	31-Mar-17	31-Mar-16	1-Apr-15
Mortality Rate (% of IALM 06-08)	100.00%	100.00%	100.00%
Withdrawal rates, based on age: (per annum) :			
Upto 44 years	15.00%	15.00%	15.00%
Above 44 years	12.00%	12.00%	12.00%

#### Summary of Membership Status

Particulars	As on		
	31-Mar-17	31-Mar-16	1-Apr-15
Number of employees	2,783	2,785	2,526
Total monthly salary (₹)	70,566,263	65,895,780	58,381,893
Average past service (years)	5.40	5.12	5.30
Average age (years)	35.36	35.40	35.36
Average remaining working life (years)	22.65	22.61	22.64
Number of completed years valued	15,022	14,263	13,391
Decrement adjusted remaining working life (years)	5.92	5.90	N.A.

#### Sensitivity Analysis

Particulars	31-Mar-17	31-Mar-16
Defined Benefit Obligation (Base)	508,365,670	425,579,954

Particulars	31-Mar-17		31-Mar-16	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	534,913,159	484,710,365	444,824,228	408,284,936
(% change compared to base due to sensitivity)	5.2%	(4.7%)	4.5%	(4.1%)
Salary Growth Rate (- / + 1%)	486,738,955	532,069,433	409,560,153	443,025,742
(% change compared to base due to sensitivity)	(4.3%)	4.7%	(3.8%)	4.1%
Attrition Rate (- / + 50% of attrition rates)	581,257,609	471,460,482	459,161,519	407,242,979
(% change compared to base due to sensitivity)	14.3%	(7.3%)	7.9%	(4.3%)
Mortality Rate (- / + 10% of mortality rates)	508,349,415	508,381,836	425,487,627	425,671,950
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

The description of plans ability to affect the amount, timing and uncertainty of the entity's future cash flows

#### a) Funding arrangements and Funding Policy

The scheme is managed on funded basis. Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policies of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

**b) Expected Contribution during the next annual reporting period**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
The Company's best estimate of Contribution during the next year	96,212,335	98,234,220	117,980,133

This has been calculated assuming that the employer's contribution next year shall increase by 5%.

**c) Maturity Profile of Defined Benefit Obligation**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Weighted average duration	5 years	4 years	4 Years
Expected cash flows over the next (valued on undiscounted basis):	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>1-Apr-15</b>
1 year	132,860,127	127,605,128	120,738,486
More than 1 and upto 2 years	63,085,641	45,728,297	48,538,830
More than 2 and upto 5 years	147,523,407	136,295,448	115,914,349
More than 5 and upto 10 years	171,114,629	150,119,559	114,021,694
More than 10 years	258,212,747	200,975,404	127,985,770

**d) Windup Liability / Discontinuance Liability**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Discontinuance Liability *	390,467,185	342,572,285	327,026,441
Present Value of Obligation	508,365,669	425,579,954	361,148,232
Ratio (Present Value of Obligation / Discontinuance Liability)	130%	124%	110%

\* Discontinuance liability is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

**Provident Fund:**

The benefit valued under PF obligation are summarised below:

Type of Plan	Defined Benefit
Normal Retirement Age	58 Years
Benefit on normal retirement	Accrued Account Value
Benefit on early retirement / termination / resignation / withdrawal	Accrued Account Value
Benefit on death in service	Accrued Account Value

Bajaj Electricals Limited operates in two schemes for the compliance of provident fund statute - (i) Bajaj Electricals Limited Employees' Provident Fund Trust (defined benefit plan) and (ii) RPFC Contributions for provident fund (defined contribution plan). An Exempt Provident Fund Scheme is a defined benefit plan, the accounting for which has to be done on an actuarial basis.

The net defined benefit obligation as at the valuation date thus represents the excess of accrued account value plus interest rate guaranteed liability over the fair value of plan assets.

A deterministic approach is considered to estimate the value of Interest Rate Guarantee on the Exempt Provident Fund. The per annum cost of guarantee at which Interest Rate Guarantee Liability has been valued is mentioned above.

The company's compliances for provident fund is governed by Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Responsibility for governance of the plans, including investment decisions and contribution schedules lies jointly with the company and the board of trustees. The board of trustees are composed of representatives of the company and plan participants in accordance with the plan's regulations.



### Changes in the Present Value of Obligation

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
Present Value of Obligation as at the beginning	948,569,920	810,710,436
Interest Cost	81,900,357	65,905,066
Past Service Cost	-	-
Current Service Cost (employer's contribution)	55,559,003	48,813,685
Employee's Contributions	121,558,659	107,452,617
Transfer In / (out) of the liability	33,371,819	(74,452,800)
Benefits Paid	(136,963,553)	(12,083,600)
<b>Re-measurement (or Actuarial) (gain) / loss arising from:</b>	-	-
- change in demographic assumptions (gain) / loss	-	-
- change in financial assumptions (gain) / loss	-	-
- experience variance (i.e. Actual experience vs assumptions), loss if positive	3,109,803	2,224,516
- others	-	-
Effect of change in foreign exchange rates	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>1,107,106,008</b>	<b>948,569,920</b>

### Changes in the Fair Value of Plan Assets

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
Fair Value of Plan Assets as at the beginning	977,924,463	835,832,594
Investment Income	74,811,221	66,030,774
Employer's Contributions	55,559,003	50,098,268
Employee's Contributions	121,558,659	110,741,815
Transfers In	33,371,819	35,942,709
Benefits Paid	(136,963,553)	(130,457,369)
Return on plan assets , excluding amount recognised in interest (expense)/income	5,323,662	9,735,672
Fair Value of Plan Assets as at the end	<b>1,131,585,274</b>	<b>977,924,463</b>

The significant actuarial assumptions and membership status are as follows:

#### Economic and Demographic Assumptions

Particulars	As on					
	31-Mar-17		31-Mar-16		1-Apr-15	
	HO Unit	Chakan Unit	HO Unit	Chakan Unit	HO Unit	Chakan Unit
Discount rate (per annum)	6.70%	6.70%	7.65%	7.65%	7.90%	7.90%
Interest rate guarantee (per annum)	8.65%	8.65%	8.80%	8.80%	8.75%	8.75%

## Summary of Membership Status and Fund Status

### Membership Details:

Particulars	As on		
	31-Mar-17	31-Mar-16	1-Apr-15
Dormant/Inoperative Employees	3,375	2,941	3,007
Live Number of employees	1,868	1,850	1,774
<b>Total Number of employees</b>	<b>5,243</b>	<b>4,791</b>	<b>4,781</b>
Average age (years)	37.10	37.49	38.00

### Exempt provident fund related data :

	31-Mar-17	31-Mar-16	1-Apr-15
Accumulated Value of the Provident Fund	1,131,585,274	977,924,463	835,832,594
Average remaining tenure of the investment (years)	5.90	6.00	5.40
Average future working life time (years)	3.10	3.10	4.50

### Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Government of India securities	4.80%	8.98%	16.50%
State Government securities	29.00%	21.61%	15.70%
High quality corporate bonds	<b>46.10%</b>	<b>48.10%</b>	<b>8.00%</b>
Equity shares of listed companies	0.00%	1.00%	0.00%
Public Sector Bonds	0.00%	0.00%	37.00%
Special Deposit Scheme	13.50%	15.60%	18.30%
Funds managed by Insurer	0.00%	4.15%	4.20%
Bank balance	0.50%	0.33%	0.00%
Other Investments	6.10%	0.23%	0.30%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

### Sensitivity Analysis

Particulars	31-Mar-17	31-Mar-16
Defined Benefit Obligation (Base)	1,107,106,009	948,569,921

Particulars	31-Mar-17		31-Mar-16	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	1,131,250,924	1,093,412,980	970,218,970	937,767,202
(% change compared to base due to sensitivity)	2.2%	(1.2%)	2.3%	(1.1%)
Interest rate guarantee (- / + 1%)	1,086,158,229	1,049,103,647	931,545,155	899,765,240
(% change compared to base due to sensitivity)	(1.9%)	(5.2%)	(1.8%)	(5.1%)

### The description of plans ability to affect the amount, timing and uncertainty of the entity's future cash flows

#### a) Funding arrangements and Funding Policy

The scheme is managed on funded basis. Payment for present liability of future payment of PF is made by the Company towards shortfall of Bajaj Electricals Limited Employees' Provident Fund Trust, the investments for the same are managed by Trustees as per advice and recommendations of 2 professional consultants and in compliance of obligatory pattern of investments as per government notification in official gazette for the pattern of investment for EPF exempted establishments. Any deficit in the assets of PF Trust is funded by the Company. The provident fund for certain employees is a defined contribution plans covered under RPF Contributions.

**b) The Company's best estimate of Contribution during the next year**

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
The Company's best estimate of Contribution during the next year	58,336,953	52,603,181	46,332,384

This has been calculated assuming that the employer's contribution next year shall increase by 5%.

**Earned Leave :**

The benefit valued for earned leave obligation are summarised below:

Type of Plan	Other Long Term Employee Benefit	
Employer's Contribution	100%	
Employee's Contribution	Nil	
Applicable Monthly Salary for Leave Encashment	Last drawn basic salary	
Applicable Monthly Salary for Leave Availment	Last drawn CTC salary	
Maximum Leave Accumulation (HO Employees)	Executive	210 days
Maximum Leave Accumulation (Factory)	PSG Employees	50 days
Encashment during employment	Yes	
Future Leave Availments	Yes	
Future Leave Availments basis	LIFO basis *	
Normal Retirement Age	58 years	
Vesting Period	Nil	
Benefit on Normal Retirement	(No. of Accumulated Leaves * Applicable monthly salary for leave encashment) / 30	
Benefit on early retirement / termination / resignation / withdrawal	Same as normal retirement benefit.	
Benefit on death in service	Same as normal retirement benefit.	
Months to be treated as	30 days	

Applicable Monthly Salary for Leave Encashment	
Category	Salary Qualifying
HO Executive	Basic Salary
HO Staff	Basic Salary + Special Pay + Personal Pay + DCA + FDA
Factory Staff	Basic Salary + DA, if any
PSG Employees	Basic Salary

\* Last In First Out (LIFO) basis i.e. future leave availments are first assumed to be from future leave accruals.

Responsibility for governance of the Earned Leave Plan lies with the company. Though the Earned Leave Plan is unfunded scheme, the company owns the accountability and responsibility of meeting the commitment towards settlement of the unfunded obligation that arises from time to time.

**Changes in the Present Value of Obligation**

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
Present Value of Obligation as at the beginning	266,074,291	217,791,787
Expenses Recognised in P&L	158,227,261	82,213,576
Benefits Paid	32,238,735	33,931,072
Present value of obligation as at the end	392,062,817	266,074,291

**Sick Leave:**

The benefit valued for sick leave obligation are summarised below:

Type of Plan	Other Long Term Employee Benefit		
Employer's Contribution	100%		
Employee's Contribution	Nil		
Applicable Monthly Salary for Leave Availment	Last drawn CTC salary		
Maximum Leave Accumulation *	HO-	Executive & Staff	150 days
	Factory -	Chakan Ranjangaon (T1) PSG Employees	30 days 20 days 80 days
Encashment during employment	Not Allowed		
Future Leave Availments	Yes		
Future Leave Availments basis	LIFO basis *		
Normal Retirement Age	58 years		
Vesting Period	Nil		
Benefit on Normal Retirement	Nil		
Benefit on early retirement / termination / resignation / withdrawal	Nil		
Benefit on death in service	Nil		
Months to be treated as	30 days		

\* Last In First Out (LIFO) basis i.e. future leave availments are first assumed to be from future leave accruals.

Responsibility for governance of the Earned Leave Plan lies with the company. Though the Earned Leave Plan is unfunded scheme, the company owns the accountability and responsibility of meeting the commitment towards settlement of the unfunded obligation that arises from time to time.

**Changes in the Present Value of Obligation**

Particulars	For the year ending	
	31-Mar-17	31-Mar-16
Present Value of Obligation as at the beginning	51,876,495	32,905,873
Expenses Recognised in P&L	28,998,375	18,970,622
Benefits Paid	-	-
Present value of obligation as at the end	80,874,870	51,876,495

**NOTE 21 : TRADE PAYABLES**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
<b>Current</b>			
Trade payable	60,975.36	47,535.56	53,135.53
Dues to micro, small and medium enterprises	1,529.09	759.51	975.51
Acceptances	516.69	7,702.83	9,786.74
Trade payable to related parties	-	-	-
<b>Total current trade payables</b>	<b>63,021.14</b>	<b>55,997.90</b>	<b>63,897.78</b>
<b>Non-Current</b>			
Retention payable to contractor	16.60	1,144.82	2,428.89
<b>Total non-current trade payables</b>	<b>16.60</b>	<b>1,144.82</b>	<b>2,428.89</b>

**NOTE 22 : OTHER CURRENT LIABILITIES**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Gross amount due to customer for contract work	30,009.42	21,659.35	10,494.48
Employee benefit liabilities	4,004.43	3,284.57	1,289.27
VAT/CST payable	2,955.73	3,254.30	2,913.30
Statutory liabilities payable	2,983.92	1,963.72	1,033.40
Customer incentive / scheme payable	915.87	1,551.50	1,628.92
Advance received from customer	17,424.84	17,880.74	20,314.86
Temporary overdraft as per books	2.65	-	-
Others	1,202.31	1,010.04	780.55
<b>Total other current liabilities</b>	<b>59,499.17</b>	<b>50,604.22</b>	<b>38,454.78</b>

Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:**

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Principal	1,488.21	739.48	949.09
Interest	40.88	20.03	26.42
ii) The amount of interest paid by the buyer in terms of Section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	20.03	26.42	7.95
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	40.88	20.03	26.42
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	1.26	0.29

**NOTE 23 : REVENUE FROM OPERATIONS**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Sale of products (including excise duty)	290,834.50	320,376.97
Contract Revenue	137,393.09	140,271.67
Other operating revenue	1,598.31	2,021.18
<b>Total revenue from operations</b>	<b>429,825.90</b>	<b>462,669.82</b>

**NOTE 24 : OTHER INCOME**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>(a) Other Income</b>		
Rental income	217.50	251.40
Interest income from financial assets measured at fair value through profit and loss	(0.01)	205.00
Interest income from financial assets at amortised cost	2,602.25	3,651.26
Unwinding of interest on security deposits	95.61	96.00
Others	136.47	180.08
<b>Total other income</b>	<b>3,051.82</b>	<b>4,383.74</b>

**NOTE 24 : OTHER GAINS/(LOSSES) - NET**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Net gain / (losses) on disposal of property, plant & equipment	156.47	46.40
Foreign exchange fluctuation	-	54.70
Others	350.34	323.63
<b>Total other income</b>	<b>506.81</b>	<b>424.73</b>

**NOTE 25 : COST OF MATERIALS CONSUMED**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Raw materials at the beginning of the year	3,284.34	3,182.79
Add : Purchases	24,795.43	17,960.40
Less : Raw materials at the end of the year	8,533.71	3,284.34
<b>Total cost of material consumed</b>	<b>19,546.06</b>	<b>17,858.85</b>

**NOTE 25 : PURCHASES OF STOCK-IN-TRADE**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Purchases of traded goods	250,454.32	287,133.53
Freight, Octroi, Entry Tax, etc.	7,238.46	7,013.00
<b>Total Purchases of traded goods</b>	<b>257,692.78</b>	<b>294,146.53</b>

**NOTE 25 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS, STOCK-IN-TRADE**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
<b>Opening balance:</b>		
Work in progress	505.78	902.85
Finished Goods	3,095.55	2,274.19
Traded goods	43,163.86	40,406.49
<b>Total opening balance</b>	<b>46,765.19</b>	<b>43,583.53</b>
<b>Closing balance:</b>		
Work in progress	726.54	505.78
Finished Goods	5,445.94	3,095.55
Traded goods	42,104.77	43,163.86
<b>Total Closing balance</b>	<b>48,277.25</b>	<b>46,765.19</b>
<b>Total Changes in inventories of work in progress, stock-in-trade and finished goods</b>	<b>(1,512.06)</b>	<b>(3,181.66)</b>

**NOTE 26 : ERECTION & SUBCONTRACTING EXPENSES**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Erection and subcontracting expense	29,378.77	29,549.61
<b>Total Erection &amp; subcontracting expense</b>	<b>29,378.77</b>	<b>29,549.61</b>

**NOTE 27 : EXCISE DUTY**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Excise Duty	3,654.68	3,640.55
<b>Total Excise Duty</b>	<b>3,654.68</b>	<b>3,640.55</b>



## NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Salaries, wages and bonus	28,236.92	24,821.12
Contribution to Provident and other funds	1,451.39	1,316.33
Employees share based payment expense	390.18	467.75
Gratuity	584.66	501.95
Leave encashment	1,873.75	1,011.84
Staff welfare expenses	353.06	386.05
<b>Total employee benefit expense</b>	<b>32,889.96</b>	<b>28,505.04</b>

## NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Depreciation of Property, plant and equipment	2,983.79	2,734.91
Depreciation of Assets classified as held for sale	0.71	-
Amortisation of Intangible Assets	2.64	2.99
<b>Total depreciation and amortisation expense</b>	<b>2,987.14</b>	<b>2,737.90</b>

## NOTE 30 : OTHER EXPENSES

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Consumption of Stores & spares	1,038.15	857.97
Packing Material Consumed	702.65	755.25
Excise Duty on Increase/ (Decrease) in Stocks of Finished Goods	389.06	281.07
Power and fuel	1,173.64	1,569.91
Rent	4,167.45	3,937.22
Repairs and Maintenance		
Plant and machinery	653.84	550.99
Buildings	8.18	27.83
Others	238.56	243.94
Telephone and Communication charges	1,201.41	1,029.39
Rates and taxes	93.20	76.99
Lease Rent	231.66	240.36
Travel and conveyance	6,534.38	6,293.11
Insurance	855.11	693.19
Printing and stationery	346.96	300.38
Directors Fees & Travelling Expenses	79.53	40.38
Non Executive Directors Commission	60.77	28.05
Advertisement & Publicity	7,849.99	8,478.76
Freight & Forwarding	7,117.05	7,884.37
Product Promotion & Service charges	10,319.62	10,925.66
Sales commission	3,234.06	4,329.04
Provisions		
Service Warranties	(871.47)	843.13
Allowance for Doubtful debts (Trade Receivables)	2,086.22	832.03
Bad Debts and other Irrecoverable debit balances Written off	358.17	1,938.95

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Payments to Auditors	142.93	143.18
Corporate Social Responsibility expenditure	163.44	176.84
Impairment of financial assets	531.56	-
Miscellaneous Expenses	15,193.38	13,248.57
<b>Total other expenses</b>	<b>63,899.50</b>	<b>65,726.56</b>

**NOTE 30(A) : DETAILS OF PAYMENT TO AUDITORS**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Payment to Auditors		
As Auditor		
Audit Fee	104.65	104.20
Tax Audit Fee	11.50	11.45
Limited Review Fees	22.43	22.26
In other capacities		
Certification fees	7.18	8.03
Reimbursement of expenses	2.98	3.35
<b>Total payment to auditors</b>	<b>148.74</b>	<b>149.29</b>

**NOTE 30(B) : CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Amount required to be spent as per Section 135	156.87	96.21
Amount spent during the year on	108.48	135.95
(i) Construction/Acquisition of an Asset	-	-
(ii) on Purposes other than (i) above	108.48	135.95

**NOTE 31 : FINANCE COST**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Interest expense	7,529.11	9,839.94
Unwinding of discount on provisions	173.07	142.54
Applicable net gain/(loss) on foreign currency transactions and translations	203.87	587.63
Other borrowing costs	293.46	285.55
<b>Total</b>	<b>8,199.51</b>	<b>10,855.66</b>
Amount Capitalised	(155.75)	(47.72)
<b>Finance cost expensed in profit and loss</b>	<b>8,043.76</b>	<b>10,807.94</b>

**NOTE 32 : INCOME TAX EXPENSE:**

**a) Income Tax Expense**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Current Tax		
Current Tax on Profit for the year	6,600.00	5,930.00
Adjustments for Current Tax on Prior Periods	-	12.15
<b>Total Current Tax Expenses</b>	<b>6,600.00</b>	<b>5,942.15</b>
Deferred Tax		
Decrease (increase) in deferred tax assets	(1,502.37)	324.60
Decrease (increase) in deferred tax liabilities	940.22	385.54
<b>Total deferred tax expense / (benefit)</b>	<b>(562.15)</b>	<b>710.14</b>
<b>Income Tax Expense</b>	<b>6,037.85</b>	<b>6,652.29</b>

**b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

(₹ in Lakh)

	31-Mar-17	31-Mar-16
Profit / (Loss) from continuing operations before income tax expense	16,803.94	17,686.97
<b>Income Tax</b>	<b>5,815.51</b>	<b>6,121.11</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
- Corporate social responsibility expenditure	56.62	38.85
- Effect of non deductible expenses	111.92	149.82
- Disallowance of estimated expenditure to earn tax exempt income	34.71	30.88
- Employee share based payment expense	135.03	161.88
- Effect of exempt income	-	(70.95)
- Other permanent differences	(115.94)	208.54
Tax of earlier years and other adjustments	-	12.16
<b>Income Tax Expenses</b>	<b>6,037.85</b>	<b>6,652.29</b>

**NOTE 33 : EMPLOYEE STOCK OPTIONS:**

**A. Summary of Status of ESOPs Granted**

The position of the existing scheme is summarised as under -

**I. Details of the ESOS**

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
1	Date of Shareholder's Approval	Originally approved in AGM held on 26 Jul 2007 and revised in AGM held on 28 Jul 2010		Postal Ballot dated 21 Jan 2016
2	Total Number of Options approved	Bajaj Growth 2007 Scheme approved 4321440 shares of face value ₹ 2 each (erstwhile 864288 shares of ₹ 10 each prior to share-split) equivalent to 5% of paid up equity i.e. 86428800 shares as at the date of the announcement of scheme. The ESOP 2011 being the modified ESOP 2007 Scheme approved aggregate of 7803560 shares of face value ₹ 2 each equivalent to 8% of paid up equity i.e. 97544495 shares as at the date of the announcement of scheme.		3027073 shares of face value ₹ 2 each equivalent to 3% of paid up equity i.e. 100902426 shares as at the date of the announcement of scheme.

3	Vesting Requirements & Exercise Period	Options vesting happens only on continuation of employment being the vesting requirement. The options are granted to employees with grade Assistant General Manager and above. As per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and SEBI (Share Based Employee Benefits) (Amendment) Regulations, 2015, There is a minimum period of one year between the grant of options and vesting of option observed by the Company. The vested options can be exercised 3 years from date of vesting. Options are granted under the plan carry no dividend or voting rights till the options are exercised and duly allotted to the employees. When exercisable, each option is convertible into one equity share.		
4	The Pricing Formula	Closing price on the exchange where there is highest trading volume on working day prior to the date of grant.		
5	Maximum term of Options granted (years)	7 Years	7 Years	7 Years
6	Method of Settlement	Equity settled	Equity settled	Equity settled
7	Source of shares	Fresh Issue	Fresh Issue	Fresh Issue
8	Variation in terms of ESOP	Nil	Nil	Nil

## II. Option Movement during the year ended 31 March 2017

Sr. No.	Particulars	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price
1	No. of Options Outstanding at the beginning of the year	307450	280.57	2008550	230.81	115000	177.85
2	Options Granted during the year	-	-	-	-	507500	258.04
3	Options Forfeited / Surrendered during the year	29500	247.22	246500	228.16	52500	226.50
4	Options Expired (Lapsed) during the year	120950	288.38	59300	195.54	-	-
5	Options Exercised during the year	37000	173.35	303200	172.62	1000	177.85
6	Number of options outstanding at the end of the year	120000	313.95	1399550	245.37	569000	244.89
7	Number of options exercisable at the end of the year	120000	313.95	2046100	226.31	18000	177.85

## Option Movement during the year ended 31 March 2016

Sr. No.	Particulars	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price	No. of options	Wt. avg exercise price
1	No. of Options Outstanding at the beginning of the year	485189	273.38	2046100	215.62	-	-
2	Options Granted during the year	-	-	500000	260.17	117500	177.85
3	Options Forfeited / Surrendered during the year	52900	276.74	351500	217.12	2500	177.85
4	Options Expired (Lapsed) during the year	98839	275.54	25500	165.70	-	-
5	Options Exercised during the year	26000	173.35	160550	168.94	-	-
6	Number of options outstanding at the end of the year	307450	280.57	2008550	230.81	115000	177.85
7	Number of Options exercisable at the end of the year	307450	280.57	949800	195.62	-	-

**III. Weighted Average remaining contractual life**

Range of Exercise Price	Weighted average contractual life (years) as on 31 March 2017		
<b>0 to 100</b>	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
<b>100 to 200</b>	Nil	1.71	4.54
No. of Options Outstanding	Nil	467050	94000
<b>200 to 300</b>	Nil	3.23	5.14
No. of Options Outstanding	Nil	617500	452500
<b>300 to 400</b>	0.58	2.78	5.65
No. of Options Outstanding	120000	315000	22500

Range of Exercise Price	Weighted average contractual life (years) as on 31 March 2016		
<b>0 to 100</b>	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
<b>100 to 200</b>	0.75	2.40	5.52
No. of Options Outstanding	73000	879000	115000
<b>200 to 300</b>	Nil	4.01	Nil
No. of Options Outstanding	Nil	779550	Nil
<b>300 to 400</b>	1.15	3.78	Nil
No. of Options Outstanding	234450	350000	Nil

Range of Exercise Price	Weighted average contractual life (years) as on 1 April 2015		
<b>0 to 100</b>	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
<b>100 to 200</b>	1.43	3.17	Nil
No. of Options Outstanding	140000	1260450	Nil
<b>200 to 300</b>	Nil	3.49	Nil
No. of Options Outstanding	Nil	375650	Nil
<b>300 to 400</b>	1.80	4.78	Nil
No. of Options Outstanding	345189	410000	Nil

**IV Weighted average Fair Value of Options Granted during the year ended 31 March 2017 whose**

(₹)

(a) Exercise price equals market price			92.92
(b) Exercise price is greater than market price	No options were granted during the year	No options were granted during the year	Nil
(c) Exercise price is less than market price			Nil

**Weighted average Fair Value of Options Granted during the year ended 31 March 2016 whose**

(₹)

(a) Exercise price equals market price	No options were granted during the year	100.27	67.81
(b) Exercise price is greater than market price		Nil	Nil
(c) Exercise price is less than market price		Nil	Nil

**V The weighted average market price of options exercised :**

(₹)

During the year ended Mar 2017	272.38	253.73	308.40
During the year ended Mar 2016	232.60	252.90	Nil

## VI Method and Assumptions used to estimate the fair value of options granted during the year ended 31 March 2017:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.71%
2. Expected Life (in years)			4.15
3. Expected Volatility			37.37%
4. Dividend Yield			1.09%
5. Exercise Price (₹)			258.04
6. Price of the underlying share in market at the time of the option grant. (₹)			258.04

## Method and Assumptions used to estimate the fair value of options granted during the year ended 31 March 2016:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	7.74%	7.52%
2. Expected Life(in years)		4.00	4.15
3. Expected Volatility		37.75%	37.66%
4. Dividend Yield		0.58%	0.84%
5. Exercise Price (₹)		260.17	177.85
6. Price of the underlying share in market at the time of the option grant.(₹)		260.17	177.85

### Assumptions:

Stock Price: Closing price on National Stock Exchange on the date of grant has been considered

Volatility: The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publically available information. The volatility is calculated considering the daily volatility of the stock prices on National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) over a period prior to the date of grant corresponding with the expected life of the options.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

## VII Effect of share-based payment transactions on the entity's Profit or Loss for the period:

Particulars	(₹ in Lakh)	
	31-Mar-17	31-Mar-16
1 Employee Option plan expense	39,017,554	46,774,610
2 Total ESOP reserve at the end of the year	119,899,461	96,780,252



**NOTE 34 : FAIR VALUE MEASUREMENTS**
**(i) Financial instruments by category**

The carrying amounts of financial instruments by class are as follows

(₹ in Lakh)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
<b>A. Financial assets</b>			
<b>I. Measured at amortised cost</b>			
Investments	4,153.60	4,087.84	3,694.97
Trade Receivables	165,379.84	167,108.48	168,622.81
Loans	297.58	333.54	348.98
Cash and Cash Equivalents	2,508.23	4,657.94	3,342.81
Bank Balances other than above	4,018.29	891.68	423.27
Other Financial Assets	5,637.14	5,027.32	2,655.54
<b>II. Measured at fair value through profit and loss (FVTPL)</b>			
Derivative asset	-	59.03	4.33
Investments	2,128.67	2,128.66	1,923.66
	<b>184,123.35</b>	<b>184,294.49</b>	<b>181,016.37</b>
<b>A. Financial liabilities</b>			
<b>I. Measured at amortised cost</b>			
Borrowings	54,553.48	82,090.61	93,242.22
Trade Payables	63,037.74	57,142.72	66,326.67
Other Financial Liabilities	25,255.57	14,384.02	7,101.62
<b>II. Measured at fair value through profit and loss (FVTPL)</b>			
Derivative liability	213.88	52.79	101.15
	<b>143,060.67</b>	<b>153,670.14</b>	<b>166,771.66</b>

**(ii) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which the fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the entity has classified its financial instruments into 3 levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measure quoted prices

Level 2: The fair values of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all the significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	Level 1	Level 2	Level 3
Measured at fair value through profit and loss (FVTPL)			
As at 31 March 2017			
Derivative asset	-	-	-
Investments	-	-	2,128.67
Derivative liability	-	213.88	-
	-	<b>213.88</b>	<b>2,128.67</b>
As at 31 March 2016			
Derivative asset	-	59.03	-
Investments	-	-	2,128.66
Derivative liability	-	52.79	-
	-	<b>111.82</b>	<b>2,128.66</b>
As at 1 April 2015			
Derivative asset	-	4.33	-
Investments	-	-	1,923.66
Derivative liability	-	101.15	-
	-	<b>105.48</b>	<b>1,923.66</b>

Particulars	Carrying value	Level 1	Level 2	Level 3
<b>Measured at amortised cost for which fair value is disclosed</b>				
<b>As at 31 March 2017</b>				
Non convertible debentures	8,231.94	-	-	8,235.00
Foreign currency term loan	1,349.34	-	-	1,350.37
Sales tax deferral loan	2,217.20	-	-	1,900.60
Preference shares	4,153.60	-	-	4,557.85
	<b>15,952.08</b>	-	-	<b>16,043.82</b>
<b>As at 31 March 2016</b>				
Non convertible debentures	12,349.15	-	-	12,361.00
Foreign currency term loan	4,693.06	-	-	4,707.51
Sales tax deferral loan	2,664.28	-	-	2,127.01
Preference shares	4,087.84	-	-	4,408.02
	<b>23,794.33</b>	-	-	<b>23,603.54</b>
<b>As at 1 April 2015</b>				
Non convertible debentures	11,107.28	-	-	11,135.00
Foreign currency term loan	6,250.00	-	-	6,275.88
Sales tax deferral loan	3,051.40	-	-	2,297.76
Preference shares	3,694.97	-	-	3,920.54
	<b>24,103.65</b>	-	-	<b>23,629.18</b>

The sensitivity analysis with respect to sensitivity of significant unobservable inputs used in the measurement of the above financial assets and liabilities at amortised cost has not been disclosed, since the impact is immaterial.

### (iii) Valuation techniques used to determine the fair value

The finance department of the company includes a team that performs valuations of financial assets and liabilities, which are required for financial disclosure purposes, including level 3 fair values.

#### Derivative assets and liabilities

The company has an over the counter derivative whose fair value has been derived by the mark-to-market reports available from the banks. Accordingly, they have been fair valued through a level 2 hierarchy and are measured at fair value through profit and loss.

#### Borrowings

The company has long term borrowings which are carried at amortised cost. The fair value for disclosure purposes for such borrowings is derived on a discounted cash flow basis using a current average lending rate specific to long term borrowings. They are classified as level 3 fair values in the fair value hierarchy due to use of unobservable inputs.

#### Preference shares with affiliate companies

The company has investment in preference shares which are carried at amortised cost. The fair value for disclosure purposes for such preference shares net of impairment is derived on a discounted cash flow basis using a current lending rate, which is a representative fair value rate for such preference shares. They are classified as level 3 fair values in the fair value hierarchy due to use of unobservable inputs.

#### Others

With respect to retention receivable and retention payable, which are long term term in nature, the company uses a marginal rate of borrowing for discounting. Due to the business scenario, early settlement, estimated dates of completion, estimated collection etc, the Company estimates that the carrying value of such retention receivables and payables are considered to be the fair values.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents including current bank balances, security deposits etc. are considered to be same as their fair values, due to their current and short term nature.

**NOTE 35 : FINANCIAL RISK MANAGEMENT**

The company's activities expose it to market risk, liquidity risk, credit risk and price risk. In order to minimise any adverse effects on the financial performance, the company takes various mitigation initiatives such as credit control, foreign exchange forward contracts, interest rate swaps to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk to minimise the impact in the financial statements.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and financial assets measured at amortised cost.	Review of fixed deposits and bank balances Review of aging analysis Review of investments on quarterly basis.	Fixed Deposits are kept with large Nationalised PSU Banks. Ensuring strict credit control through standard operating procedures. Review of Investments on quarterly basis and reporting to BOD.
Liquidity risk	Borrowings, trade payables and other financial liabilities.	Cashflow projections are made based on business projections.	Availability of undrawn credit lines and borrowing facilities, channel finance facilities and other factoring facilities from multiple banks.
Market risk - foreign exchange	Future commercial transactions and recognised financial assets and liabilities not denominated in Indian National Rupee (₹), which includes import payment and export receivables, borrowings in the form of Buyers Credit, Foreign Currency Term Loans, etc.	Statement of forex exposure and its Mark-To-Market and sensitivity analysis.	Over and above the natural hedge, forward foreign exchange contracts are entered into with the banks.
Market risk - interest rate	There are no outstanding long-term borrowings at variable rates, however the Company deals in various short term borrowings including cash credit, working capital demand loan, buyer's credit, commercial papers, sales bill factoring, channel financing etc.  The rate of interest in the various short term borrowings except cash credit facility is at fixed rate. Hence there is no substantial interest rate risk.	Review of cash credit facilities at regular intervals.	The Company through review of the interest rates of various banks takes the decision of drawing the limit from bank offering lowest cash credit rate at that point in time.
Price risk - commodity prices	The Company deals in the lighting products, small consumer durable appliances and fans which it largely procures from other vendors, while a small quantity of ceiling fans are produced in-house. The terms of payment with vendors is on cost plus basis. The Company is also into EPC segment, wherein it takes turnkey contracts for transmission line towers, high masts and poles, street lighting, etc. This exposes the Company to commodity price risk for products such as copper, aluminium, plastic, steel, zinc, etc.	The Company does not hedge its exposure to commodity price risks.	The Company has contractual right to pass the commodity price risk to the customer, hence the price risk is assessed to be low.

**(A) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from cash and cash equivalents, deposits with banks, loans and advances, preference shares to affiliate companies and credit exposures to dealers and distributors including outstanding receivables. Credit risk for various class of assets is managed as given below.

**Cash and cash equivalents and deposits with banks**

The Company maintains its cash and cash equivalents with credit worthy banks and financial institutions and reviews it on an on-going basis. Moreover, the interest bearing deposits are with banks and financial institutions of reputation, good past track record and high quality credit rating. Hence, the credit risk is assessed to be low. The maximum exposure to credit risk as at 31 March 2017, 31 March 2016 and 1 April 2015 is the carrying value of such cash and cash equivalents and deposits with banks as shown in note 11 of the financials.

**Loans, advances and investments in preference shares with affiliate companies**

The Company has given loans and advances to its affiliate companies (Starlite Lighting Limited and Hind Lamps Limited). All loans are duly approved by the Board of Directors and Interest is charged on all such loans as per the company policy. These loans are reviewed on regular basis for their recoverability on the basis of their business plan, future profitability, cashflow projections, market value of the assets, etc.

Apart from the above, the company also has strategic investments in its affiliate companies (Starlite Lighting Limited and Hind Lamps Limited), which are also its vendors and this ensures strategic source of supply to the company. All investments into these companies are also duly approved by the Board of Directors. These investments are reviewed on a quarterly basis for its recoverability.

The Company does a detailed analysis of strategic investments, loans and advances, made in its affiliate companies on quarterly basis. Business plan, profitability projections are evaluated to assess their profitability and future cash flows. The company also undertakes independent valuation of assets of the investee company by an external valuer and net present value of the assets is also worked out. Based on the same, an assessment of recovery of investments is made and need for expected credit losses if any in the investment or loans and advances is provided. As on the date of reporting, all the investments, loans and advances made by the company are of good quality, wherein the recovery is not at risk. The maximum exposure to credit risk as at 31 March 2017, 31 March 2016 and 1 April 2015 is the carrying value of such loans, advances and preference shares as shown in note 4,13 of the financials.

**Trade receivables**

Trade receivables of the Company are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has two primary areas of business:

- Consumer products (which includes appliances, fan and consumer lighting products).
- Engineering and Projects (which includes transmission line towers, telecommunication towers, high masts, poles, special projects including rural electrification projects and luminaires).

**Consumer products**

The Company sells the consumer products mainly through three channels i.e. dealers and distributors, institutions and e-commerce and through government sector. The appointment of dealers, distributors, institutions is strictly driven as per the standard operating procedures and credit policy followed by the company. The credit period is granted after careful consideration of the dealer's or distributor's capability and other business terms. Strict credit control is maintained and regular review of receivables is evaluated on a quarterly basis. In case of government sector, the credit risk is assessed to be low.

### Engineering and projects

The Company undertake projects for government institutions (including local bodies) and private institutional customers. The credit concentration is more towards government institutions. These projects are normally of long term duration of two to three years. Such projects normally are regular tender business with the terms and conditions agreed as per the tender. These projects are fully funded by the government of India through Rural Electrification Corporation, Power Finance Corporation, and Asian Development Bank etc. The Company enters into such projects after careful consideration of strategy, terms of payment, past experience etc.

In case of private institutional customers ,before tendering for the projects company evaluate the creditworthiness, general feedback about the customer in the market, past experience, if any with customer, and accordingly negotiates the terms and conditions with the customer.

The Company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from such trade receivables. The Company's customer base in consumer products sector is large and diverse whereas in case of engineering projects the customer base comprises of government controlled entities. The Company has a provisioning policy for consumer products and engineering projects that is commensurate to the expected losses. The provisioning policy is based on past experience, customer creditability, and also on the nature and specifics of business especially in the engineering and projects division. In case of engineering projects, the Company also provides on more case-to-case basis, since they are large projects in individuality.

The maximum exposure to credit risk as at 31 March 2017, 31 March 2016 and 1 April 2015 is the carrying value of such trade receivables as shown in note 5 of the financials.

### **Reconciliation of credit loss allowance**

Particulars	(₹ in Lakh)
Particulars	Amount
<b>Loss allowance on 1 April 2015</b>	12,615.79
Provision for the year	4,099.24
Provision written back since earlier year provision written off or amount collected	(3,452.70)
<b>Loss allowance on 31 March 2016</b>	<b>13,262.33</b>
Provision for the year	3,566.98
Provision written back since earlier year provision written off or amount collected	(1,606.15)
<b>Loss allowance on 31 March 2017</b>	<b>15,223.16</b>

### **(B) Liquidity risk**

The Company has a central treasury Dept, which is responsible for maintaining adequate liquidity in the system to fund business growth, capital expenditures, as also ensure the repayment of financial liabilities. The department obtains business plans from BUs including the capex budget, which is then consolidated and borrowing requirements are ascertained in terms of Long term funds and short term funds. Considering the peculiar nature of EPC business, which is very working capital intensive, treasury maintains flexibility in funding by maintaining availability under committed credit lines in the form of fund based and non fund based (LC and BG) limits.

The limits sanctioned and utilised are then monitored monthly, fortnightly and daily basis to ensure that mismatches in cash flows are taken care of, all operational and financial commitments are honoured on time and there is proper movement of funds between the banks from cashflow and interest arbitrage perspective. Any surplus arising during the normal course of business is invested in Fixed Deposits with the banks.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Floating / Fixed Rate			
- Expiring within One year (Bank overdraft and other facilities)	212,894	106,258	89,419

Bank overdraft facilities are sanctioned for a period of one year which are then enhanced / renewed from time to time. Though the Bank overdrafts are repayable on demand as per the terms of sanction, these are usually renewed by all banks in normal circumstances. Hence Bank overdraft facilities are available for use throughout the year.

Bank Loans include Foreign Currency Term Loan from Kotak Mahindra Bank Ltd. and Non Convertible Debentures which have been fully drawn as on the date of reporting.

**(ii) Maturities of financial liabilities**

The tables below analyse the financial liabilities of the company into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities; and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Lakh)

Contractual maturities of financial liabilities 31 March 2017	Carrying value as per financials	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
<b>Non-derivatives</b>						
Borrowings	54,553.48	53,529.08	547.94	1,022.86	124.28	55,224.16
Trade payables	63,037.74	63,044.60	18.97	-	0.27	63,063.84
Other financial liabilities						
Acceptances	-	-	-	-	-	-
Current Maturities of Borrowings	10,102.90	10,105.10	-	-	-	10,105.10
Others	15,152.67	14,931.40	118.67	96.55	6.05	15,152.67
<b>Total non-derivative liabilities</b>	<b>142,846.79</b>	<b>141,610.18</b>	<b>685.58</b>	<b>1,119.41</b>	<b>130.60</b>	<b>143,545.77</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward contracts	213.88	97.05	-	-	-	97.05
<b>Total derivative liabilities</b>	<b>213.88</b>	<b>97.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97.05</b>

Contractual maturities of financial liabilities 31 March 2016	Carrying value as per financials	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
<b>Non-derivatives</b>						
Borrowings	82,090.61	72,505.84	7,896.64	1,342.30	352.79	82,097.57
Trade payables	57,142.72	55,997.90	1,268.65	26.77	-	57,293.32
Other financial liabilities						
Acceptances	-	-	-	-	-	-
Current Maturities of Borrowings	8,699.49	8,705.28	-	-	-	8,705.28
Others	5,684.53	3,919.92	1,549.39	215.22	-	5,684.53
<b>Total non-derivative liabilities</b>	<b>153,617.35</b>	<b>141,128.94</b>	<b>10,714.68</b>	<b>1,584.29</b>	<b>352.79</b>	<b>153,780.70</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward contracts	52.79	62.47	-	-	-	62.47
<b>Total derivative liabilities</b>	<b>52.79</b>	<b>62.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62.47</b>



(₹ in Lakh)

Contractual maturities of financial liabilities 1 April 2015	Carrying value as per financials	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
<b>Non-derivatives</b>						
Borrowings	93,242.22	76,224.99	13,243.13	3,167.52	680.72	93,316.36
Trade payables	66,326.67	63,897.78	2,824.13	34.84	-	66,756.75
Other financial liabilities						
Acceptances	-	-	-	-	-	-
Current Maturities of Borrowings	2,210.04	2,210.04	-	-	-	2,210.04
Others	4,891.58	3,292.71	579.38	1,019.49	-	4,891.58
<b>Total non-derivative liabilities</b>	<b>166,670.51</b>	<b>145,625.52</b>	<b>16,646.64</b>	<b>4,221.85</b>	<b>680.72</b>	<b>167,174.73</b>
<b>Derivatives (net settled)</b>						
Foreign exchange forward contracts	101.15	216.02	-	-	-	216.02
<b>Total derivative liabilities</b>	<b>101.15</b>	<b>216.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216.02</b>

### (C) Market Risk

#### (i) Foreign currency risk

The company operates in the global market and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar ('USD'), Euro ('EUR'), Great Britain Pound ('GBP'), Chinese Yuan Renminbi ('RMB') and United Arab Emirates Dirham ('AED'). Apart from exports receivables and Imports payables arising out of trade in the normal course of business, the company also has foreign exchange exposures in terms of buyers credit, FCNR, foreign currency term loans, etc. As these commercial transactions are recorded in currency other than the functional currency (INR), the company is exposed to Foreign Exchange risk arising from future commercial transactions and recognised assets and liabilities. The company is a net importer as its imports and other forex liabilities exceeds the exports. It ascertains its forex exposure and bifurcates the same into forex receivables and payables. The export collections are received in EEFC account, which provides some natural hedge. Other exposures are covered by taking appropriate forward cover from the banks.

The company has a forex policy, which is duly approved by the Board of Directors. All forex hedging is done as per the said approved forex policy. The company has also taken Board approval for authorising certain company officials for entering into hedge transactions. The forex policy is flexible in terms of the hedging the overall forex exposure, as also the instrument to be used for hedging. The company takes a forward cover for the period which matches the maturity date of the forex liability which is proposed to be hedged. On maturity date, the forward contracts are utilised for settlement of the underlying transactions.

**(a) Foreign currency risk exposure:**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation along with its current and non-current balances are as follows :

	₹ in Lakh)													
	31-Mar-17				31-Mar-16				1-Apr-15					
	USD	EUR	CAD	RMB	JPY	AUD	AED	USD	EUR	CAD	RMB	JPY	AUD	AED
Financial assets														
Trade receivables	6.59	(0.02)		1.36			0.13	3.35	(0.02)		1.00			9.73
														(0.02)
Foreign Currency														
Indian Rupee	427.64	(1.21)		12.84			2.30	221.95	(1.51)		10.29			608.13
Cash & Bank balance in EEFC accounts / Foreign Bank Accounts	0.36			3.72			0.86	1.32			2.16			0.10
Foreign Currency														
Indian Rupee	23.53			35.06			15.22	87.46			22.13			6.25
Derivative assets														
Foreign exchange forward contracts									0.53					15.32
Foreign Currency*														
Indian Rupee**									0.69					4.33
<b>Total exposure to foreign currency risk (assets)</b>	<b>6.95</b>	<b>(0.02)</b>		<b>5.08</b>			<b>- 0.99</b>	<b>4.67</b>	<b>(0.02)</b>		<b>- 3.16</b>			<b>9.83</b>
<b>Total exposure to foreign currency risk (assets)</b>	<b>451.17</b>	<b>(1.21)</b>		<b>- 47.90</b>			<b>- 17.52</b>	<b>309.41</b>	<b>(1.51)</b>		<b>- 32.42</b>			<b>614.38</b>
Financial liabilities														
Bank loan	82.42	3.76						165.38	2.56					199.34
Foreign Currency														1.35
Indian Rupee	5,345.18	261.88						10,957.57	193.21					12,458.97
Trades payables	54.00	3.41		- 2.71	(4.50)	(0.04)	0.37	35.24	0.30	0.42	1.63			13.91
Foreign Currency														1.67
Indian Rupee	3,502.10	237.85		- 25.54	(2.61)	(1.98)	5.33	2,334.83	22.62	21.52	16.69			869.38
Derivative liabilities														112.21
Foreign exchange forward contracts	82.42													3.47
Foreign Currency*														
Indian Rupee**	213.88							31.00						84.02
Currency swap								52.79						101.16
Foreign Currency														
Indian Rupee														
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>136.42</b>	<b>7.17</b>		<b>- 2.71</b>	<b>(4.50)</b>	<b>(0.04)</b>	<b>0.37</b>	<b>200.62</b>	<b>2.86</b>	<b>0.42</b>	<b>1.63</b>			<b>213.25</b>
<b>Total exposure to foreign currency risk (liabilities)</b>	<b>9,061.16</b>	<b>499.73</b>		<b>- 25.54</b>	<b>(2.61)</b>	<b>(1.98)</b>	<b>5.33</b>	<b>13,345.19</b>	<b>215.83</b>	<b>21.52</b>	<b>16.69</b>			<b>202.92</b>

\* The amount represents the principal portion of Foreign Exchange Forward Contracts.

\*\* The amount represents the corresponding Indian Rupee Exposure on the MTM value of Foreign Exchange Forward Contracts.

### (c) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments is given below:

(₹ in Lakh)

Particulars	Impact on profit after tax & Equity	
	31-Mar-17	31-Mar-16
USD sensitivity		
INR appreciates by 5%(31 March 2016 - 7%)*	419.77	908.64
INR depreciated by 5%(31 March 2016 - 7%)*	(419.77)	(908.64)
EUR sensitivity		
INR appreciates by 8%(31 March 2016 - 11%)*	39.70	23.90
INR depreciates by 8%(31 March 2016 - 11%)*	(39.70)	(23.90)

The company also has an exposure in CAD, RMB, JPY and AUD, the impact of sensitivity of which is very negligible.

### (ii) Interest rate risk

The company has only three long term loans viz. Foreign Currency Term Loan (FCTL) from Kotak Mahindra Bank Ltd., Non Convertible Debentures (NCDs), and Sales Tax Deferral Loan. While Sales tax deferral is interest free, the other loans are fixed Interest rate borrowings. Thus the company does not have any interest rate risks with respect to long term borrowings as they carry a fixed rate of interest. Short term borrowings carry fixed rate of interest except Cash Credit limits availed from the banks, which are linked to their Base Rate / MCLR rates.

#### (a) Interest rate risk exposure

(₹ in Lakh)

	31-Mar-17	31-Mar-16	1-Apr-15
Variable rate borrowings	4,870	3,636	9,202
Fixed rate borrowings	59,786	88,564	87,357
<b>Total borrowings</b>	<b>64,656</b>	<b>92,200</b>	<b>96,559</b>

As at the end of the reporting period, the group had the following variable rate borrowings outstanding:

(₹ in Lakh)

	31-Mar-17			31-Mar-16			1-Apr-15		
	Weighted average interest rate %	Balance	% of total loans	Weighted average interest rate %	Balance	% of total loans	Weighted average interest rate %	Balance	% of total loans
Bank overdrafts, bank loans	10.66	4,870.00	7.53	11.02	3,636.00	3.94	11.29	9,202.00	9.53

#### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakh)

Particulars	Impact on profit after tax & Equity	
	31-Mar-17	31-Mar-16
Interest rates - increase by 70 basis points (60 bps) *	34.09	21.82
Interest rates - decrease by 70 basis points (60 bps) *	(34.09)	(21.82)

\* Holding all other variables constant.

**NOTE 36 : CAPITAL MANAGEMENT**

Total equity as shown in the balance sheet includes equity share capital, general and other reserves and retained earnings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders (buy-back) or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Total debt (total borrowings ) divided by total equity (as shown in the balance sheet)

The Company's strategy is to maintain a gearing ratio within 2 times. The Debt Equity ratio is as follows:

**(a) Risk Management**

	31-Mar-17	31-Mar-16	1-Apr-15
Total debt	64,656.38	92,199.59	96,559.54
Total equity	81,545.00	70,696.00	63,722.00
Total debt to equity ratio	0.79	1.30	1.52

(₹ in Lakh)

**(b) Dividends**

Particulars	31-Mar-17	31-Mar-16
Dividends recognised in the financial statements		
Final dividend paid for the year ended 31 March 2016 of ₹ Nil (31 March 2015 - ₹ 1.50) per fully paid share	Nil	1,511.44
Interim dividend for the year ended 31 March 2017 of ₹ Nil (31 March 2016 – ₹ 2.80) per fully paid share	Nil	2,827.00
<b>Dividend not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 2.80 per fully paid equity share (31 March 2016 - ₹ Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	2,836.12	Nil

(₹ in Lakh)

**NOTE 37 : SEGMENT REPORTING****Information about Business Segments:**

In view of adoption of IndAS effective April 1, 2016, the Company has, pursuant to the provisions of IndAS 108, identified its business segments as its primary reportable segments, which comprises of Consumer Products; Engineering & Projects and Others. "Consumer Products" includes Appliances, Fans and Consumer Lighting Products; "Engineering & Projects" includes Transmission Line Towers, Telecommunication Towers, High Masts, Poles, Special Projects including Rural Electrification Projects and Luminaires; and "Others" includes Wind Energy.

**1) Segment Results**
**Adjusted EBIDTA reconciles to income before profit as follows**

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
a) Consumer Products	11,460.48	13,420.50
b) EPC	15,558.34	16,998.50
c) Others	21.14	20.57
<b>Total adjusted EBIDTA</b>	<b>27,039.96</b>	<b>30,439.57</b>
<b>Total adjusted EBIDTA</b>	<b>27,039.96</b>	<b>30,439.57</b>
<b>Unallocated</b>		
Depreciation & amortisation expenses	(2,987.14)	(2,737.90)
Finance Cost	(8,043.76)	(10,807.94)
Interest accretion on financial assets measured at fair value through profit and loss and amortised cost	597.32	652.57
Impairment of financial assets	(531.56)	-
Profit / (Loss) on sale of Property, plant & equipment	153.08	57.37
Rent received	217.49	251.39
Interest Income From Investment	520.36	417.51
Employee Share-Based Payment Expenses	(390.18)	(467.75)
Others	228.36	(117.85)
<b>Profit before income tax from continuing operations</b>	<b>16,803.93</b>	<b>17,686.97</b>

**Primary Segment Information :**
**2) Segment Revenue:**

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
a) Consumer Products	231,421.03	259,748.03
b) EPC	198,332.80	202,857.73
c) Others	72.08	64.05
<b>Sub-total</b>	<b>429,825.91</b>	<b>462,669.81</b>
Less: Inter Segment Revenue	-	-
<b>Net Sales / Income from Operations</b>	<b>429,825.91</b>	<b>462,669.81</b>

There is no single customer with more than 10% of revenue. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in table below:

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
India	425,128.60	458,691.17
Others	4,697.31	3,978.64
<b>Total</b>	<b>429,825.91</b>	<b>462,669.81</b>

### 3) Segment Assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	(₹ in Lakh)		
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
a) Consumer Products	78,430.85	71,778.38	70,273.98
b) EPC	173,141.86	169,172.90	169,492.35
c) Others	305.59	335.83	298.19
<b>Total Segment Assets</b>	<b>251,878.30</b>	<b>241,287.11</b>	<b>240,064.52</b>
<b>Unallocated</b>			
Deferred tax assets	5,594.95	4,927.79	5,530.81
Income tax assets (net)	3,157.11	5,384.16	5,662.46
Investments	8,034.23	7,968.46	7,370.59
Property, Plant & Equipments	22,568.00	20,760.89	18,378.96
Cash & cash equivalents	6,526.52	5,549.62	3,766.08
Derivative Financial Assets	-	59.03	4.33
Others	10,297.46	10,020.60	7,202.00
<b>Total segment assets as per balancesheet</b>	<b>308,056.57</b>	<b>295,957.66</b>	<b>287,979.75</b>

Investments and derivative financial instruments held by the Company are not considered to be segment assets, but are managed by the treasury function.

The total of non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets, broken down by location of the assets, is shown below:

Particulars	(₹ in Lakh)		
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
India	30,981	27,602	27,544
Others	23	38	-
<b>Total</b>	<b>31,004</b>	<b>27,640</b>	<b>27,544</b>

### 4) Segment Liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

The group's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the treasury function.

Particulars	(₹ in Lakh)		
	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
a) Consumer Products	65,808.00	39,989.41	39,099.21
b) EPC	89,239.15	86,906.33	82,434.88
c) Others	-	-	-
<b>Total Segment Liabilities</b>	<b>155,047.15</b>	<b>126,895.74</b>	<b>121,534.09</b>
<b>Unallocated</b>			
Current borrowings	52,858.40	72,505.84	76,179.56
Non-Current borrowings	9,566.04	17,344.60	19,272.70
Liabilities directly associated with assets classified as held for sale	810.00	350.00	328.00
Derivative liability	213.88	52.79	101.15
Others	2,411.35	3,175.02	1,301.53
<b>Total segment liabilities as per balancesheet</b>	<b>220,906.82</b>	<b>220,323.99</b>	<b>218,717.03</b>



**NOTE 38 : DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES**

(₹ in Lakh)

Name of Related Party and Nature of relationship	Nature of Transaction	31-Mar-17		31-Mar-16		1-Apr-15
		Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet	Outstanding amounts carried in the Balance Sheet
<b>(A) Transactions with Parent Entities</b>						
Nil	Not Applicable					
<b>(B) Transactions with Subsidiaries</b>						
Nil	Not Applicable					
<b>(C) Transactions with Associate - Hind Lamps Limited</b>						
	Purchases	2,803.85	(124.88)	2,972.60	11.96	(36.25)
	Contribution to Equity	-	1,684.53	-	1,684.53	1,684.53
	Trade Advance Given	3,124.89	753.47	3,054.98	163.56	26.93
	Sales	109.92	10.41	28.03	1.13	25.83
	Fixed Assets Purchase	-	-	24.19	-	-
	Interest Received	102.62	25.45	89.85	19.33	16.91
	Non Convertible Redeemable Preference Shares	-	692.14	-	626.38	566.86
	Finance Income of preference shares - Ind AS	65.77	-	59.52	-	-
	Services Received	0.33	-	41.84	-	-
	Reimbursement of Expenses	-	-	1.73	-	-
<b>Loans to Associate</b>						
	Beginning of the year (Principal)	-	-	-	-	-
	Beginning of the year (Interest)	-	-	-	-	-
	Loans advanced	-	-	-	-	-
	Loans repayments received	-	-	-	-	-
	Interest charged	-	-	-	-	-
	Interest received	-	-	-	-	-
	End of the year (Principal)	-	-	-	-	-
	End of the year (Interest)	-	-	-	-	-
<b>(D) Transactions with Joint Venture - Starlite Lighting Limited</b>						
	Purchases	5,100.51	1,610.86	11,850.36	(127.38)	38.05
	Contribution to Equity	-	445.31	-	445.31	445.31
	Contribution to Equity on A/c of valuation of Corporate Guarantee	-	622.02	-	622.02	622.02
	Finance income on Corporate Guarantee given	136.47	-	136.47	-	-
	Sales of Components	-	-	-	-	-
	Non Convertible Redeemable Preference Shares	-	3,461.46	-	3,461.46	3,128.11
	9% Redeemable Preference Shares	-	2,128.66	-	2,128.66	1,923.66
	Finance Income of preference shares - Ind AS	-	-	538.35	-	-
	Trade Advance Given	1,200.00	3,916.67	2,500.00	3,050.00	2,820.00
	Reimbursement of Expenses	8.44	-	1.27	-	-
	Lease Rent received	51.64	-	103.28	-	-
	Interest Received	525.89	297.56	609.55	126.60	-

(₹ in Lakh)

Name of Related Party and Nature of relationship	Nature of Transaction	31-Mar-17		31-Mar-16		1-Apr-15
		Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet	Outstanding amounts carried in the Balance Sheet
<b>Loans to Joint Venture - Starlite Lighting Limited</b>						
	Beginning of the year (Principal)	280.00	-	440.00	-	-
	Beginning of the year (Interest)	6.91	-	-	-	-
	Loans advanced	-	-	-	-	-
	Loans repayments received	-	-	(160.00)	-	-
	Interest charged	30.80	-	36.01	-	-
	Interest received	(30.88)	-	(29.10)	-	-
	End of the year (Principal)	-	280.00	-	280.00	440.00
	End of the year (Interest)	-	6.84	-	6.91	-

**(E) Key Managerial Personnel (KMP) Compensation**

	Short-term employee benefits	1,224.95	(653.73)	1,018.63	(539.10)	(15.80)
	Post- employment benefits	73.79	-	62.56	-	-
	Long-term employee benefits	38.52	-	32.70	-	-
	Termination benefits	-	-	-	-	-
	Employee share- based payment	-	-	-	-	-
	Perquisite value of ESOPs exercised during the year	6.08	-	7.69	-	-
	<b>Total Compensation</b>	<b>1,339.49</b>	<b>(649.87)</b>	<b>1,121.58</b>	<b>(539.10)</b>	<b>(15.80)</b>

**(F) Transactions with the Entities which is Controlled or Jointly Controlled by a person identified in para 9 (a) of Ind AS 24 - Related Party Disclosures**

	Advance for Travelling	-	-	-	-	-
	Incentives & Other income	-	-	0.42	-	-
	Reimbursement of Expenses	651.21	(23.05)	620.59	(31.69)	(0.38)
	Services Received	34.05	(1.80)	22.75	(0.08)	-
	Books Expenses	-	-	2.25	-	-
	Rent Paid	10.35	(1.35)	-	-	-
	Deposits given	27.00	27.00	-	-	-
	Other Expenses	0.28	-	-	-	-
	Sales	34.78	13.74	159.65	55.76	2.79
	Purchases	28.78	-	-	-	-

**(G) Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures is a member of the KMP of the entity**

	Advance for Insurance premium	-	453.55	-	395.20	362.69
	Claims Received	53.36	-	45.62	-	-
	Insurance Premium paid	569.18	(0.27)	557.87	(0.61)	(0.42)
	Other Expenses	0.13	-	-	-	-
	Contribution to Gratuity Fund	1,000.00	4,299.48	1,005.00	3,014.27	1,656.08
	Sales	71.88	19.16	858.15	114.53	61.32
	Advance for Capital Asset	13.04	2.74	52.63	0.51	5.16
	Promotional Expenses	-	-	-	-	-
	Reimbursement of Expenses	4.79	(4.82)	5.00	(0.03)	(2.63)
	Rent Deposit Advanced	-	100.00	-	100.00	100.00
	Rent Paid	27.57	-	27.34	(7.09)	(2.05)
	Sale of Investments	-	-	-	-	-

(₹ in Lakh)

Name of Related Party and Nature of relationship	Nature of Transaction	31-Mar-17		31-Mar-16		1-Apr-15
		Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet	Outstanding amounts carried in the Balance Sheet
	Contribution for CSR Expenses	-	-	22.82	-	-
	Services Received	4.10	(0.75)	0.25	-	(0.05)

**(H) Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures has significant influence over the entities**

Sales	-	-	-	-	-
Purchase of DEPB Licenses	-	-	-	-	-
Purchases	-	-	-	-	-
Trademark Purchase	-	-	-	-	-
Commission paid on Imports	-	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-

**(I) Transactions with post employment benefit plan**

PF Contribution	1,745.34	(147.44)	1,586.16	(136.35)	(123.15)
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**(J) Transactions with other Related Parties**

Rent Deposit Advanced	-	400.00	-	400.00	400.00
Rent Paid	9.00	-	9.00	-	-
Sale of Investments	-	-	-	-	-
Sales	-	-	-	-	-
Security Deposit Advanced	-	-	-	-	-
Services Received	-	-	-	-	-

There is no allowance for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables from related parties, except for provision for impairment of equity investment in associate 'Hind Lamps Limited' worth ₹ 1,000 lakh.

The loan to the associate 'Hind Lamps Limited' at discounted rate of 6% (31 March 2016 – 6%) under BIFR order. The interest rate on the trade advance to all other related parties are at common rate of 15% p.a. (31 March 2016 - 15%). Services received from the related party are on a cost-plus basis, allowing a margin of 10% in the year (31 March 2016 – 10%). Lease rent received from a joint venture 'Starlite Lighting Limited' is at terms agreed under a machinery leasing agreement. Reimbursement of expenses are at actuals without any margin and against the supportings of underlying expense invoices. All outstanding balances are unsecured and are repayable in cash. All other transactions were made on normal commercial terms and conditions.

**NOTE 39 : DETERMINATION OF PROFITS & CAPITAL FOR COMPUTATION OF EPS:**

Particulars	31-Mar-17	31-Mar-16
Profit / (Loss) for the year after Tax (₹ in Lakh)	10,766.09	11,034.67
No. of Equity Shares of ₹ 2 each		
Basic	101116802	100870141
Add: Effect of Dilutive issue of Employees Stock Options (Refer Note No. 31)	203308	153432
Diluted	101320110	101023573
<b>Earnings Per Share in ₹ :-</b>		
(a) Basic	10.65	10.94
(b) Diluted	10.63	10.92

**NOTE 40 : CONTINGENT LIABILITIES**

Particulars	(₹ in Lakh)	
	31-Mar-17	31-Mar-16
Contingent Liabilities not provided for :		
Claims against the Company not acknowledged as debts	1,032.02	753.52
Guarantees / Letter of Comfort given on behalf of Companies ₹ 29,064.00 lakh (Previous Year ₹ 28,064.00 lakh)	16,721.88	17,198.46
Excise and Customs demand - matters under dispute and Claims for refund of Excise Duty, if any, against Excise Duty Refund received in the earlier year	7.20	8.05
Service Tax matters under dispute and Claims	156.05	158.80
Income Tax matters - Appeal by company	286.13	286.13
Sales Tax matters under dispute	6,475.17	2,582.44
Penalty/damages/interest, if any, due to non-fulfilment of any of the terms of works contracts	Liability unascertained	Liability unascertained
Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20

The Company's fluorescent and mercury containing lamps (CFL/FTL) fall within the purview of the E-waste (Management) Rules, 2016 (the "E-waste Rules") which has come in force with effect from 1 October 2016. Under the E-waste Rules the Company is responsible for collection and safe disposal of end-of life CFL/FTL in terms of Extended Producer Responsibility (EPR) obligation set out therein. In the 57th meeting of Technical Review Committee of Central Pollution Control Board ("CPCB"), the compliances and implementation of EPR Authorisation conditions including targets under the E-waste Rules for the existing producers of CFL/FTL were deferred till 1 May 2017.

Electric Lamp and Component Manufacturers Association of India (ELCOMA), on behalf of all its members, has filed the Writ Petition (C) 5461 of 2016 ("Writ Petition") in the Hon'ble Delhi High Court challenging the inclusion of 'fluorescent and mercury containing lamps' under E-waste Rules. The Hon'ble Delhi High Court by its order dated 28 September 2016, directed the producers of CFL/FTL, to apply for EPR Authorisation without prejudice to their rights and contention in the said Writ Petition and the Company has accordingly submitted its application for the EPR Authorisation to CPCB.

However, in view of pendency of the Writ Petition, the financial obligations which may arise in the event of the Hon'ble High Court passing adverse order against ELCOMA and its member, is unascertainable at this point of time and hence, the same is disclosed as contingent liability.

**NOTE 41 : CAPITAL AND OTHER COMMITMENTS**

Particulars	(₹ in Lakh)	
	31-Mar-17	31-Mar-16
Capital Commitments, net of capital advances	562.35	923.17
Letter of support given to Group Company	Liability unascertained	Liability unascertained

**NOTE 42 : DISCLOSURE FOR CONSTRUCTION CONTRACTS**

Particulars	(₹ in Lakh)	
	31-Mar-17	31-Mar-16
(a) (i) Contract Revenue recognised during the year	137,393.09	140,271.67
(ii) Method used to determine the contract revenue recognised and the stage of completion {Refer Note 1(II)(6)}	-	-
(b) Disclosure in respect of contracts in progress as at the year end	-	-
(i) Aggregate amount of costs incurred and recognised profits (net of recognised losses)	398,271.04	271,020.22
(ii) Advances received, outstanding	17,424.84	14,936.82
(iii) Retentions receivable	37,903.55	25,289.84
(iv) Amount due from customers (included under Note 17 – Other Non Current Assets)	1,451.31	724.73
(v) Amount due to customers (included in Note 10 – Other Current Liabilities)	30,009.42	21,659.35
(vi) Contingencies on account of Warranty cost, Penalties or possible losses	-	-

**NOTE 43 : ASSETS PLEDGED AS SECURITY**

(₹ in Lakh)

		31-Mar-17	31-Mar-16	1-Apr-15
<b>Current</b>				
<b>Financial assets</b>				
<b>First Charge &amp; Second Charge</b>				
Receivables	5	-	167,108.48	168,622.81
Inventories		-	50,667.74	47,464.79
<b>First Charge</b>				
Receivables	5	165,379.84	-	-
Other Bank Balances		3,100.00	-	-
Inventories	10	57,119.60	-	-
<b>Total current assets pledged as security</b>		<b>225,599.45</b>	<b>217,776.22</b>	<b>216,087.60</b>
<b>Non-current</b>				
<b>First &amp; Second Charge</b>				
Building	2	1,808.44	1,297.98	1,835.64
Freehold Land	2	4,787.60	476.12	480.10
Office and Ownership Premises	2	8,998.72	509.74	602.22
Plant & Machinery	2	1,021.38	1,114.17	1,228.78
<b>First Charge</b>				
Building	2	-	1,069.50	565.55
Land	2	-	4,348.85	4,395.31
Office and Ownership Premises	2	402.33	9,312.41	8,968.65
<b>Total non-currents assets pledged as security</b>		<b>17,018.47</b>	<b>18,128.77</b>	<b>18,076.25</b>
<b>Total assets pledged as security</b>		<b>242,617.92</b>	<b>235,904.99</b>	<b>234,163.85</b>

**NOTE 44 : OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

(₹ in Lakh)

	Gross Amount	Gross amounts set off in the Balance Sheet	Net Amounts presented in the Balance Sheet
<b>31 March 2017</b>			
<b>Financial Assets</b>			
Trade Receivable	169,492.49	(4,112.65)	165,379.84
Other Financial Assets	6,441.58	(804.44)	5,637.14
Total	175,934.07	(4,917.09)	171,016.98
<b>Financial Liabilities</b>			
Trade Payable	64,499.61	(1,478.47)	63,021.14
Other Liabilities	28,686.79	(3,438.62)	25,248.17
Total	93,186.40	(4,917.09)	88,269.31
<b>31 March 2016</b>			
<b>Financial Assets</b>			
Trade Receivable	171,017.57	(3,909.08)	167,108.48
Other Financial Assets	5,526.05	(439.70)	5,086.35
Total	176,543.62	(4,348.78)	172,194.84
<b>Financial Liabilities</b>			
Trade Payable	56,805.37	(807.47)	55,997.90
Other Liabilities	16,213.51	(3,541.31)	12,672.20
Total	73,018.88	(4,348.78)	68,670.10

(₹ in Lakh)

	Gross Amount	Gross amounts set off in the Balance Sheet	Net Amounts presented in the Balance Sheet
<b>31 March 2015</b>			
<b>Financial Assets</b>			
Trade Receivable	171,185.32	(2,562.51)	168,622.81
Other Financial Assets	3,448.02	(788.16)	2,659.86
Total	174,633.34	(3,350.67)	171,282.67
<b>Financial Liabilities</b>			
Trade Payable	65,044.35	(1,146.57)	63,897.78
Other Liabilities	7,807.98	(2,204.10)	5,603.89
Total	72,852.33	(3,350.67)	69,501.67

**The Company has following arrangements with Customers:**

- 1) Scheme Discount Credit note not processed as on reporting but provided for
- 2) Component Billing to our vendor - Open receivable for same is adjusted against Supply of FG

**Similarly following arrangements with Vendors:**

- 1) Volume Discount or Claim for Defective from Vendors
- 2) Interest on Loan/Advances remaining unpaid

**NOTE 45 : PREMISES & VEHICLES TAKEN ON OPERATING LEASE:**

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Rent and Lease rent recognised in the Profit & Loss Account	4,399.12	4,177.59	3,818.92

The Total Future minimum lease rentals payable at the date of Financial Statements is as under:

(₹ in Lakh)

Particulars	31-Mar-17			31-Mar-16			1-Apr-15		
	Rent	Lease Rent	Total	Rent	Lease Rent	Total	Rent	Lease Rent	Total
For a period not later than one year	3,126.80	195.23	3,322.03	2,973.01	202.80	3,175.81	2,713.75	205.58	2,919.33
For a period later than one year but not later than five years	6,937.03	669.96	7,606.99	6,755.09	529.97	7,285.06	7,652.35	536.08	8,188.43
Later than five years	3,567.40	-	3,567.40	2,065.87	7.19	2,073.06	1,594.30	-	1,594.30

**NOTE 46 : DISCLOSURE OF SPECIFIED BANK NOTES (SBNs)**

As required by MCA notification dated 30 March 2017, the details of Specified Bank Notes (SBNs) held and transacted are given below:

(₹ in Lakh)

	SBNs (notes of old ₹ 500 & 1000 notes)	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	23.86	163.19	187.05
Add : Withdrawal from Bank Accounts	0.50	279.06	279.56
Add : Permitted receipts	-	11.43	11.43
Add : Non-Permitted receipts	0.92	-	0.92
Less : Permitted payments	(9.49)	(340.89)	(350.38)
Less : Non-Permitted payments	(0.55)	-	(0.55)
Less : Amount deposited in banks	(15.23)	(1.64)	(16.87)
Closing cash in hand as on 30 December 2016	-	111.15	111.15



#### NOTE 47 : CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Act, the gross amount to be spent by the Company during FY 2016-17 is ₹ **156.87** lakh (Previous year ₹ 86.21 lakh). The Company has spent ₹ **108.48** lakh (Previous year ₹ 135.95 lakh) on various CSR initiatives

(₹ in Lakh)

Sector in which the project is covered	31-Mar-17	31-Mar-16
Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	9.63	46.88
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	60.18	42.06
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 arts and handicrafts	31.44	28.00
Enabling access to, or improving the delivery of, public health systems be considered under the head "preventive healthcare" or "measures for reducing inequalities faced by socially & economically backward groups"	7.23	19.01
<b>Total</b>	<b>108.48</b>	<b>135.95</b>

#### NOTE 48 : CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company alongwith its Associate & Joint venture is attached to the standalone financial statement. The details of the Group regarding the nature of relationship and the basis of consolidation can be referred to in Note 1 to the said consolidated financial statement.

#### NOTE 49 : PREVIOUS YEAR FIGURES

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

As per our report attached of even date  
For **Dalal & Shah LLP**  
Firm Registration No. 102021W/W100110  
Chartered Accountants

For and on behalf of the Board

**Shekhar Bajaj**  
Chairman & Managing Director

**Anant Bajaj**  
Joint Managing Director

**V.B. Haribhakti**  
Chairman - Audit Committee

**Anish Amin**  
Partner  
Membership No.40451  
Mumbai, May 29, 2017

**Mangesh Patil**  
Executive Vice President  
Legal & Company Secretary

**Anant Purandare**  
President & Chief Financial Officer



# Independent Auditors' Report

## TO THE MEMBERS OF BAJAJ ELECTRICALS LIMITED

### REPORT ON THE CONSOLIDATED INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated Ind AS financial statements of Bajaj Electricals Limited ("hereinafter referred to as the Holding Company") and its joint venture and associate company; (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Holding Company and its associate and joint venture in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the Holding Company, its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company, its associate and joint venture respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that

are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### **BASIS FOR QUALIFIED OPINION**

7. The financial statements of Hind Lamps Limited, (An Associate Company of Bajaj Electricals Limited), have been audited by other auditor, who vide their audit report dated May 11, 2017 have included the following "Basis of qualified opinion" in their audit report:

"Regarding recognition of Deferred Tax Assets, aggregating ₹ 9,20,50,212/- as at March 31, 2017 (Previous Year ₹ 7,92,29,606/-) in spite of absence of convincing evidence of availability of adequate future taxable profits to demonstrate virtual certainty of reversal of such deferred tax assets, which is not in accordance with the requirements of Ind AS-12, Income Taxes."

#### **QUALIFIED OPINION**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and except for the effects of the matters referred to in the Basis of Qualified Opinion above, which have an aggregate impact of ₹ 1,74,89,540/-, on the consolidated profits give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Holding Company, its associate and joint venture as at March 31, 2017, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

#### **OTHER MATTER**

9. The consolidated Ind AS financial statements also include the Holding Company's share of total comprehensive income (comprising of loss and other comprehensive income) of negative ₹ 93,034,791/- of the associate and negative ₹ 214,271,758/- of the joint venture for the year ended March 31, 2017, whose financial statements have not been audited by us, is considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements

insofar as it relates to the amounts and disclosures included in respect of the joint venture and associate company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid joint venture and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 30, 2016 and May 28, 2015 respectively. The comparative financial information of the associate and joint venture for the year ended March 31, 2016 and transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, as based on the previously issues statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of the joint venture and associate company is based solely on the reports of the other auditors.

10. The financial statements of Starlite Lighting Limited, a joint venture of Bajaj Electricals Limited, were audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 27, 2017 have reported the following:

"The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements

for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 23, 2016 and September 22, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.”

Our opinion is not qualified in respect of these matters.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its associate company and joint venture incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its associate company and joint venture incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors

of its associate company and joint venture incorporated in India, none of the directors of the Holding Company, its associate company and joint venture incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its associate company and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Holding Company and its associate.

In case of Starlite Lighting Limited, a joint venture of Bajaj Electricals Limited, audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 27, 2017 have reported the following:

“The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.”

- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2017.

In case of Hind Lamps Limited, an associate company of Bajaj Electricals Limited, audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 11, 2017 have reported the following:

“The Company does not have any material foreseeable losses on long term contracts including derivative contracts.”

In case of Starlite Lighting Limited, a joint venture of Bajaj Electricals Limited, audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 27, 2017 have reported the following:

“The Company has long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.”

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2017.

In case of Hind Lamps Limited, an associate company of Bajaj Electricals Limited, audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 11, 2017 have reported the following:

“There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.”

In case of Starlite Lighting Limited, a joint venture of Bajaj Electricals Limited, audited by another firm of chartered accountants for the year ended March 31, 2017 who vide their report dated May 27, 2017 have reported the following:

“There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.”

- iv. The Holding Company, its associate company and its joint venture have provided requisite disclosures in the financial statements as to their holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 which are as per the books of accounts maintained by the company. In respect of the Holding Company, the said disclosures as stated in notes to the financial statements include amounts aggregating ₹ 55,000 which have been utilised for other than permitted transactions and amounts received aggregating ₹ 91,500 from transactions which were not permitted. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures of denominations are in accordance with the records maintained by the company, which have been disclosed only on the basis of information available with the Management (Refer Note No. 46).

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants

Anish P Amin  
Partner

Membership Number : 40451

Mumbai  
May 29, 2017



## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Bajaj Electricals Limited on the standalone financial statements for the year ended March 31, 2017

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Bajaj Electricals Limited (hereinafter referred to as "the Holding Company") and its associate company and joint venture, which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding company, its associate companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial

controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

8. In our opinion, the Holding Company, its associate company and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **OTHER MATTERS**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one associate company and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Dalal & Shah LLP  
FRN: 102021W/W100110  
Chartered Accountants

Mumbai  
May 29, 2017

Anish P Amin  
Partner  
Membership Number : 40451

# Consolidated Balance Sheet

as at 31 March 2017

(₹ in Lakh)

	Notes	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
<b>ASSETS</b>				
<b>Non -Current Assets</b>				
Property, plant and equipment	2	31,003.80	27,640.39	27,543.57
Capital work in progress		785.21	2,066.76	317.79
Other intangible assets	3	2.39	5.03	1.06
Investments in associates and joint ventures	4	917.32	1,499.87	1,751.86
<b>Financial Assets</b>				
i) Investments	4	6,282.37	6,216.60	5,618.73
ii) Trade receivables	5	30,438.80	25,876.25	32,133.74
iii) Loans	6	290.29	302.13	334.54
iv) Other financial assets	7	5,612.65	5,018.00	2,640.54
Deferred tax assets (net)	8	5,594.95	4,927.79	5,530.81
Income tax assets (net)		3,157.11	5,384.16	5,662.46
Other non-current assets	9	9,903.86	8,516.96	3,372.09
<b>Total Non-Current Assets</b>		<b>93,988.75</b>	<b>87,453.94</b>	<b>84,907.19</b>
<b>Current Assets</b>				
Inventories	10	57,115.40	50,654.68	47,464.79
<b>Financial Assets</b>				
i) Trade receivables	5	134,941.04	141,232.23	136,489.07
ii) Cash and cash equivalents	11	2,508.23	4,657.94	3,342.81
iii) Bank balances other than (ii) above	11	4,018.29	891.68	423.27
iv) Loans	6	7.29	31.41	14.44
v) Other current financial assets	12	24.49	68.35	19.33
Other current assets	13	14,360.77	10,447.34	15,097.57
Assets classified as held for sale	14	253.57	255.04	221.58
<b>Total Current Assets</b>		<b>213,229.08</b>	<b>208,238.67</b>	<b>203,072.86</b>
<b>Total Assets</b>		<b>307,217.83</b>	<b>295,692.61</b>	<b>287,980.05</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	15	2,025.80	2,018.98	2,015.25
Other Equity	16	84,285.18	73,349.64	67,247.76
<b>Total Equity</b>		<b>86,310.98</b>	<b>75,368.62</b>	<b>69,263.01</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Borrowings	17	1,695.08	9,584.77	17,062.66
ii) Trade Payables	21	16.60	1,144.82	2,428.89
iii) Other Financial Liabilities	18	221.27	1,764.61	1,598.88
Provisions	19	1,339.11	1,396.73	1,516.87
Employee Benefit Obligations	20	7,264.58	6,112.45	5,262.43
<b>Total Non-Current Liabilities</b>		<b>10,536.64</b>	<b>20,003.38</b>	<b>27,869.73</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Borrowings	17	52,858.40	72,505.84	76,179.56
ii) Trade Payables	21			
Total Outstanding dues of Micro enterprises & small enterprises		1,529.09	759.51	975.51
Total Outstanding dues of other than Micro enterprises & small enterprises		61,492.05	55,238.39	62,922.27
iii) Other Financial Liabilities	18	25,248.18	12,672.20	5,603.89
Provisions	19	6,552.65	6,725.97	5,394.79
Employee Benefit Obligations	20	2,380.67	1,464.48	988.51
Other Current Liabilities	22	59,499.17	50,604.22	38,454.78
Liabilities directly associated with assets classified as held for sale	14	810.00	350.00	328.00
<b>Total Current Liabilities</b>		<b>210,370.21</b>	<b>200,320.61</b>	<b>190,847.31</b>
<b>Total Liabilities</b>		<b>220,906.85</b>	<b>220,323.99</b>	<b>218,717.04</b>
<b>Total Equity &amp; Liabilities</b>		<b>307,217.83</b>	<b>295,692.61</b>	<b>287,980.05</b>
<b>Summary of significant accounting policies followed by the Company</b>	1			
<b>The accompanying notes are an integral part of the Financial Statements</b>				

As per our report attached of even date

For **Dalal & Shah LLP**  
Firm Registration No. 102021W/W100110  
Chartered Accountants

For and on behalf of the Board

**Shekhar Bajaj**  
Chairman & Managing Director

**Anant Bajaj**  
Joint Managing Director

**V.B.Haribhakti**  
Chairman - Audit Committee

**Anish Amin**  
Partner  
Membership No.40451  
Mumbai, May 29, 2017

**Mangesh Patil**  
Executive Vice President  
Legal & Company Secretary

**Anant Purandare**  
President & Chief Financial Officer

The consolidated financial statements are approved for issue by the Company's Board of Directors on 29 May 2017.

# Consolidated Statement of Profit and Loss Account

for the year ended 31 March 2017

(₹ in Lakh)

	Notes	31-Mar-17	31-Mar-16
<b>Income:</b>			
Revenue from operations	23	429,825.90	462,669.82
Other income	24	3,051.82	4,383.74
Other gains/(losses) - net	24	506.81	424.73
<b>Total Income</b>		<b>433,384.53</b>	<b>467,478.29</b>
<b>Expenses:</b>			
Cost of materials consumed	25	19,546.06	17,858.85
Purchases of stock-in-trade	25	257,692.78	294,146.53
Changes in inventories of work-in-progress, finished goods, stock-in-trade	25	(1,512.06)	(3,181.66)
Erection & subcontracting expenses	26	29,378.77	29,549.61
Excise duty	27	3,654.68	3,640.55
Employee benefit expenses	28	32,889.96	28,505.04
Depreciation and amortisation expense	29	2,987.14	2,737.90
Other expenses	30	63,899.50	65,726.56
Finance cost	31	8,043.76	10,807.94
<b>Total Expenses</b>		<b>416,580.59</b>	<b>449,791.32</b>
<b>Profit before exceptional items and tax</b>		<b>16,803.94</b>	<b>17,686.97</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>16,803.94</b>	<b>17,686.97</b>
Share of loss of associate and joint venture after tax accounted for using the equity method		549.24	254.28
<b>Profit before tax and after share of loss of associate and joint venture after tax accounted for using the equity method</b>		<b>16,254.70</b>	<b>17,432.69</b>
<b>Income tax expense:</b>			
Current tax	32	6,600.00	5,930.00
Deferred tax		(562.15)	710.14
Taxes of earlier years		-	12.15
<b>Total tax expenses</b>		<b>6,037.85</b>	<b>6,652.29</b>
<b>Profit for the year</b>		<b>10,216.85</b>	<b>10,780.40</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Actuarial (gains)/losses on defined benefit plans		334.53	331.76
Tax impacts on above		(105.01)	(107.12)
Share of other comprehensive income of associates and joint ventures after tax accounted for using the equity method		24.46	10.78
<b>Total Comprehensive Income</b>		<b>9,962.87</b>	<b>10,544.98</b>
<b>Earnings per equity share (face value per share ₹ 2) (see note 39)</b>			
Basic		10.10	10.69
Diluted		10.08	10.67
<b>Summary of significant accounting policies followed by the Company</b>	1		
<b>The accompanying notes are an integral part of the Financial Statements</b>			

As per our report attached of even date

For **Dalal & Shah LLP**  
Firm Registration No. 102021W/W100110  
Chartered Accountants

**Anish Amin**  
Partner  
Membership No.40451  
Mumbai, May 29, 2017

**Mangesh Patil**  
Executive Vice President  
Legal & Company Secretary

**Anant Purandare**  
President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**  
Chairman & Managing Director

**Anant Bajaj**  
Joint Managing Director

**V.B.Haribhakti**  
Chairman - Audit Committee

# Consolidated statement of changes in other equity

(₹ in Lakh)

Particulars	Note No.	Reserves and surplus					Other reserves				
		Securities premium reserve	Debt Redemption Reserve	Shares Option Outstanding	General Reserve	Retained earnings	Total	Capital Redemption Reserve	Capital Reserve	Total	
<b>Balance at 1 April 2015</b>	16	21,001.91	2,500.00	555.56	42,077.06	967.52	67,102.05	135.71	10.00	145.71	67,247.76
Profit for the year		-	-	-	-	10,780.40	10,780.40	-	-	-	10,780.40
Other comprehensive income		-	-	-	-	(235.42)	(235.42)	-	-	-	(235.42)
<b>Total comprehensive income for the year</b>		21,001.91	2,500.00	555.56	42,077.06	11,512.50	77,647.03	135.71	10.00	145.71	77,792.74
Exercise of options - proceeds received		312.58	-	-	-	-	312.58	-	-	-	312.58
Exercise of options - transferred from shares options outstanding account		29.80	-	-	-	-	29.80	-	-	-	29.80
Employee stock option expense		-	-	-	-	-	-	-	-	-	-
Transferred to General reserve for options vested cancelled		-	-	502.01	-	-	502.01	-	-	-	502.01
Reversal of employee stock option expenses for options unvested cancelled		-	-	(25.71)	-	-	(25.71)	-	-	-	(25.71)
Transferred to securities premium for exercise of options		-	-	(34.26)	-	-	(34.26)	-	-	-	(34.26)
Transfer from retained earnings		-	-	(29.80)	-	-	(29.80)	-	-	-	(29.80)
Transfer to revaluation reserve		-	-	-	3,000.00	-	3,000.00	-	-	-	3,000.00
Transferred from stock options reserve for vested options cancelled		-	-	-	(1.34)	-	(1.34)	-	-	-	(1.34)
Proposed dividend on equity shares		-	-	-	25.71	-	25.71	-	-	-	25.71
Dividend distribution tax on proposed dividend		-	-	-	-	(1,511.44)	(1,511.44)	-	-	-	(1,511.44)
Interim dividend paid		-	-	-	-	(307.73)	(307.73)	-	-	-	(307.73)
Dividend distribution tax paid on interim dividend		-	-	-	-	(2,826.57)	(2,826.57)	-	-	-	(2,826.57)
Dividend alongwith dividend distribution tax paid on exercise of stock option		-	-	-	-	(575.42)	(575.42)	-	-	-	(575.42)
<b>Balance at 31 March 2016</b>	16	21,344.29	2,500.00	967.80	45,101.43	3,290.41	73,203.93	135.71	10.00	145.71	73,349.64
Profit for the year		-	-	-	-	10,216.85	10,216.85	-	-	-	10,216.85
Other comprehensive income		-	-	-	-	(253.98)	(253.98)	-	-	-	(253.98)
<b>Total comprehensive income for the year</b>		21,344.29	2,500.00	967.80	45,101.43	13,253.27	83,166.80	135.71	10.00	145.71	83,312.51
Exercise of options - proceeds received		582.48	-	-	-	-	582.48	-	-	-	582.48
Exercise of options - transferred from shares options out-standing account		102.39	-	-	-	-	102.39	-	-	-	102.39
Employee stock option expense		-	-	-	-	-	-	-	-	-	-
Transferred to General reserve for options vested cancelled		-	-	423.00	-	-	423.00	-	-	-	423.00
Reversal of employee stock option expenses for options unvested cancelled		-	-	(56.60)	-	-	(56.60)	-	-	-	(56.60)
Transferred to securities premium for exercise of options		-	-	(32.81)	-	-	(32.81)	-	-	-	(32.81)
Transfer from retained earnings		-	-	(102.39)	-	-	(102.39)	-	-	-	(102.39)
Transfer to revaluation reserve		-	-	-	-	-	-	-	-	-	-
Transferred from stock options reserve for vested options cancelled		-	-	-	56.60	-	56.60	-	-	-	56.60
<b>Balance at 31 March 2017</b>	16	22,029.16	2,500.00	1,198.99	45,158.03	13,253.27	84,139.47	135.71	10.00	145.71	84,285.18

As per our report attached of even date

For **Dalaj & Shah LLP**  
Firm Registration No. 102021W/W/100110  
Chartered Accountants

**Anish Amin**  
Partner  
Membership No.40451  
Mumbai, May 29, 2017

**Mangesh Patil**  
Executive Vice President  
Legal & Company Secretary

**Anant Purandare**  
President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**  
Chairman & Managing Director  
**Anant Bajaj**  
Joint Managing Director  
**V.B. Haribhakti**  
Chairman - Audit Committee

# Consolidated Cash Flow Statement

for the year ended 31 March 2017

(₹ in Lakh)

	Year Ended 31-Mar-17	Year Ended 31-Mar-16
<b>Cash flow from operating activities</b>		
<b>Profit before tax and after share of loss of associate and joint venture after tax</b>	16,254.70	17,432.69
Adjustments for:		
Depreciation and amortisation expense	2,987.14	2,737.90
Employee share-based payment expense	390.19	467.75
(Gain)/Loss on disposal of property, plant and equipment	(156.47)	(46.40)
Measurement of financial assets and liabilities held at fair value through Profit or Loss	6.24	(210.55)
Measurement of financial assets and liabilities held at amortised cost	(710.85)	(2,299.73)
Share of loss and other comprehensive income of associate and joint venture after tax	549.24	254.28
Measurement of provisions at fair value	(232.97)	(122.76)
Income from Financial Guarantee Contracts	(136.47)	(136.47)
Finance costs	8,043.76	10,807.94
Interest received	(281.67)	(156.19)
Net exchange differences	-	(16.28)
Provision for Doubtful Debts & Advances (net of write back)	2,086.22	832.03
Impairment of financial assets	531.56	-
Amounts written off	358.17	1,938.95
	<b>29,688.79</b>	<b>31,483.16</b>
<b>Change in operating assets and liabilities:</b>		
(Increase)/decrease in trade receivables	(510.91)	906.55
(Increase)/decrease in other financial and other assets	(4,263.26)	(2,547.07)
(Increase)/decrease in inventories	(6,451.86)	(3,202.95)
Increase/(decrease) in trade payables, provisions, employee benefit obligations, other financial liabilities and other liabilities	29,569.50	9,509.51
<b>Cash generated from operations</b>	<b>48,032.26</b>	<b>36,149.20</b>
Income taxes paid	(4,372.95)	(5,663.85)
<b>Net cash inflow from operating activities</b>	<b>43,659.31</b>	<b>30,485.35</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(5,478.60)	(4,697.40)
Proceeds from sale of non current assets held for sale	118.18	13.00
Recovery of Loans to employees and related parties	35.96	15.44
Proceeds from sale of property, plant and equipment	397.61	67.42
Advance received against proposed Sale of Fixed Assets	510.00	50.00
Advances of Capital nature	(145.09)	(367.24)
Loans and advances (given) / repaid by Associates and Joint Ventures	(1,456.57)	1,993.38
Increase / (Decrease) in Bank Deposits	(3,261.25)	(2,519.10)
Interest received	265.23	159.77
<b>Net cash outflow from investing activities</b>	<b>(9,014.53)</b>	<b>(5,284.73)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	589.30	316.31
Proceeds from borrowings	25,443.40	12,076.97
Repayment of borrowings	(54,954.48)	(21,800.15)
Foreign Exchange (Loss) / Gain	(203.87)	(587.63)
Interest paid	(7,659.29)	(8,683.83)
Interim Dividend paid to Company's shareholders	-	(2,826.57)
Tax on Interim Dividend paid	-	(575.42)
Dividends paid to Company's shareholders*	(9.55)	(1,497.44)
Tax on Dividend paid	-	(307.73)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(36,794.49)</b>	<b>(23,885.49)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,149.71)</b>	<b>1,315.13</b>
Cash and cash equivalents at the beginning of the financial year	4,657.94	3,342.81
<b>Cash and cash equivalents at end of the year</b>	<b>2,508.23</b>	<b>4,657.94</b>

\*Dividend of ₹ 9.55 lakh pertains to unpaid dividend of previous year paid in the current year.

As per our report attached of even date

For **Dalal & Shah LLP**  
Firm Registration No. 102021W/W100110  
Chartered Accountants

**Anish Amin**  
Partner  
Membership No.40451  
Mumbai, May 29, 2017

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Executive Vice President  
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President & Chief Financial Officer

For and on behalf of the Board

**Shekhar Bajaj**  
Chairman & Managing Director

**Anant Bajaj**  
Joint Managing Director

**V.B.Haribhakti**  
Chairman - Audit Committee



# Notes to financial statements for the year ended 31 March, 2017

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

The consolidated financial statements include results of the associate and joint venture of Bajaj Electricals Limited, consolidated in accordance with Indian Accounting Standard 28 'Accounting for Investment in Associates and Indian Accounting Standard 111 'Joint Arrangements' in Consolidated Financial Statements.

Name of the company	Country of incorporation	% share holding of Bajaj Electricals Limited	Consolidated as
Starlite Lighting Limited	India	19%	Joint Venture
Hind Lamps Limited	India	19%	Associate

### Principles of consolidation and equity accounting

#### (i) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Conversely, if the entity holds, directly or indirectly, less than 20 per cent of the voting power of the investee, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. In case of Bajaj Electricals Limited, it holds 19% of equity share capital of Hind Lamps Limited, but it is able to clearly demonstrate significant influence, through board representation.

Investments in associate are accounted for using the equity method of accounting, after initially being recognised at cost.

#### (ii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Bajaj Electricals Limited has a joint venture with Starlite Lighting Limited.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

#### iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy as mentioned in the standalone accounts.

### Basis of preparation

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The consolidated financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first consolidated financial statements of the Company under Ind AS. Refer note below on 'First Time Adoption of Ind AS' for an explanation of how the transition from previous GAAP to Ind AS has affected the

Company's financial position, financial performance and cash flows which is separately presented in the annual report.

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis. The consolidated financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- assets held for sale which are measured at fair value less cost to sell;
- defined benefit plans where plan assets are measured at fair value; and
- share-based payments at fair value as on the grant date of options given to employees.

Estimates and assumptions used in the preparation of the consolidated financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements, which may differ from the actual results at a subsequent date. The critical estimates and judgements are presented in detail in the annual report elsewhere by separate note.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Ministry of Corporate Affairs vide its General Circular No. 39/2014 dated 14 October 2014 has clarified that only those note which are relevant to understanding the Consolidated Financial Statements should be disclosed and not merely repeating the Notes disclosed in the standalone

financial statements to which these consolidated financial statements are attached to

Accordingly:

- 1] The Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.
- 2] The accounting policies of the parent also broadly represent the accounting policies of the consolidated entity and hence are best viewed in its independent financial statements, note 1A. Accounting policies followed by the associate consolidated herein have been reviewed and no further adjustments are considered necessary.
- 3] Note Nos. 2,3,4,5,6,7,8,9,11,12,13,14,15,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31,32 represent the numbers and required disclosures of the Parent and accordingly are best viewed in BEL's independent financial statements.

#### **Note 1E - First time adoption of Ind AS**

These are Bajaj Electricals Limited's ("BEL" or "Company") first consolidated financial statements prepared in accordance with Ind AS. The accounting policies set out in this consolidated financial statements have been applied in preparing the consolidated financial statements for the year ended 31 March 2017, the comparative information presented in these consolidated financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (date of transition). In preparing its opening Ind AS balance sheet, BEL has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP" or "Indian GAAP" or "IGAAP"). An explanation of how the transition from previous GAAP to Ind AS has affected BEL's financial position, financial performance and cash flows is set out in the following tables and notes.

Explanation 1 – Exemptions and exceptions availed

Explanation 2 – Total Comprehensive Income Reconciliation for the year ended 31 March 2016

Explanation 3 – Equity Reconciliation as at the date of transition (1 April 2015) and as at 31 March 2016

Explanation 4 – Impact on cash flows for the year ended 31 March 2016

### Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### Ind AS Optional exemptions

- Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, BEL has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

- Share-based payment transactions

Ind AS 102 deals with the accounting and disclosure requirements related to share-based payment transactions. Under Ind AS 101, a first-time adopter is encouraged, but not required, to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind ASs. However, if a first-time adopter elects to apply Ind AS 102 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in Ind AS 102.

The Company operates a number of equity settled, employee share based compensation plans, under which the Company receives services from employees as consideration for equity shares of the Company. The Company has granted stock options to its employees under the Growth Plan as well as Loyalty Plan.

Accordingly, the Company has elected this optional exemption and hence Ind AS 102 Share-based payments has not been applied to equity instruments that vested before the date of transition.

- Business combination (for associates and joint ventures)

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief

from full retrospective application that would require restatement of all business combinations prior to the transition date. The said exemption is also available to investment in associates and joint ventures.

The group has investments in Hind Lamps Limited (HLL) and Starlite Lighting Limited (SLL) which are its associate and joint venture respectively. These investments were not consolidated under the previous GAAP. The group has elected to apply Ind AS 103 prospectively to associates and joint ventures occurring after its transition date. Hence the goodwill is calculated as the difference between the net assets of the associate and joint venture at the transition date and the carrying amount in Company's financial statements.

- Non-current assets held for sale and discontinued operations

Ind AS 105 requires non-current assets (or disposal groups) that meet the criteria to be classified as held for sale, non-current assets (or disposal groups) that are held for distribution to owners and operations that meet the criteria to be classified as discontinued and carried at lower of its carrying amount and fair value less cost to sell on the initial date of such identification.

A first time adopter can:

- (a) measure such assets or operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs in accordance with Ind AS 105; and
- (b) recognise directly in retained earnings any difference between that amount and the carrying amount of those assets at the date of transition to Ind ASs determined under the entity's previous GAAP.

The Company has certain non-current assets that qualify to be classified as non-current assets held for sale under Ind AS 105. Accordingly, the Company has measured such assets at the carrying value at the date of transition to Ind AS determined under the entity's previous GAAP. Also since the carrying value is lesser as compared to the fair value less cost to sell on the initial date of such identification, there is no impact on retained earnings.

#### Ind AS mandatory exceptions

- De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for

transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has a factoring and channel financing facility for its trade receivables. Such trade receivables under the respective facilities do not meet derecognition criteria as there is a final recourse on the Company. Since the Company has the necessary information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions, the Company has chosen to apply the same for outstanding transactions as at the transition date.

Hence such factored trade receivables are grossed up and the corresponding amount is shown as short term borrowings under current financial liabilities. In case of channel financing facility, the corresponding amount is shown as current liabilities.

- Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

- Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and

circumstances that exist at the date of transition to Ind AS. Accordingly classification and measurement of financial assets have been made based on the facts and circumstances that exist at the date of transition to Ind AS.

- Government loans

A company shall classify all government loans received as a financial liability or an equity instrument in accordance with Ind AS 32, Financial Instruments: Presentation. A first-time adopter shall apply the requirements in Ind AS 109, Financial Instruments, and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans existing at the date of transition to Ind ASs and shall not recognise the corresponding benefit of the government loan at a below-market rate of interest as a government grant. Consequently, if a first-time adopter did not, under its previous GAAP, recognise and measure a government loan at a below-market rate of interest on a basis consistent with Ind AS requirements, it shall use its previous GAAP carrying amount of the loan at the date of transition to Ind ASs as the carrying amount of the loan in the opening Ind AS Balance Sheet. An entity shall apply Ind AS 109 to the measurement of such loans after the date of transition to Ind ASs.

However, an entity may apply the requirements in Ind AS 109 and Ind AS 20 retrospectively to any government loan originated before the date of transition to Ind ASs, provided that the information needed to do so had been obtained at the time of initially accounting for that loan.

The company has sales tax deferral loan at the transition date which is to be paid in instalments to the state government authorities. Accordingly it has chosen to apply the requirements of Ind AS 109 and Ind AS 20 prospectively to such kind of loans.

### Explanation 2 - Total comprehensive income reconciliation for the year ended 31 March 2016 and Equity Reconciliation as at the date of transition (1 April 2015) and as at 31 March 2016

Particulars	Notes	Amount (₹ in lakh)
Net profit as per previous GAAP (IGAAP)		9,560.10
Actuarial gains and losses on defined benefit plans moved to Other Comprehensive Income	A	331.76
Employee compensation expenses for ESOP options	B	(467.75)
Finance Income on Amortisation of Valuation of Corporate Guarantee Given	C	136.47
Financial instruments held at fair value through profit or loss and amortised cost	D	597.87
Net impact on cost due to Financial Arrangements to Business	E	43.78
Net Impact on P&L due to discounting of Financial Assets & Financial Liabilities	F	1,700.35
Other Adjustments	G	(13.96)

Deferred taxes on above adjustments	H	(853.95)
Share of loss from associate and joint venture	L	(254.28)
<b>Net profit as per Ind AS</b>		<b>10,780.39</b>
Other comprehensive income, net of income tax	I, L	(235.42)
<b>Total comprehensive income as per Ind AS</b>		<b>10,544.97</b>

Particulars	Notes	31-Mar-16	Mar-15
Total Equity as per previous GAAP		75,149.56	68,698.41
Financial guarantee contracts	C	136.47	-
Financial instruments held at fair value through profit and loss and amortised cost	D	1,252.25	654.38
Net impact on equity due to financing arrangements to business	E	70.32	26.54
Net impact on equity due to discounting of financial assets and liabilities	F	(877.53)	(2,577.88)
Other adjustments	G	7.05	-
Deferred tax on above adjustments	H	(104.42)	642.41
Reversal of dividend for financial year 2014-15	K	-	1,819.16
Share of loss from associate and joint venture	L	(265.06)	-
<b>Total Equity as per Ind AS</b>		<b>75,368.64</b>	<b>69,263.02</b>

**(A) Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2016 increased by ₹ 331.76 lakh. There is no impact on the total equity as at 31 March 2016.

**(B) Equity-settled employee share-based plan**

Under the previous GAAP, the cost of equity-settled employee share-based plan was recognised using the intrinsic value method. The options are granted at closing price on the exchange where there is highest trading volume on working day prior to the date of grant, resulting in no intrinsic value. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account is ₹ 967.80 lakh as at 31 March 2016 (1 April 2015 - ₹ 555.56 lakh). The profit for the year ended 31 March 2016 decreased by ₹ 467.75 lakh. There is no impact on total equity.

**(C) Financial guarantee contracts**

Under the previous GAAP, financial guarantee given was disclosed as a contingent liability. Under Ind AS, financial guarantee contracts are considered as financial liabilities and are measured at initial recognition at fair value. Subsequently, it is measured at an amount initially recognised less the

cumulative amount of income recognised under Ind AS. Consequently, at the transition date, a financial guarantee obligation was recognised of the value ₹ 622.02 lakh and the corresponding value is added to the cost of investment in Joint Venture 'Starlite Lighting Limited'. The profit for the year and total equity as at 31 March 2016 has increased to the extent of ₹ 136.47 lakh on account of finance income on the financial guarantee obligation. Accordingly, the balance of financial guarantee obligation is ₹ 485.55 lakh as at 31 March 2016.

**(D) Investment in preference shares of a Starlite Lighting Limited (joint venture) and Hind Lamps Limited (associate)**

The Company has investment in preference shares which are either redeemable at premium or carry a cumulative rate of interest. Under the previous GAAP, the said investments were classified as long term investments or current investments based on the intended holding period. These investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the said investments are considered as financial assets and classified as per the business model under which they are held. Thereby these investments are either classified at fair value through profit or loss or at amortised cost. The company measures preference shares of HLL and 0% Non-convertible preference shares of SLL at amortised cost and both issues of 9% non-convertible preference shares of SLL at fair value through profit or loss. These shares have been recognised at their fair value at initial recognition with a corresponding adjustment made to equity in case of SLL and to investment in equity of HLL in case of



HLL. Consequently, total equity as at 1 April 2015 has increased by ₹ 654.38 lakh. The interest income in respect of preference shares held at amortised cost is ₹ 392.87 lakh and the fair value gain recognised is ₹ 205 lakh for the year ended 31 March 2016. Accordingly, the profit for the year has increased by ₹ 597.87 lakh and total equity as at 31 March 2016 has increased by ₹ 1,252.25 lakh.

#### (E) Financing arrangements

##### (i) Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at 31 March 2016 have been reduced by ₹ 12.75 lakh (1 April 2015 – ₹ 28.71 lakh) with a corresponding adjustment to retained earnings). The total equity increased by an equivalent amount. The profit for the year ended 31 March 2016 reduced by ₹ 15.96 lakh as a result of the additional interest expense.

##### (ii) Fair valuation of forward contracts:

Under previous GAAP, premium on forward contracts was amortised over the life of the contract. Under Ind AS, forward contracts are measured at fair value (MTM). Accordingly, there is an increase in equity of ₹ 51.33 lakh (1 April 2015 – ₹ 94.65 lakh) as at 31 March 2016. The net profit for the year ended 31 March 2016 has reduced by ₹ 43.33 lakh.

The derivatives asset are marked to market at each reporting date. Accordingly, there is a decrease in equity of ₹ 52.11 lakh (1 April 2015 – ₹ 96.83 lakh) as at 31 March 2016. The net profit for the year ended 31 March 2016 has increased by ₹ 44.72 lakh.

##### (iii) Fair valuation of currency swap:

Under previous GAAP, changes in fair value of currency swap were recognised only to the extent of losses. Under Ind AS, derivative contracts are required to be measured at fair value (i.e. Marked-to-market). Accordingly, currency swaps are marked to market and a fair value gain of

₹ 58.34 lakh has been recognised for the year ended 31 March 2016 and total equity has increased by that amount as at 31 March 2016.

#### (F) Net Impact on Profit or Loss due to discounting of Financial Assets & Financial Liabilities

##### (i) Warranty provision and expense

Under the previous GAAP, long term provisions were not discounted. Under Ind AS, where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. Accordingly, the warranty provision is recorded at its present value using an appropriate discount rate. Ind AS also provides that the discounted liability is to be increased in each period to reflect the unwinding effect of passage of time. The said increase is recognised as finance cost. Consequently, the warranty provision has decreased by ₹ 229.86 lakh for the year ended 31 March 2016 (1 April 2015 – ₹ 249.63 lakh). The total equity has increased by ₹ 249.63 lakh as at 1 April 2015. The profit for the year ended 31 March 2016 has reduced to the extent of ₹ 142.53 lakh as a result of the finance cost recognised and has increased to the extent ₹ 122.76 lakh on account of discounted value of warranty expense for the year ended 31 March 2016. The net decrease in profit is of ₹ 19.77 lakh for the year ended 31 March 2016.

##### (ii) Interest-free refundable security deposits

Under the previous GAAP, interest free lease security deposits are recorded at their transaction value. Under Ind AS, all financial assets are required at initial recognition at fair value. Accordingly, the company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent under non-current assets. Consequent to this change, the amount of security deposits decreased by ₹ 193.86 lakh as at 31 March 2016 (1 April 2015 – ₹ 289.86 lakh). The prepaid rent increased by ₹ 173.23 lakh as at 31 March 2016 (1 April 2015 – ₹ 271.75 lakh). Total equity decreased by ₹ 20.63 lakh (1 April 2015 – ₹ 18.11 lakh) for the year ended 31 March 2016. The profit for the year decreased by ₹ 2.52 lakh due to amortisation of the prepaid rent of ₹ 98.52 lakh which is partially off-set by notional interest income of ₹ 96 lakh.



(iii) Retention Receivable

Under the previous GAAP, contract revenue was recognised on the basis of consideration received or receivable. Under Ind AS, contract revenue should be recognised on the basis of fair value of consideration received or receivable. Where there is a significant financing component in the revenue, the fair value of the consideration would be the discounted value of revenue. The company has long term retention receivables from construction contracts. Accordingly, contract revenue has been discounted to its present value to the extent of long term retention receivables to reflect its fair value. The carrying amount of retention receivable is increased by the interest amount to reflect the passage of time. This income is recorded as finance income in the profit and loss statement. If a trade receivable is received earlier than its due date, the revenue increases to the extent of the difference between the transaction value and carrying value. Consequently, long term trade receivables have reduced by ₹ 1,237.36 lakh as at 31 March 2016 (1 April 2015 - ₹ 3,239.48 lakh) and equity has increased by an equivalent amount. The revenue for the year ended 31 March 2016 has increased by ₹ 363.93 lakh and the interest income has increased by ₹ 1,638.19 lakh. Accordingly, the profit and total equity for the year ended 31 March 2016 has increased by ₹ 2,002.12 lakh.

(iv) Retention payable

The company has long term retention payables in respect of subcontracting and erection expenses. Under previous GAAP, these amounts were recognised at the transaction value. Under Ind AS, financial liabilities are recognised at fair value at initial recognition and subsequently carried at amortised cost. Accordingly, the company has discounted its retention payable. The carrying value of retention payable will be increased by the interest expense each year to reflect the passage of time. This interest expense is recognised as finance cost. If retention payable is paid earlier than its due date, the difference between the transaction value and carrying amount is recognised as additional erection expense. Consequently, retention payable for the year ended 31 March 2016 has reduced by ₹ 150.60 lakh (1 April 2015 - ₹ 430.08 lakh) and equity has increased by an equivalent amount. The subcontracting expense for the year has increased by ₹ 92.74 lakh and

the interest expense recognised for the year is ₹ 186.74 lakh. Accordingly, profit for the year has reduced by ₹ 279.48 lakh.

**(G) Other Adjustments**

(i) Revaluation Reserve

Under previous GAAP, the company had revalued some items of its property, plant and equipment (buildings and premises on ownership basis) and had recognised a revaluation reserve. Under Ind AS, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value. Accordingly, the revaluation reserve of ₹ 808.60 lakh is no longer required and has been transferred to retained earnings at the transition date. The profit has reduced by ₹ 21.01 lakh for the year ended 31 March 2016 as there is no revaluation reserve to absorb the increase in depreciation due to revaluation of property, plant and equipment. There is no impact on total equity for the year ended 31 March 2016 or 1 April 2015.

(ii) Non-Current Assets held for sale

The company is intending to sell its Naperol Tower and Reay road property and has located buyers for the same. Under previous GAAP, the concept of assets held for sale does not exist. Ind AS requires non-current assets to be identified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Ind AS 105 lays down detailed guidelines and criteria in this regard. Based on the assessment performed by the management, it has been determined that the assets and liabilities of Naperol Tower and Reay Road should be presented as held for sale under Ind AS. Consequently, the assets and liabilities of the above mentioned assets held for sale have been presented separately from the other assets and other liabilities respectively in the balance sheet and depreciation on those non-current assets has been ceased. Accordingly, depreciation of ₹ 7.05 lakh has been reversed for the year ended 31 March 2016 resulting which profit and total equity have increased by an equivalent amount. Based on above, the following assets and liabilities were classified as held for sale as at 31 March 2016:

**(H) Deferred Tax**

Under previous GAAP, deferred tax was accounted based on the differences between taxable profits

and accounting profits for the period. Under Ind AS, entities are required to use a balance sheet approach, which is based on the temporary differences between the carrying amounts of an asset or liability in the balance sheet and its tax base. Deferred tax shall also be created on various transitional adjustments. For transactions and other events recognised in profit or loss, any related tax effects are also recognised in profit or loss. For transactions and other events recognised outside profit or loss (either in other comprehensive income or directly in equity), any related tax effects are also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively). Consequently, deferred tax assets (net) have increased by ₹ 642.41 lakh with an equivalent increase in equity as at 1 April 2015. The company has recognised deferred tax liability (net) of ₹ 853.95 lakh for the year ended 31 March 2016 in the profit and loss account and other comprehensive income has increased to the extent of ₹ 107.12 lakh on account of deferred tax asset created. Accordingly, total equity as the 31 March 2016 has reduced by ₹ 104.42 lakh.

#### (I) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' consist of remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP. Consequently, the other comprehensive income has decreased by ₹ 224.64 (net of deferred tax) on account of remeasurement of defined benefit plans for the year ended 31 March 2016.

#### (J) Retained Earnings

Retained earnings as at 1 April 2015 has been adjusted consequent to the above Ind AS transition adjustments.

#### (K) Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for

proposed dividend of ₹ 1,819.16 lakh (inclusive of dividend distribution tax of ₹ 307.73 lakh) as at 1 April 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity as at 1 April 2015 increased by an equivalent amount. The said dividend has been paid in the financial year 2015-16. There was no proposed dividend as at 31 March 2016.

#### (L) Share in loss of associate and joint ventures

Under the previous GAAP, the investments made in Hind Lamps Limited and Starlite Lighting Limited were accounted as investments and not consolidated. Under Ind AS, these investments are classified as an associate and a joint venture respectively. They have been consolidated for the first time in Ind AS financials. Accordingly, the share of loss from the associate and joint venture has been accounted using the equity method. Consequently, the profit for the year and the other comprehensive income for the year ended 31 March 2016 has reduced by ₹ 254.28 lakh and ₹ 10.78 lakh respectively. The investment in the associate and joint venture has also been reduced by an equivalent amount.

#### Ind AS Adjustments having no effect on profit or total equity

##### 1. Provision for discounts and schemes:

Under previous GAAP, provision for discounts and schemes were classified as provisions. Under Ind AS, these have been netted off from trade receivables since they are considered as crystallised liability. Accordingly, trade receivables has reduced by ₹ 3,541.31 lakh as at 31 March 2016 (1 April 2015 - ₹ 2,204.10 lakh).

Similarly cash discount under previous GAAP was considered as an expense. Under Ind AS, revenue is to be shown net of all discounts, rebates, etc. Accordingly the cash discount has been netted against sales. This has reduced the sales and expenses by ₹ 3,185.26 lakh for the year ended 31 March 2016. This however has no impact on profit.

##### 2. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and

total expenses for the year ended 31 March 2016 by ₹ 3,640.55 lakh.

3. Commercial Paper

Under previous GAAP, the amount payable on maturity was recognised as borrowings and the difference between amount received from holders of commercial paper and amount payable on maturity was recognised as prepaid expense. Under Ind AS, borrowings are financial liabilities which are measured at amortised cost using effective interest rate. Accordingly, prepaid interest has been net off from borrowings to reflect the amortised cost and borrowings has reduced by ₹ 45.43 lakh as at 1 April 2015. There is no commercial paper as at 31 March 2016.

4. Factoring and Channel Financing

The company offers its dealers and distributors a channel financing facility using which they customers can discount bills drawn on them by the company using the company's line of credit. The interest will be borne by the company. This facility has 100% recourse to the Company. It also offers the facility of factoring. This facility is with full recourse to the company. Under previous GAAP, bills discounted and factoring were disclosed as contingent liability. Under Ind AS, trade receivables should be derecognised only if it meets the derecognition requirements of Ind AS. Accordingly, trade receivables have increased by ₹ 7,215.36 lakh (1 April 2015 - ₹ 6,440.81 lakh) with a corresponding increase in borrowings of ₹ 5,082.40 lakh (1 April 2015 - ₹ 4,604.23 lakh) in relation to factoring and an increase of ₹ 2,132.96 lakh (1 April 2015 - ₹ 1,836.58 lakh) in other financial liabilities in relation to channel financing as at 31 March 2016.

5. Acceptances

The Company offers its vendors a facility using which vendors can discount bills drawn on the company using the company's line of credit. The interest will be borne by the company. Under previous GAAP, these acceptances from vendors were classified under trade payables. However, they are in the nature of short term borrowings from the bank. Accordingly, acceptances have been reclassified to borrowings from trade payables. Accordingly, acceptances of ₹ 50,118.89 lakh (1 April 2015 - ₹ 57,329.76 lakh) have been reclassified to borrowings as at 31 March 2016.

6. Loan to an associate (Hind Lamps Limited)

The company has extended a loan of ₹ 1,152 lakh to its associate company Hind Lamps Limited. The said loan has also been provided to the extent of ₹ 1,000 lakh and net amount was reflected under the previous GAAP under loans and advances. This loan had no repayment terms and carried a mandated rate of 6% through its term. Under Ind AS, where there are such loans which are given to subsidiary, associate or joint venture, without any repayment terms the same is considered as a capital infusion in such subsidiary, associate or joint venture. Accordingly, the loan of ₹ 1,152 lakh has been added as an investment in the associate and the same has been impaired to the extent of ₹ 1,000 lakh. This classification does not have any impact on equity.

**Explanation 4 – Impact on cash flows for the year ended 31 March 2016**

There are no impacts in cash flows due to transition to Ind AS.

## Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2017

### NOTE 16 : OTHER EQUITY

		(₹ in Lakh)	
Particulars	31-Mar-17	31-Mar-16	
<b>i) Securities premium reserve</b>			
Opening Balance	21,344.29	21,001.91	
Exercise of options - proceeds received	582.48	312.58	
Exercise of options - transferred from shares options outstanding account	102.39	29.80	
<b>Closing Balance</b>	<b>22,029.16</b>	<b>21,344.29</b>	
		(₹ in Lakh)	
Particulars	31-Mar-17	31-Mar-16	
<b>ii) Debenture redemption reserve</b>			
Opening Balance	2,500.00	2,500.00	
Appropriation during the year	-	-	
<b>Closing Balance</b>	<b>2,500.00</b>	<b>2,500.00</b>	
		(₹ in Lakh)	
Particulars	31-Mar-17	31-Mar-16	
<b>iii) General Reserve</b>			
Opening Balance	45,101.43	42,077.06	
Add : Transfer from retained earnings	-	3,000.00	
Less : Transfer to revaluation reserve	-	1.34	
Less: Transitional adjustments to carrying value of tangible assets whose revised useful life has expired, net of deferred tax aggregative ₹ 150.35 lakh	-	-	
Add : Transfer from revaluation reserve	-	-	
Add : Transferred from stock options reserve for vested options cancelled	56.60	25.71	
<b>Closing Balance</b>	<b>45,158.03</b>	<b>45,101.43</b>	
		(₹ in Lakh)	
Particulars	31-Mar-17	31-Mar-16	
<b>iv) Shares options outstanding account</b>			
Opening Balance	967.80	555.56	
Add : Employee stock option expense	423.00	502.01	
Less : Transferred to general reserve for options vested cancelled	56.60	25.71	
Less : Reversal of employee stock option expenses for options unvested cancelled	32.81	34.26	
Less : Transferred to securities premium for exercise of options	102.39	29.80	
<b>Closing Balance</b>	<b>1,199.00</b>	<b>967.80</b>	
		(₹ in Lakh)	
Particulars	31-Mar-17	31-Mar-16	
<b>v) Retained earnings</b>			
Opening Balance	3,290.41	967.52	
Net profit for the period	10,216.85	10,780.40	
Remeasurements of post-employment benefit obligation, net of tax	(253.98)	(235.42)	
Less : Transfer to general reserve	-	3,000.00	
Less: Proposed dividend on equity shares	-	1,511.44	
Less: Dividend distribution tax on proposed dividend	-	307.73	
Less: Interim dividend paid	-	2,826.57	
Less: Dividend distribution tax paid on interim dividend	-	575.42	
Less: Dividend alongwith dividend distribution tax paid on exercise of stock option	-	0.93	
<b>Closing Balance</b>	<b>13,253.28</b>	<b>3,290.41</b>	

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
<b>vi) Capital reserve</b>		
Opening Balance	10.00	10.00
<b>Closing Balance</b>	<b>10.00</b>	<b>10.00</b>

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
<b>vii) Capital redemption reserve</b>		
Opening Balance	135.71	135.71
<b>Closing Balance</b>	<b>135.71</b>	<b>135.71</b>

#### NOTE 4 : INVESTMENTS

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
<b>Investment in equity instruments of associate &amp; joint venture (fully paid up)</b>			
<b>Unquoted</b>			
Non-current equity investments (unquoted) Hind Lamps Limited.	1,366.81	1,542.25	1,684.53
Accumulated impairment in value of investments in Hind Lamps Limited.	(1,000.00)	(1,000.00)	(1,000.00)
	366.81	542.25	684.53
Non-current equity investments (unquoted) Starlite Lighting Ltd.	550.51	957.62	1,067.33
<b>Total investments in associate &amp; joint venture</b>	<b>917.32</b>	<b>1,499.87</b>	<b>1,751.86</b>

#### NOTE 10 : INVENTORIES

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16	1-Apr-15
Raw material	8,533.71	3,284.34	3,182.79
Work-in-progress	726.54	505.78	902.85
Finished goods	5,441.75	3,082.49	2,274.19
Traded goods	38,961.47	41,401.94	38,054.31
Material in Transit	3,143.29	1,761.92	2,352.18
Stores and spares	307.26	616.97	697.06
Others	1.38	1.24	1.41
<b>Total Inventories</b>	<b>57,115.40</b>	<b>50,654.68</b>	<b>47,464.79</b>

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to ₹ 800.69 lakh (31 March 2016 - (₹ 166.04 lakh)). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

#### NOTE 37: SEGMENT REPORTING

##### Information about Business Segments:

In view of adoption of Ind AS effective 1 April 2016, the Company has, pursuant to the provisions of Ind AS 108, identified its business segments as its primary reportable segments, which comprises of Consumer Products; Engineering & Projects and Others. "Consumer Products" includes Appliances, Fans and Consumer Lighting Products; "Engineering & Projects" includes Transmission Line Towers, Telecommunication Towers, High Masts, Poles, Special Projects including Rural Electrification Projects and Luminaires; and "Others" includes Wind Energy.

### 1) Segment Results

Adjusted EBIDTA reconciles to income before profit as follows

(₹ in Lakh)		
Particulars	31-Mar-17	31-Mar-16
a) Consumer Products	11,460.48	13,420.50
b) EPC	15,558.34	16,998.50
c) Others	21.14	20.57
<b>Total adjusted EBIDTA</b>	<b>27,039.96</b>	<b>30,439.57</b>
<b>Unallocated</b>		
Depreciation & amortisation expenses	(2,987.14)	(2,737.90)
Finance Cost	(8,043.76)	(10,807.94)
Interest accretion on financial assets measured at fair value through profit and loss and amortised cost	597.32	652.57
Impairment of financial assets	(531.56)	-
Profit / (Loss) on sale of Property, plant & equipment	153.08	57.37
Rent received	217.49	251.39
Interest Income From Investment	520.36	417.51
Employee Share-Based Payment Expenses	(390.18)	(467.75)
Others	228.36	(117.85)
<b>Profit before income tax from continuing operations</b>	<b>16,803.93</b>	<b>17,686.97</b>

### Primary Segment Information :

#### 2) Segment Revenue:

(₹ in Lakh)		
Particulars	31-Mar-17	31-Mar-16
a) Consumer Products	231,421.03	259,748.03
b) EPC	198,332.80	202,857.73
c) Others	72.08	64.05
<b>Sub-total</b>	<b>429,825.91</b>	<b>462,669.81</b>
Less: Inter Segment Revenue	-	-
<b>Net Sales / Income from Operations</b>	<b>429,825.91</b>	<b>462,669.81</b>

There is no single customer with more than 10% of revenue. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in table below :

(₹ in Lakh)		
Particulars	31-Mar-17	31-Mar-16
India	425,128.60	458,691.17
Others	4,697.31	3,978.64
<b>Total</b>	<b>429,825.91</b>	<b>462,669.81</b>

#### 3) Segment Assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

(₹ in Lakh)			
Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
a) Consumer Products	78,430.85	71,778.38	70,273.98
b) EPC	173,141.86	169,172.90	169,492.35
c) Others	305.59	335.83	298.19
<b>Total Segment Assets</b>	<b>251,878.30</b>	<b>241,287.11</b>	<b>240,064.52</b>
<b>Unallocated</b>			
Deferred tax assets	5,594.95	4,927.79	5,530.81
Income tax assets (net)	3,157.11	5,384.16	5,662.46



Investments	7,199.69	7,716.47	7,370.59
Property, Plant & Equipments	22,568.00	20,760.89	18,378.96
Cash & cash equivalents	6,526.52	5,549.62	3,766.08
Derivative Financial Assets	-	59.03	4.33
Others	10,293.26	10,007.54	7,202.00
<b>Total segment assets as per balancesheet</b>	<b>307,217.83</b>	<b>295,692.61</b>	<b>287,979.75</b>

Investments and derivative financial instruments held by the Company are not considered to be segment assets, but are managed by the treasury function.

The total of non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets, broken down by location of the assets, is shown below:

(₹ in Lakh)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
India	30,981.00	27,602.000	27,544.00
Others	23.00	38.00	-
<b>Total</b>	<b>31,004.00</b>	<b>27,640.00</b>	<b>27,544.00</b>

#### 4) Segment Liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

The group's borrowings and derivative financial instruments are not considered to be segment liabilities, but are managed by the treasury function.

(₹ in Lakh)

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
a) Consumer Products	65,808.00	39,989.41	39,099.21
b) EPC	89,239.15	86,906.33	82,434.88
c) Others	-	-	-
<b>Total Segment Liabilities</b>	<b>155,047.15</b>	<b>126,895.74</b>	<b>121,534.09</b>
<b>Unallocated</b>			
Current borrowings	52,858.40	72,505.84	76,179.56
Non-Current borrowings	9,566.04	17,344.60	19,272.70
Liabilities directly associated with assets classified as held for sale	810.00	350.00	328.00
Derivative liability	213.88	52.79	101.15
Others	2,411.35	3,175.02	1,301.53
<b>Total Segment Liabilities as per Balance Sheet</b>	<b>220,906.82</b>	<b>220,323.99</b>	<b>218,717.03</b>

#### 38. DETERMINATION OF PROFITS & CAPITAL FOR COMPUTATION OF EPS:

Particulars	31-Mar-17	31-Mar-16
Profit / (Loss) for the year after Tax (₹ in Lakh)	10,216.85	10,780.40
No. of Equity Shares of ₹ 2 each		
Basic	101116802	100870141
Add: Effect of Dilutive issue of Employees Stock Options (Refer Note No. 31)	203308	153432
Diluted	101320110	101023573
Earnings Per Share in ₹ :-		
(a) Basic	10.10	10.69
(b) Diluted	10.08	10.67

**39. CONTINGENT LIABILITIES**

(₹ in Lakh)

Particulars	31-Mar-17	31-Mar-16
Contingent Liabilities not provided for :		
Claims against the Company not acknowledged as debts	1,032.02	753.52
Guarantees / Letter of Comfort given on behalf of Companies	16,755.97	17,339.83
Excise and Customs demand - matters under dispute and Claims for refund of Excise Duty, if any, against Excise Duty Refund received in the earlier year	21.62	22.47
Service Tax matters under dispute and Claims	156.05	158.80
Income Tax matters - Appeal by Company	286.13	286.13
Sales Tax matters under dispute	6,508.19	2,610.26
<b>Penalty/damages/interest, if any, due to non-fulfilment of any of the terms of works contracts</b>	<b>Liability unascertained</b>	<b>Liability unascertained</b>
Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20
Uncalled liability in respect of partly paid Shares held as investments	1.56	1.56
Demand of ESI under dispute	0.28	0.28
Unpaid Pref. dividend	31.76	30.87
Industrial Promotion Subsidiary under PSI, 2007	243.94	122.25

**46. DISCLOSURE OF SPECIFIED BANK NOTES (SBN'S)**

As required by MCA notification dated 30 March 2017, the details of Specified Bank Notes (SBN) held and transacted are given below:

(₹ in Lakh)

Particulars	SBNs (notes of old ₹ 500 & 1000 notes)	Other denomination notes	Total
Closing Cash in hand as on 8 November 2016	27.39	165.30	192.69
Add : Withdrawal from Bank Accounts	0.50	279.06	279.56
Add : Permitted receipts	-	27.94	27.94
Add : Non-Permitted receipts	0.92	-	0.92
Less : Permitted payments	(9.49)	(355.94)	(365.43)
Less : Non-Permitted payments	(0.55)	-	(0.55)
Less : Amount deposited in banks	(18.76)	(2.97)	(21.73)
Closing Cash in hand as on 30 December 2016	-	114.82	114.82

**Joint Venture and Associate**

The Company has 19% interest in a joint venture called Starlite Lighting Limited (SLL) whereby the Company has joint control over the business decisions of and also enjoys the powers to jointly participate in financial and/or operating policy decisions of SLL along with the promoters of SLL being the other party to the joint venture. The Company also has 19% interest in an associate company Hind Lamps Limited (HLL). The principal place of business of the joint venture as well as of the associate is in India.

**Significant Judgment : Classification of joint venture and existence of significant influence**

In case of few activities of Starlite Lighting Limited (SLL), there is a requirement of unanimous consent of directors of the Company and Starlite Lighting Limited who are appointed and designated for the purpose of recording the affirmative vote. Hence SLL has been classified as a joint venture in consolidated books of accounts.

In case of Hind Lamps Limited, the Company is able to exercise significant influence as it has the power to participate in the financial and operating policy decisions of the investee.

**Interest in joint venture and associate**

Name of entity	Place of business	% of ownership business	Relationship	Accounting Method	Carrying Amount (₹ in Lakh)*		
					31-Mar-17	31-Mar-16	1-Apr-15
Starlite Lighting Limited CIN: U31300MH1995PLC090213	India	19	Joint Venture	Equity method	1,067.33	1,067.33	1,067.33
Hind Lamps Limited CIN: U27302UP1951PLC002355	India	19	Associate	Equity method	684.53	684.53	684.53

\* Of the above, includes investment in 2375000 shares at ₹ 10 each amounting to ₹ 445.31 lakh in case of Starlite Lighting Limited and investment in 1140000 shares at ₹ 25 each amounting to ₹ 296.78 lakh in case of Hind Lamps Limited.

**Commitments and contingent liabilities in respect of associate**

The Company, being promoter for Hind Lamps Limited under rehabilitation scheme approved by Hon'ble BIFR, is entitled to support Hind Lamps Limited and entitled to bring in the funds in the form of unsecured loans irrespective of any statutory provisions in any of the acts prevailing which may stop the Company to do so.

**Summarised financial information for joint venture and associate**

The tables below provide summarised financial information for those joint ventures and associates that are material to the Company. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Company's share of those amounts.

(₹ in Lakh)

Summarised Balance Sheet	Starlite Lighting Limited		
	31-Mar-17	31-Mar-16	1-Apr-15
<b>Current assets</b>			
Cash and cash equivalents	162.26	121.41	110.34
Other assets	11,457.15	9,421.69	11,135.71
<b>Total current assets</b>	<b>11,619.41</b>	<b>9,543.10</b>	<b>11,246.05</b>
<b>Total non-current assets</b>	<b>15,385.78</b>	<b>16,544.40</b>	<b>15,734.70</b>
<b>Current liabilities</b>			
Financial liabilities (excluding trade payables)	12,071.63	8,432.00	9,222.58
Other liabilities	3,651.64	1,608.07	1,761.24
<b>Total Current liabilities</b>	<b>15,723.27</b>	<b>10,040.07</b>	<b>10,983.82</b>
<b>Non-current liabilities</b>			
Financial liabilities (excluding trade payables)	6,343.68	5,590.13	5,051.77
Other liabilities	7,185.19	10,561.51	10,471.98
<b>Total non-current liabilities</b>	<b>13,528.87</b>	<b>16,151.64</b>	<b>15,523.75</b>
<b>Net Assets</b>	<b>(2,246.95)</b>	<b>(104.21)</b>	<b>473.18</b>

**Reconciliation to carrying amounts**

(₹ in Lakh)

Particulars	Starlite Lighting Limited		Hind Lamps Limited	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Opening net assets	957.62	1,067.33	1,542.25	1,684.53
Profit / (Loss) for the year	(406.52)	(108.84)	(151.57)	(132.37)
Other comprehensive income	(0.59)	(0.87)	(23.87)	(9.91)
<b>Total</b>	<b>550.51</b>	<b>957.62</b>	<b>1,366.81</b>	<b>1,542.25</b>
Less: Accumulated impairment	-	-	(1,000.00)	(1,000.00)
<b>Closing net assets</b>	<b>550.51</b>	<b>957.62</b>	<b>366.81</b>	<b>542.25</b>

Being promoter of Hind Lamps Limited, the Company has a legal obligation under BIFR Scheme to support Hind Lamps Limited and entitled to bring in the funds in the form of unsecured loans irrespective of any statutory provisions in any of the acts prevailing which may stop the Company to do so. In lieu of this, the Company shall continue to record additional losses to the extent of its interest in HLL even though the Company's interest in HLL may reduce to zero.

**Summarised statement of profit and loss**

(₹ in Lakh)

Particulars	Starlite Lighting Limited		Hind Lamps Limited*	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Revenue from operations	12,025.75	15,818.19	4,345.11	4,991.86
Other income	656.22	667.35		
Cost of manufacturing	10,467.07	12,931.18		
Employee benefits expense	503.89	505.33		
Depreciation and amortisation	531.15	437.18		
Other expenses	487.75	557.18		
Finance Cost	3,463.20	2,690.97		
Income tax expense	(631.49)	(63.44)		
<b>Profit for the year from continuing operations</b>	<b>(2,139.60)</b>	<b>(572.86)</b>		
Other comprehensive income	(3.12)	(4.55)		
<b>Total comprehensive income</b>	<b>(2,142.72)</b>	<b>(577.41)</b>		
Dividends received	NIL	NIL	NIL	NIL

\*shaded portion indicates information not required to be given for investment in associates

As per our report attached of even date

For **Dalal & Shah LLP**

Firm Registration No. 102021W/W100110

Chartered Accountants

**Anish Amin**

Partner

Membership No.40451

Mumbai, May 29, 2017

**Mangesh Patil**

Executive Vice President

Legal &amp; Company Secretary

**Anant Purandare**

President &amp; Chief Financial Officer

**For and on behalf of the Board****Shekhar Bajaj**

Chairman &amp; Managing Director

**Anant Bajaj**

Joint Managing Director

**V.B.Haribhakti**

Chairman - Audit Committee

## Range of Products

### APPLIANCES

<b>Toasters</b>	–	ATX 21, ATX 4, ATX 3
<b>Mixer Grinders</b>	–	<b>750W:</b> Helix New, Helix Ultra, Twister, GX 11, Classic, GX 8
		<b>600W:</b> GX 10 DLx Trio, Trio Plus
		<b>500W:</b> Bravo Dlx 3 jar, GX 7, Easy, GX 3, GX 6, and Glory MG, Ruby, GX 21, Maxio, popular (450W)
<b>Food Processors</b>	–	MasterChef 3.0, FX 11, and New FX9
<b>Juicer Mixer Grinders</b>	–	JX 10, JX 5, and Fresh sip, JX 4 and JX7
<b>Juicers</b>	–	Majesty JEX 15, Majesty JEX16, Majesty JE, Juicer one
<b>Choppers &amp; Hand Blender</b>	–	Presto XL chopper, Hand Blender HB04, HB 10, HB 11, HB 12 HC01 and HM01
<b>Wet Grinder</b>	–	WX 9 with arm, WX 3 without arm
<b>OTGs</b>	–	4500TMCSS, 3500TMCSS, 2800TMCSS, 2200TMSS, 2200T, 1603TSS, 1603T, 1000TSS
<b>Microwave Ovens</b>	–	2504 ETC, 2310 ETC, 2005 ETB, 1701 MT, 1701MT DLX
<b>Electric Kettles</b>	–	TMX 3 Tea Maker, Majesty KTX 9 Multifunction, Majesty KTX 15 SS, Majesty KTX 11 SS, Majesty TravelKettle KTX2, 1.7L Non-Strix, 1.0L Non-Strix, Majesty New KTX7 1L Cordless Kettle, Majesty New KTX7 1.7L Cordless Kettle
<b>Coffee Makers</b>	–	Majesty CEX 11 Steam
<b>Sandwich Makers</b>	–	Majesty New SWX 7 Sandwich, Majesty New SWX 8 Grill, Majesty New SWX 3 Sandwich, Majesty New SWX 4 Grill, Majesty New Grill Ultra
<b>Induction Cookers</b>	–	Majesty ICX Neo, Majesty ICX Pearl, Majesty ICX 7, Popular Ultra, Popular Smart, Majesty Touch Pro, Majesty ICX 3
<b>Rice Cookers</b>	–	Majesty RCX 42, Majesty RCX 28 Deluxe, Majesty RCX 28, Majesty New RCX 21 Deluxe, Majesty New RCX 7, Majesty RCX 18, Majesty New RCX 5, Majesty New RCX 3, Majesty RCX 1 Mini, Majesty RCX 18 PLUS
<b>Pressure Cookers</b>	–	<b>Inner Lid:</b> PCX 32 2L, PCX 33, PCX 35, PCX 36A, PCX38L
		<b>Anodized Handi:</b> PCX 63H, PCX 65H, Handi Duo: PCX 63D, PCX 65D, Duo: PCX 42, PCX 43, PCX 45
		<b>Handi Anodized Induction Base:</b> 3L - PCX 63HD, 5L - PCX 65HD
		<b>Outer Lid:</b> PCX 3, PCX 5, PCX 2, PCX 7AT, PCX 9T.
<b>Gas Stoves</b>	–	Popular-Eco, CX 8, CX 9, CX 10D, CGX 2 ECO, CGX 3 ECO, CGX 4 SS, CGX 9 SS, CGX 10 SS, IX 2, Majesty Jewel Bubble, Majesty Jewel Wave
<b>Chimneys</b>	–	HX 1, HX 7SS BF, HX 8BF

<b>Non Electric Kitchen Aid (NEKA)</b>	–	Induction Frying Pan 200/ 240mm, Frying Pan 200/ 240mm Hard Anodized Duo, Majesty Duo Cookware Set 2 / 3 Pcs, Hard Anodized Sauce Pan 1 /1.5 / Induction Kadai 240mm, Induction Tawa 250/ 280mm, Majesty Duo Cookware Teflon Coating / Ceramic Coating Set, Tawa Hard Anodised 225/ 260 mm, Hard Anodized Kadai, Casserole Ceramic Coated 3L / 5L- Red, Frying Pan Ceramic Coated 200 / 240 mm—Red, Kadai Ceramic Coated- Junior/ Senior -Red, Sauce Pan Ceramic 1.5L / 2L — Red, Casserole Ceramic Coated 3L/ 5L—Orange, Frying Pan Ceramic Coated 200/ 240mm—Orange, Kadai Ceramic Coated Junior / Senior—Orange, Sauce Pan Ceramic 1.5L / 2L—Orange
<b>Platini</b>	–	Bread Maker BM01, Vitamin juicer VJ 01, Stand mixer (SM 01, SM 02)
<b>Irons</b>	–	<b>Dry Irons:</b> DX 2 Grey, DX 2 Black, Popular Plus, Popular 1000, Dx 11, DX 4, DX 6, DX 7, DX 8, Esteela, Majesty One, DHX 9, Auto standard
		<b>Steam Irons:</b> MX 3, MX 4, MX 20, MX 15, MX 7, MX 8, MX 25, MX 30
<b>Storage Water Heaters</b>	–	<b>5 star series Glassline:</b> Calenta 6, 10, 15 & 25 ltrs, Calenta Digi 15 & 25L <b>5 star series Glassline:</b> Caldia 6, 10, 15 & 25ltrs
		<b>5 star series Glassline:</b> Shakti GPV 10, 15 & 25ltrs
		<b>4 star series Glassline:</b> New Shakti 10, 15 & 25ltrs
		<b>5 star Horizontal Glassline:</b> Majesty Horizontal 10, 15, 25 Litres
<b>Gas Water Heaters</b>	–	Majesty Duetto (low and high pressure applications available LPG/PNG connection)
<b>Instant Water Heaters</b>	–	Majesty: 1 & 3ltrs - 3kw/4.5kw, Flora: 1 & 3 litrs - 3kw/4.5kw
<b>ROOM HEATER</b>		
<b>OIL FILLED RADIATOR</b>	–	Majesty Rh 9 Plus OFR, Majesty RH 9F Plus OFR, Majesty RH 11F Plus OFR, Majesty RH 13F Plus.
<b>FAN HEATER</b>	–	Blow Hot, Rx 10, Rx 11, Rx 8 Heat Convector, Majesty Rfx 2, Heat Convector Rx 7, Majesty Rx 17 Heat Convector, Majesty Rx 19 Heat Convector.
<b>RADIANT HEATER</b>	–	Flashy Room Heater, Minor Room Heater, Del Room Heater. <b>HALOGEN HEATER:</b> RX2 Halogen Heater, Majesty RHX 3 New.
<b>CARBON HEATER</b>	–	Majesty CHX Duo Room Heater
<b>ROOM COOLERS</b>	–	DC 2016 Glacier, DC 70 DLX, DC 55 DLX, MD 2020, SB2003, TC 2007, Frio, DC 2015 Icon, DC 2015 Icon Digital, TC 2008, PC 2012, PC 2000 DLX, PCF 25 DLX
<b>Platini</b>	–	PX 100 DC, PX 97 Torque and PX 96 PCR



<b>MORPHY RICHARDS</b>	
<b>Chopper</b>	– Vivo Chopper
<b>Coffee Makers</b>	– New Europa Espresso/Cappuccino, Fresco
<b>Sandwich Makers</b>	– New Toast & Grill, SM3006, SM 3007
	<b>Pop-up toasters:</b> AT 201, AT 202, AT 204, AT 401
<b>Dry Irons</b>	– Senora, Senora Dlx, Inspira, Desira, New Arrivals: Marvel & Daisy
<b>Steam Irons</b>	– Mirage, Turbo Steam – Dualzone, Turbo Steam, Comfigrip Trizone, Glide, Super Glide, Dolphin
<b>OTGs</b>	– OTG 40 RCSS, OTG 60RCSS, OTG 52 RCSS, OTG 36 RCSS, OTG 28 RSS, OTG 24 RSS, OTG 18 R SS, OTG 16 SS, OTG 16 PC
<b>Microwave Ovens</b>	– MWO 25 CG with 200 ACM, MWO 20CG with 200 ACM, MWO 20MS, MWO 20MBG, MWO 23MCG, MWO 30MCGR
<b>Electric Kettles</b>	– Voyager 200, Voyager 100, Voyager 300, Rapido, InstaCook, Optimo, Impresso, Tea Maker
<b>Hand Blenders</b>	– HBCD SS, HBCP, HBCS, Pronto Dlx, Pronto
<b>Hand Mixers</b>	– Hand Mixer HM02
<b>Food Processors</b>	– Essentials 600, Icon Dlx
<b>Mixer Grinders</b>	– Icon Dlx (750W), Icon Classique (750W), Icon Supreme (750W) 4 Jar MG, Ace Plus (750W), Icon Essentials (600W), Ritz Essentials (600W), Champ Essentials (500W), Aero Plus (500W), Elite Essentials (500w), Superb (500W), New Arrivals: Primo Classique 750W), Icon Royal – Orchid (600W), Icon Royal – Sapphire (600W), Aero New (500W)
<b>Juicer Mixer Grinders</b>	– Divo Essentials 3- Jar, Cutie JMG
<b>NEW CATEGORY: SAUTÉ &amp; SOUP MAKER – SAUTÉ &amp; SOUP</b>	
<b>Electric Cookers</b>	– D55W, Health Rice & Pasta, Rice+
<b>Juicers</b>	– Juice Xpress, Maximo
<b>Room Heaters</b>	– OFR900, OFR1100, OFR 09, OFR 9F, OFR 11F, OFR 13F, Heat Convector Daisy, Maisy & Topsy. <b>New Arrivals:</b> PTC Heater – Aristo & Orbit
<b>Induction Cookers</b>	– Icon Essentials, Chef Xpress 400i
<b>Water Heaters</b>	– Storage WH Salvo 6, 10, 15, 25 ltr., Storage WH Lavo EM 6, 10, 15, 25ltr., Storage WH Lavo Digi 15, 25 ltr., Storage WH Lavo (Horizontal) 15 & 25 ltr. <b>New Arrival:</b> Instant WH Quente 1, 3 ltr (3kw/4.5kw)
<b>Hair Dryer</b>	– HD-031

## LIGHTING

<b>General Lighting Service Lamps</b>	–	40W/60W/100W/200W Clear Lamps & 100W Soft lite (In B22 Cap only)
<b>Special Incandescent Lamps</b>	–	15W Clear, Soft lite, frosted & 5 colour, Night Decoration Lamps
<b>TUBES (Fluorescent Lamps)</b>	–	T8 in 18W and 36W, T12 in 40W (in CDL only)
		T5 in 14W, 24W & 28W (in CDL only)
<b>CFL (Compact Fluorescent Lamps)</b>	–	Non-retrofit Range – 11W (S Type 2 PIN), 11W & 18W (D Type in 2 & 4 pin), 36W BLL
		Retrofit Range (Tubular) – 9W, 11W, 15W, 20W, 23W, 25W, 36W, 45W, 65W, 85W (In B22, E27 & E40
		Caps and in CDL only)
		Retrofit Range (Spiral) – 23W, 25W, 65W & 85W (With B22/E27/ E40 cap & In CDL only)
<b>LED D-Lite Series</b>	–	Torches - Smart glow range of Torches in 12, 6 and 4 LED RC;; 0.5W NM-RC, 1W RC, Dosti Torch, 0.5W DB Sleek, Chamak DB, Chamak radium body DB
		Lantern - LEDGLOW range of Lanterns 424, 430 & 648 RC, Solar Asha RC
		Table Lamp - Softlite Table Lamp
		CL (Consumer Luminaires) – T8/T12 strip type fittings with decorative end caps, T5 & T8 box type fittings; Electronic & Copper Ballasts 36W & Starters
<b>LED</b>	–	LED Bulbs - 3W, 4.5W, 7W, 9W, 12W, 15W & 18W, LEDZ range (With B22 & in CDL), 3W, 5W, 7 W, 9W & 12W Corona Range (With B22 & E27 Cap & in CDL & WDL), 0.5W Deco lamps (With B22 Cap & In 5 colours)
		LED high Wattages - 20W, 30W, 40W (With B22 Cap & in CDL).
		LED Flood Lights - 10W, 20W, 30W (In CDL only)
		LED battens - 28W, 18W, 9W, 6W with Aluminum housing and 20W in plastic housing (In CDL only)
		LED Down lighters – 2W Spot Lights (in CDL & WDL), 3W & 5W (In CDL & WDL)
		LED Tube Light - Tube light with fitting 20W (In CDL only)
		LED recess mounted panels - 3W, 6W, 9W, 12W, 15W & 18W (In Square & round shape & in CDL & WDL)
<b>Electrical Accessories</b>	–	Spike & Surge Guard (4 sockets & 1 switch) with 1.5Mtr fire resistance cable

<b>FANS</b>	
<b>Ceiling Fans</b>	– Magnifique FL-01, Magnifique AL-01, Ornio, Cruzair Décor, Shinto, Euro, Harrier, Centrim HS, Regal Gold 4 Blade, Elegance, Regal Gold, Grace Gold DX, Esteem, Ark, Bajaj-Disney Kids Fan Range (Mickey Mouse & Friends, Minnie Mouse, Cars, Spiderman), Speedster X, Pride Neo, Ultima D’ziner 2T, Ultima, Grace LX, Grace DLX, Speedster, Energy Efficient Fans (Excel Star, Kassels Star, Electra 50 & Kassels 50 ISI), Edge, New Bahar Deco, Tezz, New Panther, New Bahar, Small Fans with 600 mm sweep (Regal Gold, Speedster, Maxima)
<b>Pedestal Fans</b>	– Neo-Spectrum, Bajaj Midea, Tez Faratta, Victor, Elite Neo, Esteem
<b>Table Fans</b>	– Neo-Spectrum, Bajaj Midea, Elite Neo, Esteem
<b>Wall Fans</b>	– Neo-Spectrum, Bajaj Midea, Victor, Elite Neo, Esteem
<b>Personal Fans</b>	– Ultima Table, Wall & Cabin fan
<b>Domestic Exhaust Fans</b>	– Freshee MK II, Maxio, Maxima DX, Bahar, Maxima DX-G02
<b>Heavy Duty Exhaust Fans</b>	– Supreme DLX and Supreme Plus & MAX AIR Industrial Exhaust Fans
<b>Air Circulators</b>	– Supreme Plus and Supreme MK II range of Air Circulators

## LUMINAIRES

<b>LED Lighting</b>	
<b>Street Lighting</b>	– Street Light - 15W to 210W - Cub, Edge, Edge Plus
<b>Area Lighting</b>	– Flood Lights ranging from 30W to 350W - Magnum, Force, Turbo
<b>Industrial Lighting</b>	– Canopy / Lowbay Luminaires 80/100W - Cosmo
	Highbay - 80W to 200W - Duranto, Forcebay
	Wellglass - 27W to 42W - Verdant, Verdant Neo
	Linear Lights - 40W-120W - Linea, Prime, Excel, Trendy, Perk
	Bulk Head - 10W - Wee Plus
	Cleanroom - 20W to 80W - Pristine 2x2 Luminaire
<b>Landscape Lighting</b>	– LED Bollards 9W - Flute, Tulip, Tetris, Mushroomz
	LED Post Tops - 25W to 70W - Florence, Teardrop, Cosmos, Celesta, Araian, Tenco, Globe
	Bush & Spikes - Spykz (9W), Step Light - Razor (4W), LED Poles
<b>Indoor Commercial Luminaires</b>	– Downlights -Recessed and Surface Mounting. 03W to 32W - Dovee, Sleek, Radiance
	COB Downlights - 06W to 50W - Klass and Quadra
	Troffers - 1x1 & 2x2 - 18W to 43W - Recessed and Surface Mounting - Skylux, Skylite, Auralite, waffle, Green Centre, Armstorme

		Suspended Luminaires - 20W to 80W - Pendant, Connect, Baton, Flexitron Viva, T8 Tube Light, Batten, T5 Tube Light
<b>Retail Lighting</b>	–	COB Spotlights 12W to 30W Alpha
		COB Spotlights 30W to 50W BXDR
		Trunking System - Viva 40W
		LED Strip 25W & 75W
		LED Signage - 03W Single & Double Sided
<b>Lighting Controls</b>	–	PIR Movement Based
		PIR Occupancy Sensors
		Day Light Sensors
<b>Conventional Lighting</b>	–	
<b>Roadway Lighting</b>	–	HID Street Light from 70W to 250W - Momentum, Aqua, Optima, T5 & CFL Luminaires
<b>Area Lighting</b>	–	Flood Lights ranging from 70W to 400W in Integral & non-Integral Versions. Halogen Light, Aviation Light, Deep Drawn control gear
<b>Industrial Lighting</b>	–	Surface / Pendant mounting T5, FTL Luminaires from 40W to 54W
		Highbay 4x28W & 4x54W T5 based Luminaire - Trendy
		HID based Integral Lowbay Luminaire from 70W to 250W
		HID based Integral & Non-integral Wellglass from 70W to 150W
		HID based Canopy Luminaire 400W MMH
		HID based Tunnel Luminaire from 150W to 400W
		GLA/ CFL Retrofit Bulkhead Luminaire
		Highbay & Midbay Luminaire
<b>Hazardous Area Lighting</b>	–	Flameproof Bulkhead Luminaire GLS 200W ES
		Flameproof Fluorescent Luminaire 28W/36W
		HID Based Flameproof non-integral Luminaire from 70W to 400W
		HID Based Increased safety integral / non-integral Luminaire from 70W to 400W
		Flame Proof Control Gear box 80W to 400W
		Flame Proof non-integral Control Gear box 250W & 400W
		Flame proof non-integral flood light & Flame proof junction box
<b>Cleanroom Lighting</b>	–	Front Opening Recessed & Surface Mounting CFL based 18W to 36W Luminaire
		Rear Opening Recessed Mounting CFL based 18 & 36W Luminaire
<b>Induction Lighting</b>	–	Induction Canopy 80W
		Induction Highbay 80W / 120W / 150W / 200W

		Induction Flood Light 200W
		Induction Street Light 80W
<b>Area Lighting</b>	–	Halogen Flood Light in 500W & 1000W
		HID Symmetrical beam NI Floodlight 250W to 400W
		HID Asymmetrical beam NI Floodlight 70W & 150W
		HID Asymmetrical beam Integral Floodlight 250W & 400W
		HID Integral Hoarding Luminaire 70W to 400W
		HID Integral flood light luminaire 400MMH
		Aviation obstruction light
		Control Gear Box for HID Luminaires 250W to 400W
<b>Landscape Lighting</b>	–	Integral CFL Post Top Lanterns 18 & 36 W in both Opal & Clear models
		Integral HID Post Top Lanterns 18 & 36 W in both Opal & Clear models
		JUNO Integral post lanterns 70W & 150W
		Integral CFL Bollards
		Decorative Poles
<b>Accessories</b>	–	Ballast Icon - Electronic Ballast
		Commercial Electronic Ballast
		Regular Electronic Ballast
		leader Electronic Ballast
		Intelligent Electronic Ballast
		Open Construction HPMV Ballast
		Open Construction MMH Ballast
		Open Construction HPSV/MH Ballast
		Ignitors for HPSV / MH Luminaires
<b>Light Sources</b>	–	.nxt T5 Lamps 14 & 28W
		CDMT Lamps
<b>HID Lamps</b>	–	HPMV LAMPS - 80/125/250/400W
		HPSV LAMPS - 70/150/250/400/1000 W E & T
		Metal Halide 70 to 400 MH Coated 7 DE lamps
<b>Modern Workspace Lighting</b>	–	Recess Mounted 2x2 Luminaires T5 14W/28W/36W & 54W
		Suspended / Recessed Mounted T5 14/28/54W Linear Luminaires
		Recess Mounted 2x2 Luminaires CFL 18W/36W Luminaires
		Surface Mounted CFL 18/36W CFL Luminaires
		Surface / Pendant mounting T5, FTL Linear Luminaires 4x1 in 14/28W
		T5 Lamp with CRCA Box 14/28W

		Surface and Recessed CFL Downlights
<b>Solar</b>	–	ALL in one Street Light 12 to 60W
		Solar Semi High Mast
		Falcon Street Light 9 to 30W
		Falcon Plus Street Light 43/60W
		Corona Street Light 9W
		CUB Led Street Light t12/15/20/25W
		Solar Home Lighting Sunsoko IS - Mini Solar System - 3 Models
		Solar Power Pack - 1KVA System with 4 Hours Autonomy
		Solar Power Pack - 500 VA System with 4 Hours Autonomy

## IBMS

<b>Analog CCTV Range</b>	–	Infrared Dome Camera
		Weather proof infrared bullet camera
		Digital Video Recorder
		2MP full HD ultra mini IP network camera
		8-CH 2 bay HDD
<b>Fire &amp; Security</b>	–	Securiton ASD
		Securiton FACP
<b>BMS</b>	–	BMS with integrated access control system & Energy Management System web based allows multi site management with cloud scalability
		Wire less sensors which do energy harvesting

## EPC SERVICES

Design, engineering, supply, execution and commissioning of following types of projects:

### a) Illumination EPC SBU

1. Illumination of power plants, Industrial plants, refineries
2. Area lighting with high masts.
3. City illumination & street lighting with octagonal poles, conical poles, tubular poles
4. Specialized lighting projects such as monument lighting, sound & light shows, fibre optic lighting, tunnel lighting.
5. Sports Lighting
6. Mobile masts.
7. Logo Signage, Highway & Road Signage
8. Specialized products like conical poles, CICA poles, GRP poles, Gazebos & Pergolas, Polysteel lamp posts
9. Smart Poles / monopoles
10. Energy management systems with LEDs & Lighting Controls (New Arrival).



- 
11. Pre-fabricated structures & hot dip galvanizing
  12. Specialized products made of composite materials
- 

**b) Power Distribution**

- 
1. Power Distribution Infrastructure (Rural / Urban)
  2. Integrated Power Development Projects
  3. Underground Cabling
  4. Indoor / Outdoor Substations up to 33 KV
  5. Feeder Separation
  6. Lift Irrigation Projects
  7. Solar Power Generation Plants
- 

**c) Transmission line towers & Sub-station SBU**

- 
1. EPC of transmission lines up to 765 KV Double circuit
  2. EPC of EHV Substations for central & state utilities & industries
  3. EPC of EHV/HV underground cabling work
  4. Manufacturing of Transmission line towers
  5. EPC of monopoles for Transmission line
  6. EPC of Wind energy towers
  7. Manufacturing of Sub-station structures
-



**Bajaj Electricals Limited**  
*Inspiring Trust*

Corporate Identity Number (CIN): L31500MH1938PLC009887  
45/47, Veer Nariman Road, Mumbai 400001  
Tel.: 022-6149 7000/6110 7800  
Email: legal@bajajelectricals.com Website: www.bajajelectricals.com

### BANK ACCOUNT PARTICULARS / ECS MANDATE FORM

I/We \_\_\_\_\_ do hereby authorise Bajaj Electricals Limited to:

- Print the following details on my/our dividend warrant.
- Email my/our dividend amount directly to my/our Bank Account by ECS. (\*strike out whichever is not applicable)

#### Particulars of Bank Account

- A. Bank Name : \_\_\_\_\_
- B. Branch Name and Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- C. 9 Digit Code number of the Bank & Branch as appearing on the MICR cheque : \_\_\_\_\_
- D. Account Type (Saving/Current/Overdraft) : \_\_\_\_\_
- E. Account No. as appearing on the cheque book : \_\_\_\_\_
- F. STD Code & Telephone No. : \_\_\_\_\_

I/We shall not hold the Bank responsible, if the ECS could not be implemented or the Bank discontinue(s) the ECS, for any reason.

Mail To:  
LINK INTIME INDIA PRIVATE LIMITED  
C 101, 247 PARK,  
L.B.S. MARG,  
VIKHROLI WEST  
MUMBAI – 400083

\_\_\_\_\_  
(Signature of first shareholder/ Joint Shareholder(s))

Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the 9 digit code number.

In case you are holding shares in demat form, kindly advise your Depository Participant to take note of your Bank Account particulars/ECS mandate.





**Bajaj Electricals Limited**  
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**PROXY FORM**  
**Form No. MGT-11**

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

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being the Member(s) of Bajaj Electricals Limited holding \_\_\_\_\_ shares of the Company hereby appoint:

1.	Name	
	Address	
	Email ID	
	Signature	

or failing him/her

2.	Name	
	Address	
	Email ID	
	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 78th Annual General Meeting of the Company to be held on Thursday, 3 August 2017 at 11.30 a.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31 March 2017 and the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend for the year ended 31 March 2017.		
3.	Re-appointment of Shri Madhur Bajaj, who retires by rotation.		
4.	Appointment of M/s. S R B C & Co. LLP, Chartered Accountants, as the Statutory Auditors and fixing their remuneration.		
<b>Special Business</b>			
5.	Approval of Cost Auditor's remuneration.		
6.	Approval for issue of Redeemable Non-Convertible Debentures on Private Placement Basis.		

Signed this ..... day of ....., 2017

Affix  
revenue  
stamp of  
₹ 1

Signature of Member.....

Signature of Proxy holder(s) .....

Notes:

- This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 78th Annual General Meeting.





Corporate Identity Number (CIN): L31500MH1938PLC009887  
45/47, Veer Nariman Road, Mumbai 400001  
Tel.: 022-6149 7000/6110 7800  
Email: legal@bajajelectricals.com Website: www.bajajelectricals.com

**ANNUAL GENERAL MEETING ON THURSDAY, 3 AUGUST 2017**

**ATTENDANCE SLIP**

<b>Registered Folio No./ *DP ID and Client ID</b> (*Applicable to Members holding shares in dematerialised form)	
<b>Name and address of the Member(s)</b>	
<b>Joint Holder 1</b> <b>Joint Holder 2</b>	
<b>Number of shares held</b>	
<b>Name of proxyholder (if applicable)</b>	

I/We hereby record my/our presence at the Annual General Meeting of the Company at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020 on Thursday, 3 August 2017 at 11.30 a.m.

\_\_\_\_\_  
Member's/Proxy's name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

Please hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN (Electronic Voting Sequence Number)</b>	<b>*Default PAN / Sequence No</b>
170602002	

\* Only members who have not updated their PAN with Company / Depository Participant shall use default PAN/Sequence No. in the PAN field.

Note: Please read the instructions printed to the Notice of Annual General Meeting dated 29 May 2017. The E-Voting period starts from 10.00 a.m. (IST) on Monday, 31 July 2017 and ends at 5.00 p.m. (IST) on Wednesday, 2 August 2017. The E-voting module shall be disabled by CDSL for voting thereafter.





We lit up the nation's path to progress



By lighting up street lights across India, we empower women to pursue their dreams.



By lighting up monuments and sports arenas to showcase India's glory.



By electrifying villages, we help generate employment opportunities for the locals.



By innovating solutions, we ensure electrification without causing harm to wildlife.

Ever since we began our journey, it was one dream that kept us going. A dream to bring the nation's dreams to life. And we did. We touched a billion lives with over 1,400 products. We put up over 7 lakh street lights and over 1,700 km of transmission lines. We lit up more than 25,000 villages, and illuminated hundreds of stadia and monuments across the nation. And to experience this glorious journey visit: [www.magicoflight.bajajelectricals.com](http://www.magicoflight.bajajelectricals.com)

Luminaires | Transmission Line Towers | Rural Electrification | Engineering Projects





**BAJAJ**  
**Bajaj Electricals Ltd.**  
*Inspiring Trust*

45/47, Veer Nariman Road, Mumbai - 400 001 | CIN: L31500MH1938PLC009887  
[www.bajajelectricals.com](http://www.bajajelectricals.com) |  |  | 



**INDEPENDENT AUDITORS' REPORT**

To  
**The Members of Hind Lamps Limited**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of **Hind Lamps Limited** ('the Company'), which comprises the Balance Sheet as at March 31<sup>st</sup>, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and change in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors Responsibility**

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Ind AS Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

Head Office : 607 & 507, Maruti Plaza,  
Block 118/8, Sanjay Place, AGRA-282 002  
Telefax : +91 562 4040023

Branch Office : Ground Floor, 208, State Bank Nagar,  
Paschim Vihar, NEW DELHI-110 063  
e-mail : casmco@gmail.com





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

### **Basis for Qualified Opinion**

We draw your attention to the following matters:

- a. Regarding recognition of Deferred Tax Assets, aggregating Rs. 9,20,50,212/- as at March 31<sup>st</sup>, 2017 (Previous Year Rs. 7,92,29,606/-) in spite of absence of convincing evidence of availability of adequate future taxable profits to demonstrate virtual certainty of reversal of such deferred tax assets, which is not in accordance with the requirements of Ind AS-12, Income Taxes.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements, give the information required by the Act in the manner so required and except for the effects of the matters referred to in the Basis of Qualified Opinion above, which have an aggregate impact of Rs. 9,20,50,212/- (negative on Deferred Tax Assets), to the extent ascertainable, give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance sheet, of the state of affairs of the Company as at March 31<sup>st</sup>, 2017;
- (ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date;
- (iii) in the case of other comprehensive income, of the other comprehensive income for the year ended on that date;
- (iv) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (v) in the case of Statement of Changes in equity, of the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) in our opinion, and based on the information and explanations provided to us, there are no financial transactions or matters which have adverse effect on the functioning of the Company;
  - f) on the basis of written representations received from the directors as on March 31<sup>st</sup>, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2017, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013;



- g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and
- h) in our opinion, and based on the information and explanations provided to us, the Company has adequate internal financial controls in place and such controls are operating effectively; and
- i) with respect to other matters included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements. (Refer to Notes to Accounts).
- b) The Company does not have any material foreseeable losses on long term contracts including derivative contracts.
- c) There were no amounts which were required to be transferred to the Investor's Education and Protection Fund by the Company.
- d) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 29 to the Ind AS financial statements.

For Sushil Maheshwari & Co.  
Chartered Accountants  
FRN - 005519C



(CA. Sushil Kumar Maheshwari)  
(Partner)  
M. No. - 074264

Place: - Agra  
Date: - 11-05-2017



Annexure - A to Independent Auditors' Report  
Re: Hind Lamps Limited

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2017, we report that:

- (i) (a) In our opinion and according to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year. The values of fixed asset register have been taken as per books. There is no such material discrepancy between physical count & fixed assets records.
- (c) *We are unable to inspect the original title deeds of immovable properties of the Company held as fixed assets as the same are mortgaged with bank. Based on the information and explanation received by us and relying on management representation, we report that title deeds of immovable properties of the Company held as fixed assets are held in the name of the Company. However, we express no opinion on the validity of the title of the Company to these properties.*
- (ii) In our opinion & according to the information and explanations given to us, physical verification of the *finished goods, stores, spare parts & raw materials has been conducted by the management at reasonable intervals, except in respect of stocks which are lying with the third parties.* The Company has also maintained proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records, were not material and have been properly dealt with in the books of account.
- (iii) As per the information and explanations provided to us, the Company has not granted any loans or advances in the nature of loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the question of reporting whether the terms and conditions of such loans are prejudicial to the interests of the Company, whether reasonable steps for recovery of overdue of such loans are taken does not arise.
- (iv) As per the information and explanations provided to us, the Company has not granted any loans, made investments, given guarantees and securities; hence question of compliance of section 185 and 186 of the Companies Act, 2013 does not arise.
- (v) As per the information and explanations provided to us, the Company has not accepted deposits; hence question of compliance of section 73 to 76 of The Companies Act, 2013 does not arise.
- (vi) As per the information and explanations provided to us, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.



- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts in respect of undisputed statutory dues including provident fund, employees` state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues except the following undisputed dues have been regularly deposited by the Company with the appropriate authorities.

The extent of the arrears of statutory dues outstanding as at March 31<sup>st</sup>, 2017, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
Employee's Provident Fund	Contribution to the Employee's Provident Fund	7,46,139	April, 2016	20 <sup>th</sup> May, 2016	–
		7,46,815	May, 2016	20 <sup>th</sup> June, 2016	–
		7,40,935	June, 2016	20 <sup>th</sup> July, 2016	–
		7,42,518	July, 2016	20 <sup>th</sup> August, 2016	–
		7,51,080	August, 2016	20 <sup>th</sup> September, 2016	–
Employees Provident Fund	Contribution towards deficit in the PF Asset	8,88,82,131	As on 31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2014	Not Paid
Employees Provident Fund	Contribution towards deficit in the PF Asset	80,93,324	Loss of Financial year 2014-15	31 <sup>st</sup> March 2015	Not Paid
Employees Provident Fund	Contribution towards deficit in the PF Asset	1,00,68,957	Loss of Financial year 2015-16	31 <sup>st</sup> March 2016	Not Paid



Name of the statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Due Date	Date of Payment
Employee's Provident Fund	Contribution to the Employee's Provident Fund by Employer	2,28,477	April, 2016	20 <sup>th</sup> May, 2016	–
		2,28,673	May, 2016	20 <sup>th</sup> June, 2016	–
		2,26,866	June, 2016	20 <sup>th</sup> July, 2016	–
		2,28,111	July, 2016	20 <sup>th</sup> August, 2016	–
		2,30,065	August, 2016	20 <sup>th</sup> September, 2016	–

- (b) According to the information and explanations given to us, except the disputed demands as shown below, there are no material dues which have not been deposited with the appropriate authorities on account of any dispute. According to information and explanations given to us, the following dues of excise duty have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	Additional demand & Penalty	75,91,306/-	2011-12	Custom, Excise and Service Tax Appellate Tribunal, Allahabad
UP Vat	Non Allow ability of input vat credits on capital goods	1,81,205/-	2013-14	Joint Commissioner of Commercial Tax, UP under Section 31 of The UP Vat, Act, 2008

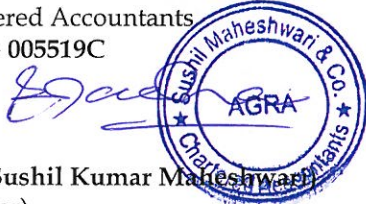
- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
- (ix) As per the explanation given and as per the records of the Company, the Company has not raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instruments). The term loans have been applied for the purposes for which they are raised.
- (x) Based on the audit procedures performed in accordance with the generally accepted auditing practices in India and information and explanations given by the management, we have neither come across any instance of material fraud on or by the Company and by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the Management.





- (xi) According to the information and explanations provided by the management & based on our examination of the records of the Company, no managerial remuneration has been paid or provided by the Company in the books of accounts accordingly the paragraph 3(xi) is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a nidhi Company; hence the requirements of clause 3(xii) of the order do not apply to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, question as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised does not arise. Therefore, the requirement of clause 3 (xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the provisions of section 192 of Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the requirement of clause 3(xvi) of the order is not applicable to the Company.

**For Sushil Maheshwari & Co.**  
Chartered Accountants  
FRN - 005519C



(CA. Sushil Kumar Maheshwari)  
(Partner)  
M. No. - 074264

Place: - Agra  
Date: - 11-05-2017

Annexure - B to Independent Auditor's Report  
Re: Hind Lamps Limited

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Hind Lamps Limited** ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised





acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sushil Maheshwari & Co.**

Chartered Accountants

FRN - 005519C



(CA. Sushil Kumar Maheshwari)

(Partner)

M. No. - 074264

Place: - Agra

Date: - 11-05-2017



**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

*Balance Sheet as at 31st March, 2017*

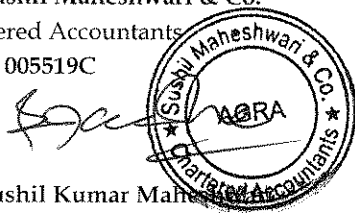
Particulars	Note No.	As at	As at	As at
		31st March, 2017	31st March, 2016	01st April, 2015
		Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>A ASSETS</b>				
<b>1 Non Current Assets</b>				
a) Property, Plant & Equipment	3A	91,922,491.00	97,633,433.88	104,506,498.00
b) Capital Work in Progress	3A	87,372.00	114,930.00	231,893.00
c) Investment Properties		-	-	-
d) Goodwill		-	-	-
e) Other Intangible Assets	3A	271,142.00	100,465.00	78,421.00
f) Intangible Assets under development		-	-	-
g) Biological Assets other than Bearer Plants		-	-	-
h) <u>Financial Assets</u>				
i) Investments		-	-	-
ii) Trade Receivables		-	-	-
iii) Loans		-	-	-
iv) Other Financial Assets	4	815,000.00	815,000.00	815,000.00
i) Deferred Tax Assets (Net)	5	154,286,518.00	135,413,673.00	98,387,039.00
j) Other Non Current Assets	6	6,024,510.45	7,577,328.00	12,203,310.00
<i>Total Non Current Assets</i>		253,407,033.45	241,654,829.88	216,222,161.00
<b>2 Current Assets</b>				
a) Inventories	7	51,314,700.62	38,814,432.00	65,510,052.00
b) <u>Financial Assets</u>	8			
i) Investments		-	-	-
ii) Trade Receivables	8a	38,292,843.86	45,292,088.74	54,470,795.00
iii) Cash & Cash Equivalents	8b	544,739.08	680,217.58	486,242.24
iv) Bank Balances other than (iii) above		-	-	-
v) Loans		-	-	-
vi) Other Financial Assets	8c	1,438,199.00	2,180,775.00	1,569,574.00
c) Current Tax Assets (Net)	9	503,332.93	1,648,592.93	1,661,079.00
d) Other Current Assets	10	5,895,235.33	6,882,706.07	7,283,029.00
		97,989,050.82	95,498,812.32	130,980,771.24
e) Assets classified as held for sale	3B	1,361,428.00	1,394,000.00	-
<i>Total Current Assets</i>		99,350,478.82	96,892,812.32	130,980,771.24
<b>Total Assets</b>		352,757,512.28	338,547,642.20	347,202,932.24

As per our report attached of even date attached.

For Sushil Maheshwari & Co.

Chartered Accountants

FRN - 005519C



CA Sushil Kumar Maheshwari

Partner

M. No. - 074264

Place: Agra

Date: 11-05-2017

For and on behalf of Board of Directors

Shekhar Bajaj

Director

DIN - 00089358

Manish Arun Pathak

Chief Finance Officer

PAN - AKAPP6049K

Raghavan Sundarajan

Whole Time Director

DIN - 07136948

Sachin Chaudhari

Secretary

ACS - 28957

**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

*Balance Sheet as at 31st March, 2017*

Particulars	Note No.	As at	As at	As at
		31st March, 2017	31st March, 2016	01st April, 2015
		Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>B EQUITY AND LIABILITIES</b>				
<b>Equity</b>	11			
a) Equity Share Capital	a	150,000,000.00	150,000,000.00	150,000,000.00
b) Other Equity				
i) Reserves & Surplus	b	(714,333,238.90)	(621,298,450.91)	(545,712,931.72)
ii) Others	b	138,775,443.00	138,775,443.00	138,775,443.00
<i>Total Equity</i>		<i>(425,557,795.90)</i>	<i>(332,523,007.91)</i>	<i>(256,937,488.72)</i>
<b>Liabilities</b>				
<b>1 Non Current Liabilities</b>				
a) Financial Liabilities	12			
i) Borrowings	a	227,725,151.00	242,482,356.00	226,269,254.00
ii) Trade Payables		-	-	-
iii) Other Financial Liabilities		-	-	-
b) Provisions	13	95,412,527.00	75,142,001.00	73,465,861.00
c) Deferred Tax Liabilities (Net)		-	-	-
d) Other Non-Current Liabilities		-	-	-
<i>Total Non Current Liabilities</i>		<i>323,137,678.00</i>	<i>317,624,357.00</i>	<i>299,735,115.00</i>
<b>2 Current Liabilities</b>				
a) Financial Liabilities	14			
i) Borrowings	a	52,069,664.38	48,059,874.37	39,699,679.00
ii) Trade Payables	b	76,800,430.88	74,614,503.98	76,018,212.27
iii) Other Financial Liabilities	c	99,470,912.00	43,105,036.00	20,210,558.00
b) Other Current Liabilities	15	210,900,980.92	174,220,088.76	160,665,965.69
c) Provisions	16	15,935,642.00	13,446,790.00	7,810,891.00
d) Current Tax Liabilities (Net)		-	-	-
<i>Total Current Liabilities</i>		<i>455,177,630.18</i>	<i>353,446,293.11</i>	<i>304,405,305.96</i>
<b>Total</b>		<b>352,757,512.28</b>	<b>338,547,642.20</b>	<b>347,202,932.24</b>
See accompanying significant accounting policies and notes to accounts forming part of the financial statements	1 to 32	-	-	-

As per our report attached of even date attached.

For Sushil Maheshwari & Co

Chartered Accountants

FRN - 005519C

CA Sushil Kumar Maheshwari

Partner

M. No. - 074264

Place: Agra

Date: 11-05-2017

For and on behalf of Board of Directors

Shekhar Bajaj

Director

DIN - 00089358

Manish Arun Pathak

Chief Finance Officer

PAN - AKAPP6049K

Raghavan Sundarajan

Whole Time Director

DIN - 01136948

Sachin Chaudhari

Secretary

ACS - 28957

**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
		Amount (in Rs.)	Amount (in Rs.)
<b>CONTINUING OPERATIONS</b>			
1 <b>Revenue</b>			
Revenue from Operations	17	434,511,106.93	499,186,442.39
Other Income	18	7,112,240.66	33,972,974.42
<b>Total Revenue</b>		<b>441,623,347.59</b>	<b>533,159,416.81</b>
2 <b>Expenses</b>			
a) Cost of Raw Material Consumed	19	216,262,533.86	246,618,863.28
b) Purchase of Stock in Trade	20	11,130,491.34	7,978,006.88
c) Manufacturing Expenses	21	46,254,162.40	52,777,983.28
d) Excise Duty	17	35,247,095.35	41,954,450.00
e) Changes in Inventories	22	(12,657,608.98)	4,232,345.00
f) Employees Benefits Expenses	23	149,838,222.14	167,271,288.63
g) Finance Cost	24	43,769,650.75	39,257,817.08
h) Depreciation & Amortization Expenses	3A	3,267,722.00	3,621,641.00
i) Other Expenses	25	42,238,611.78	67,673,663.23
<b>Total Expenses</b>		<b>535,350,880.64</b>	<b>631,386,058.38</b>
3 <b>Loss before Exceptional Items (1-2)</b>		<b>(93,727,533.05)</b>	<b>(98,226,641.57)</b>
4 <b>Exceptional Items</b>		-	-
5 <b>Loss before Tax (3-4)</b>		<b>(93,727,533.05)</b>	<b>(98,226,641.57)</b>
6 <b>Tax Expense:</b>			
a) Current Tax		-	-
b) Deferred Tax		(13,245,128.00)	(35,123,635.00)
<b>Total Tax Expense</b>		<b>(13,245,128.00)</b>	<b>(35,123,635.00)</b>
7 <b>Loss from Continuing Operations (5-6)</b>		<b>(80,482,405.05)</b>	<b>(63,103,006.57)</b>
8 <b>Loss from Discontinued Operations</b>		-	(6,832,940.00)
9 <b>Tax Expense of Discontinued Operations</b>		(10,065.00)	430,746.00
10 <b>Loss from Discontinued Operations (8+9)</b>		<b>(10,065.00)</b>	<b>(7,263,686.00)</b>
11 <b>Loss for the Period (7+10)</b>		<b>(80,472,340.05)</b>	<b>(70,366,692.57)</b>



**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

*Statement of Profit and Loss for the year ended 31st March, 2017*

Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
		Amount (in Rs.)	Amount (in Rs.)
Continued.....			
12 <b>Other Comprehensive Income</b>	26	-	-
A(i) Items that will not be reclassified to profit or loss		(18,180,103.00)	(7,552,572.00)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(5,617,652.00)	(2,333,745.00)
B(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<i>Total Other Comprehensive Income</i>		(12,562,451.00)	(5,218,827.00)
13 <b>Total Comprehensive Income for the period</b>		(93,034,791.05)	(75,585,519.57)
14 <b>Earnings per share (of Rs. 25/- each):</b>	27		
a) Basic			
i) Continuing Operations	a	(13.41)	(10.52)
ii) Discontinued Operations	b	-	(1.21)
iii) Total Operations	c	(13.41)	(11.73)
b) Diluted			
i) Continuing Operations	d	(13.41)	(10.52)
ii) Discontinued Operations	e	-	(1.21)
iii) Total Operations	f	(13.41)	(11.73)
See accompanying significant accounting policies and notes to accounts forming part of the financial statements	1 to 32		

As per our report attached of even date attached.

For Sushil Maheshwari & Co.

Chartered Accountants

FRN - 005519C


CA Sushil Kumar Maheshwari

Partner

M. No. - 074264

Place: Agra

Date: 11-05-2017

For and on behalf of Board of Directors



Shekhar Bajaj

Director

DIN - 00089358

  
Manish Arun Pathak  
Chief Finance Officer  
PAN - AKAPP6049K



Raghavan Sundarrajan

Whole Time Director

DIN - 07136948

  
Sachin Chaudhari  
Secretary  
ACS - 28957

**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

Cash Flow Statement for the year ended as on 31st March, 2017

	Particulars	For the year ended	For the year ended
		31st March, 2017	31st March, 2016
		Amount (in Rs.)	Amount (in Rs.)
<b>A.</b>	<b>Cash Flow from Operating Activities:</b>		
	Profit/(Loss) before tax (Continued & Discontinued)	(111,907,636.05)	(112,612,153.57)
	(Profit)/Loss on Fixed Assets Sold(Net)	791,253.00	(23,793,192.00)
	Loss on Impairment on Assets	-	6,745,719.00
	<b>Net Profit /(Loss) before tax provision and extra ordinary item</b>	<b>(111,116,383.05)</b>	<b>(129,659,626.57)</b>
	<u>Adjustments for:</u>		
	Depreciation (Net off transfer to Revaluation Reserve)	3,267,722.00	3,708,862.00
	Interest expense/Other borrowing cost	32,584,915.00	28,304,078.00
	Interest income	(264,805.00)	(590,934.00)
	Lease Rent	1,156,677.66	1,145,772.09
	<b>Operating profit before working capital changes</b>	<b>(74,371,873.39)</b>	<b>(97,091,848.48)</b>
	<b>Adjustments for changes in working capital :</b>		
	Net(Increase) / Decrease in Trade Receivables	6,999,244.88	9,178,706.26
	Net(Increase) / Decrease in Inventories	(12,500,268.62)	26,695,620.00
	Net(Increase) / Decrease in Other Receivables	(9,883,037.26)	(7,459,533.00)
	Net Increase / (Decrease) in Provision	22,759,378.00	7,312,039.00
	Net Increase / (Decrease) in Trade and Other Payables	95,232,695.06	35,044,892.78
	<b>Cash Generated from Operations</b>	<b>28,236,138.66</b>	<b>(26,320,123.44)</b>
	Taxes(Paid) / Received	-	-
	<b>Net Cash Flow from Operating Activities - A</b>	<b>28,236,138.66</b>	<b>(26,320,123.44)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities:</b>		
	Purchases of Fixed Assets	(2,318,924.00)	(8,682,715.00)
	Sale of Fixed Assets	3,832,786.00	27,478,346.00
	Net(Purchase) / Sale of Investment	742,576.00	(611,201.00)
	Increase in Capital work-in-progress	27,558.00	116,963.00
	Interest Received(Revenue)	190,569.00	492,516.00
	Sale of Investment	-	-
	<b>Net Cash Flow from Investing Activities - B</b>	<b>2,474,565.00</b>	<b>18,793,909.00</b>
<b>C.</b>	<b>Cash Flow from Financing Activities:</b>		
	Net Proceeds from Working Capital Borrowings (Cash Credits)	4,009,790.01	8,360,195.87
	Net Proceeds from Long Term Borrowings	(14,757,205.00)	16,213,102.00
	Net Proceeds from Long Term Loans & Advances	1,552,821.49	4,625,982.00
	Net Lease Rent	(1,156,677.66)	(1,145,772.09)
	Net Finance Cost Paid	(20,494,911.00)	(20,333,318.00)
	<b>Net Cash Flow from Financing Activities - C</b>	<b>(30,846,182.16)</b>	<b>7,720,189.78</b>



D.	Net Increase/(Decrease) in Cash & Cash Equivalents( A+B+C)	(135,478.50)	193,975.34
E.	Cash and Cash Equivalents at the beginning of year	680,217.58	486,242.24
F.	Cash and Cash Equivalents as at the end of the year (See Note No. 9B)	544,739.08	680,217.58
		-	-

As per our report attached of even date attached.

For Sushil Maheshwari & Co

Chartered Accountants

FRN - 005519C



CA Sushil Kumar Maheshwari

Partner

M. No. - 074264

Place: Agra

Date: 11-05-2017

For and on behalf of Board of Directors

Shekhar Bajaj

Director

DIN - 00089358

Manish Arun Pathak

Chief Finance Officer

PAN - AKAPP6049K

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Whole Time Director

DIN - 07136948

Sachin Chaudhari

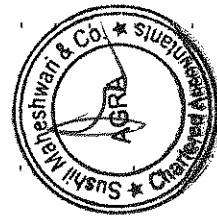
Secretary

ACS - 28957



## B) Other Equity - Statement of Changes in Equity

	Share Application Money Pending Allotment	Equity Component of Compound Financial Instrument	Other Equity	Reserve & Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Revaluation Surplus	Exchange Differences on translating Fin. Statements of a Foreign Operation	Other Items of Other Comprehensive Income	Agency received against share payments	Total
				Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings (P & L)								
<b>Balance as on 01st April, 2015</b>	-	-	-	52,100,000.00	2,200,000.00	-	(653,922,066.72)	-	-	64,170,122.00	-	-	-	-	(535,451,944.72)
<b>Changes in</b>															
Accounting Policy or Prior Period Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recteable Preference Shares	-	-	23,575,443.00	-	-	-	(10,260,987.00)	-	-	-	-	-	-	-	13,314,456.00
Loan from Bajaj Electricals Limited	-	-	115,200,000.00	-	-	-	-	-	-	-	-	-	-	-	115,200,000.00
<b>Restated Balance as on 01st April, 2015</b>	-	-	138,775,443.00	52,100,000.00	2,200,000.00	-	(664,183,053.72)	-	-	64,170,122.00	-	-	-	(406,937,488.72)	
<b>Changes in Equity for the year ending 31st March, 2016</b>															
Total Comprehensive Income for the Year	-	-	-	-	-	-	(70,366,689.13)	-	-	-	-	(5,218,827.00)	-	-	(75,585,516.13)
Dividends Transferred to Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred due to Depreciation & Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss adjusted with Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on 31st March, 2016</b>	-	-	138,775,443.00	52,100,000.00	2,200,000.00	-	(734,549,742.85)	-	-	64,170,122.00	-	-	(5,218,827.00)	(482,523,004.85)	
<b>Changes in Equity for the year ending 31st March, 2017</b>															
Total Comprehensive Income for the Year	-	-	-	-	-	-	(80,472,340.05)	-	-	-	-	-	(12,562,451.00)	-	(93,034,791.05)
Dividends Transferred to Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred due to Depreciation & Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss adjusted with Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on 31st March, 2017</b>	-	-	138,775,443.00	52,100,000.00	2,200,000.00	-	(815,022,082.90)	-	-	64,170,122.00	-	-	(17,781,278.00)	(575,557,795.90)	



**Notes forming part of the financial statements**

**Note 1**

**Company Information**

Hind Lamps Limited (the 'Company') is a domestic public limited Company and is not listed on any Stock Exchanges. The Company is registered in the state of Uttar Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U27302UP1951PLC002355. The registered office of the Company is situated at Station Road, Shikohabad, Firozabad - 205141. The Company is engaged in the manufacturing of glass bulbs, high intensity discharge (HID) bulbs and aluminium caps. Its manufacturing unit is located at Shikohabad, Uttar Pradesh and Parwanoo, Himachal Pradesh. The Company also has a trading unit which is engaged in the business of selling these units to the end consumer.

**Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1) **Basis for Preparation of Accounts**

a) **Compliance with Ind AS**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. Accounts and Disclosures thereon comply with the provisions of the Companies Act, 2013 ("Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016.

The company has adopted all the Ind AS (as and where applicable), other pronouncement of ICAI, provisions of the Companies Act and guidelines issued by SEBI as applicable and the adoption was carried out in accordance with Ind AS 101 *First Time Adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014 (IGAAP), which was the previous GAAP. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

Reconciliation and description of the effect of transition has been summarized in Notes to Accounts. (Refer Note No. 2.2)

b) **System of Accounting**

a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of significant uncertainties.

b) Financial statements are prepared under the historical cost convention, except for the following:

- Certain Property, Plants & Equipments that are measured at revalued amount according to revaluation made by the company in previous periods.
- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value, if any;
- Assets held for sale - measured at fair value less cost to sell; and
- Defined benefit plans - plan assets measured at fair value;



- c) Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. Differences between actual results and estimates are recognised in the period in which the results are known.

c) **Recognition of Income and Expenses**

a) **Sale of Goods**

Sales are recognised when the substantial risks & rewards of ownership in the goods are transferred to the buyer, upon supply of goods, and are recorded net of trade discounts, rebates, sales taxes and excise duties (on goods manufactured and outsourced). It does not include inter -divisional transfers.

b) **Sale of Services**

Revenue from supply of manpower service is recognised when services are rendered and related costs are incurred.

c) **Expenses**

All expenses are provided on accrual basis unless stated otherwise.

d) **Property, Plant & Equipment, Intangible Assets & Capital Work in Progress**

- a) **Properties, Plants & Equipments** - Fixed Assets as indicated in Note 3 were revalued by the Company on December 1986 and again as on November 18, 1997. Costs include costs of acquisitions or constructions, including incidental expenses thereto and other attributable costs of bringing the asset to its working condition for its intended use and are net of available duty/tax credits.
- b) **Intangible Fixed Asset** - Intangible assets are recognised on the basis of recognition criteria as set out in Ind AS 38 "Intangible Assets".  
The revalued assets are carried at the revalued amount less accumulated depreciation and impairment loss, if any.
- c) **Capital Work in Progress** - Expenditures related to and incurred during implementation of new/expansion-cum modernization projects are included under Capital Work-in-Progress and the same are allocated to the respective Fixed Assets on completion of their construction/erection. Capital Work in Progress comprises cost of fixed assets that are not ready yet for their intended use at the reporting date.

**Transition to Ind AS**

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant & equipment, intangible assets and capital work in progress recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant & equipment, intangible assets and capital work in progress.

- d) **Depreciation and Amortisation** - The depreciation has been charged as per Straight Line Method as per the rates derived from useful lives of fixed assets as per technical evaluation report taken by the company from M/s Paras Consultants and as mandated in Schedule II of the Companies Act 2013 in the manner that 95% of the original cost of the asset is written off over its useful life thereof. The method of depreciation has been changed from Written Down Value to Straight Line Method. As per Ind AS 16 the change in method of depreciation is recognised as change in estimate. Therefore, depreciation as per SLM method has been recorded w.e.f. 01<sup>st</sup> April, 2015 on the remaining life of the asset, i.e., prospectively. As per Ind AS, depreciation charged on the appreciated value of the revalued assets is charged to Statement of Profit & Loss.



Where the remaining useful life of the assets is nil, after retaining the residual value, the carrying amount has been recognised in the opening balance of retained earnings.

Intangible Assets are amortized over a period of 3 years.

e) **Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in the prior accounting periods are reversed if there has been change in the estimate of the recoverable amount.

f) **Non-Current Assets held for Sale and Discontinued Operations**

- Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.
- An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.
- Non-current assets are not depreciated or amortised while they are classified as held for sale.
- Non-Current assets classified as held for sale are presented separately from the other assets in the balance sheet.
- A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

g) **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

h) **Trade Receivables**

Trade receivables are recognised initially at transaction value and subsequently at transaction value less provision for unrealizable amount.



i) **Inventories**

Inventories are valued at First In First Out (FIFO) basis.

- a) **Raw Materials** - Raw Material, Components, Packing Material, and Stores and spares are valued at cost or Net Realisable Value (NRV) whichever is lower.
- b) **Finished Goods** - The cost of Finished Goods include direct labour/allocable charges and indirect manufacturing overheads and are stated inclusive of excise duty. It is valued at cost or Net Realisable Value (NRV) whichever is lower.
- c) **Stock in Transit** - Stock in Transit is recognised at cost and expenses directly attributable to bring it to the present location of storage.
- d) **Work in Progress** - Work in Progress is recorded at cost unless there is permanent circumstances that require the cost to be written down to Realisable value,
- e) **Scraps** - Scrap Material is valued at Net Realisable value.
- f) **Slow and Non-Moving** - Inventories have been valued at Net Realisable Value.

j) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid and the amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their transaction value.

k) **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities.

Borrowings from related party Bajaj Electricals Limited (having significant influence over Hind Lamps Ltd.) with no repayment stipulation as per sanctioned MDRS by BIFR are treated as "Other Equity" under the head other equity.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



l) **Provisions**

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

m) **Retirement Benefits**

Liabilities in respect of retirement benefits to employees are provided for as follows:

- a) **Defined Benefit Plans** - The Employee's gratuity fund scheme, long term compensated absences, post retirement medical benefit schemes, Central Government Provident Fund Scheme are Company's defined benefit plans.

The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to the additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on the Government securities as at the Balance Sheet date having maturity periods approximating to the terms of the related obligations.

Actuarial gains and losses are recognized in the Profit and Loss Account. In case of funded plans, the fair value of the plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

Gains or losses on curtailment or settlement of any defined benefit plans are recognized when the curtailment or settlement occurs.

Past service cost is recognized as expenses on straight line basis over the average period until the benefits became vested.

- b) **Defined Contributions Plans** - The Company's approved Superannuation Scheme, Employee State Insurance Scheme and Employee Pension Schemes are defined contribution plans.





The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

The Company makes specified monthly contributions towards employee provident fund to a Trust administered by the Trustees. The minimum interest payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good short fall, if any, between the return from the investments of the Trust and the notified interest rate.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

n) **Foreign Currency Transactions**

The Functional Currency of the company is the India Rupee. These financial statements are presented in Indian Rupees (to the nearest paise).

Revenue, expenses and cash flow items denominated in foreign currencies are translated using the exchange rate in functional currency on the date of the transaction. Transactional gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

o) **Financial Instruments**

**Initial Recognition** - The Company recognises financial assets and financial liabilities when it becomes a party to contractual provisions of the instrument. Transaction costs that are directly attributable to the acquisition or issue of financial assets or financial liabilities are added to the same on initial recognition. Regular purchase and sale of financial assets are accounted for at trade date.

**Derecognition** - The company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial Liability (or a part of Financial Liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired.

p) **Borrowing Costs**

Borrowing costs are recognised in the statement of Profit & Loss except in respect of specific borrowing raised for acquisition of capital asset until such time the asset is ready to put to use for its intended purpose, which are added to carrying cost of such asset.

q) **Income Tax and Deferred Tax**

The liability of the Company on account of income tax is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.

r) **Discontinued Operations**

Assets and Liabilities of discontinued operations are assessed at each Balance Sheet date. Impacts of any impairments and write backs are dealt with in the Profit & Loss Account. Impacts of discontinued operations are distinguished from the ongoing operations of the Company, so that their impact on the Profit & Loss Account for the year can be perceived.



s) **Earnings Per Share**

(i) **Basic earnings per share**

Basic earning per share is calculated by dividing:

- the loss attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t) **Operating Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Expenses and income from lease rentals in respect of operating leases are recognized in statement of profit & loss on accrual basis in accordance with the respective lease agreements.

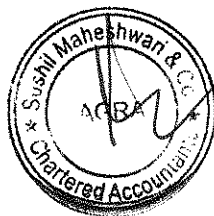
u) **Government Grant**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

v) **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



**Note - 2**

**Notes to Accounts**

- 1) Slow and Non-Moving Inventories have been valued at Net Realisable Value as assessed by the management during the year 2015-16 due to which the closing inventory value has been reduced by Nil during the year (Previous Year Rs. 1,53,08,825/-).

2) **Contingent Liabilities not provided for:**

Demand of ESI under dispute pending as at March 31<sup>st</sup>, 2017 is Rs. 1,45,795/- (Previous Year Rs. 1,45,795/-)

Excise Duty Demand pending as at March 31<sup>st</sup>, 2017 is Rs. 75,91,306/- (Previous Year Rs. 75,91,306/-)

Labour matters under dispute pending as at March 31<sup>st</sup>, 2017 is Rs. 8,21,466/- (Previous Year Rs. 8,21,466/-)

UP Vat Demand for A.Y. 2013-14 (Non allowance of credit on capital goods) pending as at March 31<sup>st</sup>, 2017 is Rs.1,81,205/- (Previous Year Rs. NIL) and case is pending before Joint Commissioner of Commercial Tax, Uttar Pradesh.

Certain Industrial Disputes arising out of lockout/other labour claims, as the matter are sub judice with the Courts/Industrial Tribunal. The Company has obtained expert legal opinions and is confident that no liability would arise on the Company.

The Company has received order of Govt. of U.P. for rollover of interest free trade deferment loan for a further period of 5 years subject to the condition that the Company will be liable to pay interest as specified if it fails to pay the loan installment on time.

3) **MDRS & Other Related aspects**

- a) Waivers granted to the Company by virtue of the Modified Draft Restructuring Scheme (MDRS) sanctioned by BIFR have been given effect to in the previous year and hence the assets and liabilities stated adjusted to that extent. However, non-fulfillment of conditions specified in the said order may reinstate the original right of lenders.
- b) The Company had been granted Trade Tax deferment for 5 years effective from 01<sup>st</sup> October, 2005 to 30<sup>th</sup> September 2010 vide letter No. 1769/eleven-02-2006-9(85)/04 dated 24.08.2006. Accordingly, trade tax collected on sales upto 30th September 2010 aggregating to Rs. 97,575,643/- has been deferred out of which amount of Rs. 41,838,822/- had been converted in to secured loan from Pradeshia Industrial Investment Corporation of UP vide loan agreement dated 6th dated August, 2007 and remaining Rs. 55,736,821/- is shown as unsecured loan. This period has been further extended by five years vide MDRS scheme of BIFR Order dated 11.01.2012 and the same has been approved by The Uttar Pradesh Government vide Order No.09/2015/734/77-1-2015-01(BIFR)/2002 dated 22.07.2015.
- c) The MDRS has been sanctioned by BIFR vide order dated 11th January, 2012. Promoters have given a letter of Comfort.



- d) BIFR in its last review meeting held on 19.11.2013 reviewed the report submitted by the monitoring Agency IDBI and observed that the progress of the scheme is satisfactory. BIFR, among others, gave directions to the Company to implement the sanctioned scheme within two months.
- e) Notwithstanding aforesaid, these accounts have been prepared on going concern basis as the cash losses incurred during the year have been funded by the unsecured loans and partially by trade tax deferment. The Company continues to pursue cost cutting measures and explore new avenues for business to achieve better contribution and achieve positive net-worth in the near future. The Company is facing difficulty to revive itself and is incurring further losses, the promoters of the Company thought it fit to get its manufacturing business transferred into Bajaj Electricals Limited. As per the Board of Directors of the Company and Bajaj Electricals Limited, the transfer and vesting of the manufacturing business of the Company with Bajaj Electricals Limited will enable both the companies to achieve and fulfill their objectives more efficiently and economically. A copy of the rehabilitation proposal had been submitted by the Company to the Bench Members, Mon - III, Board for Industrial and Financial Reconstruction, Jawahar Vyapar Bhawan, 1, Tolstoy Marg, New Delhi - 110001. Promoters of the Company have given a letter of comfort to continue their financial and business support to the Company until net-worth of the Company turns positive. In view of the above, the financial statements have been prepared on the assumption of Going Concern.

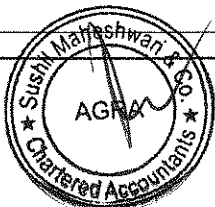


**Note 2.2 The following reconciliation provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101**

- 1) Equity as at April 1st, 2015 & March 31st, 2016  
2) Net Profit for the year ended March 31st, 2016

**Note 2.2 The following reconciliation provided the effect of transition to Ind AS from IGAAP with Ind AS 101**

Particulars	Note No.	Opening Balance Sheet as at 01st April, 2015			Balance Sheet as at 31st March, 2016		
		IGAAP	Effects of Transition to Ind AS	Ind AS	IGAAP	Effects of Transition to Ind AS	Ind AS
<b>A ASSETS</b>							
<b>1 Non Current Assets</b>							
a) Property, Plant & Equipment	1	104,506,498.00	-	104,506,498.00	85,740,911.51	11,892,522.37	97,633,433.88
b) Capital Work in Progress		231,893.00	-	231,893.00	114,930.00	-	114,930.00
c) Investment Properties		-	-	-	-	-	-
d) Goodwill		-	-	-	-	-	-
e) Other Intangible Assets	2	78,421.00	-	78,421.00	81,768.00	18,697.00	100,465.00
f) Intangible Assets under development		-	-	-	-	-	-
g) Biological Assets other than Bearer Plants		-	-	-	-	-	-
h) <u>Financial Assets</u>							
i) Investments		-	-	-	-	-	-
ii) Trade Receivables		-	-	-	-	-	-
iii) Loans		-	-	-	-	-	-
iv) Other Financial Assets		815,000.00	-	815,000.00	815,000.00	-	815,000.00
i) Deferred Tax Assets (Net)	3	98,387,039.00	-	98,387,039.00	139,524,985.00	(4,111,312.00)	135,413,673.00
j) Other Non Current Assets	4	13,864,389.00	(1,661,079.00)	12,203,310.00	9,225,920.93	(1,648,592.93)	7,577,328.00
<b>2 Current Assets</b>							
a) Inventories		65,510,052.00	-	65,510,052.00	38,814,432.00	-	38,814,432.00
b) <u>Financial Assets</u>							
i) Investments		-	-	-	-	-	-
ii) Trade Receivables		54,470,795.00	-	54,470,795.00	45,292,088.74	-	45,292,088.74
iii) Cash & Cash Equivalents	5	2,055,816.24	(1,569,574.00)	486,242.24	2,860,992.58	(2,180,775.00)	680,217.58
iv) Bank Balances other than (iii) above		-	-	-	-	-	-
v) Loans		-	-	-	-	-	-
vi) Other Financial Assets	5	-	1,569,574.00	1,569,574.00	-	2,180,775.00	2,180,775.00
c) Income Tax Assets (Net)	4	-	1,661,079.00	1,661,079.00	-	1,648,592.93	1,648,592.93
d) Other Current Assets		7,283,029.00	-	7,283,029.00	6,882,706.07	-	6,882,706.07
e) Assets classified as held for sale	1	-	-	-	-	1,394,000.00	1,394,000.00
<b>Total</b>		<b>347,202,932.24</b>	<b>-</b>	<b>347,202,932.24</b>	<b>329,353,734.83</b>	<b>9,193,907.37</b>	<b>338,547,642.20</b>
<b>B EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
a) Equity Share Capital		150,000,000.00	-	150,000,000.00	150,000,000.00	-	150,000,000.00
b) 0% Non Participating redeemable preference share	6	70,000,000.00	(70,000,000.00)	-	70,000,000.00	(70,000,000.00)	-
c) Other Equity	7	(535,451,944.72)	128,514,456.00	(406,937,488.72)	(614,279,389.28)	131,756,381.37	(482,523,007.91)
<b>Liabilities</b>							
<b>1 Non Current Liabilities</b>							
a) Financial Liabilities							
i) Borrowings	6	284,783,710.00	(58,514,456.00)	226,269,254.00	295,044,830.00	(52,562,474.00)	242,482,356.00
ii) Trade Payables		-	-	-	-	-	-
iii) Other Financial Liabilities		-	-	-	-	-	-
b) Provisions		73,465,861.00	-	73,465,861.00	75,142,001.00	-	75,142,001.00
c) Deferred Tax Liabilities (Net)		-	-	-	-	-	-
d) Other Non-Current Liabilities		-	-	-	-	-	-
<b>2 Current Liabilities</b>							
a) Financial Liabilities							
i) Borrowings		39,699,679.00	-	39,699,679.00	48,059,874.37	-	48,059,874.37
ii) Trade Payables		76,018,212.27	-	76,018,212.27	74,614,503.98	-	74,614,503.98
iii) Other Financial Liabilities		20,210,558.00	-	20,210,558.00	43,105,036.00	-	43,105,036.00
b) Other Current Liabilities		160,665,965.69	-	160,665,965.69	174,220,088.76	-	174,220,088.76
c) Provisions		7,810,891.00	-	7,810,891.00	13,446,790.00	-	13,446,790.00
d) Current Tax Liabilities (Net)		-	-	-	-	-	-
<b>Total</b>		<b>347,202,932.24</b>	<b>-</b>	<b>347,202,932.24</b>	<b>329,353,734.83</b>	<b>9,193,907.37</b>	<b>338,547,642.20</b>



## Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

### **1) Property Plant & Equipment & Assets classified as assets held for sale**

The adjustment in value is due to

a) decrease in depreciation due to change in method of charging depreciation from written down value to straight line method to bring the method of charging depreciation at par with Bajaj Electricals Limited (Company having significant influence over Hind Lamp Ltd. (Reporting Entity). As per Ind As-16, change in method of charging depreciation is accounting estimates and the effect of which is to be given prospectively.

b) regrouping of assets held for sale for discontinued part of business under the separate category in the balance sheet as assets held for sale as per Ind As 105.

### **2) Other Intangible Assets**

The adjustment in value is due to decrease in depreciation due to change in method of charging depreciation from written down value to straight line method to bring it at par with Bajaj Electricals Limited (Company having significant influence over Hind Lamp Ltd.) (Reporting Entity).

### **3) Deferred Tax Assets**

The adjustment in value is due to increase in written down value of property, plant & equipment and intangible assets on account of change in method of charging depreciation from written down value to straight line method to bring it at par with Bajaj Electricals Limited (Company having significant influence over Hind Lamp Ltd. (Reporting Entity).

### **4) Other Non Current Assets & Income Tax Assets (Net)**

As per Ind AS 12, Income Tax Assets is to be recognised separately in financial statement. However in IGAAP, income tax assets is recognised in other non current assets.

### **5) Cash & Cash Equivalents & Other Financial Asset**

Fixed Deposits having maturity within twelve months has been classified under the head Cash & Cash Equivalents. However, under Ind AS, It is to be classified under the head other Financial Assets under current assets category.

### **6) 0% Non Participating Redeemable Preference Shares & Borrowings**

Under IGAAP, 0% non participating redeemable preference shares were classified as part of total equity. However, under Ind As, such financial instruments are classified as financial liability. These preference shares do not contain any equity component and hence, have classified in their entirety as a financial liability under Ind AS. The net impact of such change is decrease in equity and increase in financial liability.

Under IGAAP, Loan from Bajaj Electricals Limited is shown as borrowings from related party under the head long term borrowings. However, as per Ind AS, borrowings from Bajaj Electricals Ltd. (Having significant influence on Hind Lamps Ltd.) with no stipulated repayment terms as per sanctioned MDRS by BIFR should be treated as part of equity, considered as other equity.

### **7) Other Equity**

a) As per Ind-AS, difference in fair value of non participating 0% redeemable preference shares and its carrying amount as per IGAAP on transition date should form part of other equity under the head capital reserve. Interest payable upto the transition date has been reduced from retained earnings as per Ind AS.

b) In addition, as per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit & Loss under IGAAP.

c) Under IGAAP, Loan from Bajaj Electricals Limited is shown as borrowings from related party under the head long term borrowings. However, as per Ind AS, borrowings from Bajaj Electricals Ltd. (Having significant influence on Hind Lamps Ltd.) with no stipulated repayment terms as per sanctioned MDRS by BIFR should be treated as part of equity, considered as equity component of compound financial liabilities.

d) Other adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.





**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

*Statement of Trading & Profit and Loss for the year ended 31st March, 2016*

Note 2.3 - Effects of Ind AS adoption on the Statement of Profit & Loss for the year ended as on 31st March, 2016

Particulars	Note No.	For the year ended 31st March, 2016		
		IGAAP Amount (in Rs.)	Effects of Transition to Ind AS Amount (in Rs.)	Ind AS Amount (in Rs.)
<b>CONTINUING OPERATIONS</b>				
<b>Trading &amp; Manufacturing Account</b>				
<b>1 Revenue</b>				
Revenue from Operations(Gross)	1	457,231,992.39	41,954,450.00	499,186,442.39
Other Income	2	30,706,580.42	3,266,394.00	33,972,974.42
<b>Total Revenue</b>		<b>487,938,572.81</b>	<b>45,220,844.00</b>	<b>533,159,416.81</b>
<b>2 Expenses</b>				
a) Cost of Raw Material Consumed		246,618,863.28	-	246,618,863.28
b) Purchase of Stock in Trade		7,978,006.88	-	7,978,006.88
c) Manufacturing Expenses		52,777,983.28	-	52,777,983.28
d) Excise Duty	1	-	41,954,450.00	41,954,450.00
e) Changes in Inventories		4,232,345.00	-	4,232,345.00
f) Employees Benefits Expenses		174,823,860.63	(7,552,572.00)	167,271,288.63
g) Finance Cost	2	29,868,923.08	9,388,894.00	39,257,817.08
h) Depreciation & Amortization Expenses	3	4,877,450.00	(1,255,809.00)	3,621,641.00
i) Other Expenses	4	74,126,087.23	(6,452,424.00)	67,673,663.23
<b>Total Expenses</b>		<b>595,303,519.37</b>	<b>36,082,539.00</b>	<b>631,386,058.37</b>
<b>3 Loss before Exceptional Items (1-2)</b>		<b>(107,364,946.56)</b>	<b>9,138,305.00</b>	<b>(98,226,641.56)</b>
<b>4 Exceptional Items</b>		-	-	-
<b>5 Loss before Tax (3-4)</b>		<b>(107,364,946.56)</b>	<b>9,138,305.00</b>	<b>(98,226,641.56)</b>
<b>6 Tax Expense:</b>				
a) Current Tax		-	-	-
b) Deferred Tax	3 of BS	(41,137,946.00)	6,014,311.00	(35,123,635.00)
<b>Total Tax Expense</b>		<b>(41,137,946.00)</b>	<b>6,014,311.00</b>	<b>(35,123,635.00)</b>
<b>7 Loss from Continuing Operations (5-6)</b>		<b>(66,227,000.56)</b>	<b>3,123,994.00</b>	<b>(63,103,006.56)</b>
<b>8 Loss from Discontinued Operations</b>	4	-	(6,832,940.00)	(6,832,940.00)
<b>9 Tax Expense of Discontinued Operations</b>		-	430,746.00	430,746.00
<b>10 Loss from Discontinued Operations (8+9)</b>		-	(7,263,686.00)	(7,263,686.00)
<b>11 Loss for the Period (7+10)</b>		<b>(66,227,000.56)</b>	<b>(4,139,692.00)</b>	<b>(70,366,692.56)</b>
<b>12 Other Comprehensive Income</b>	5			
A (i) Items that will not be reclassified to profit or loss		-	(7,552,572.00)	(7,552,572.00)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(2,333,745.00)	(2,333,745.00)
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
<b>Total Other Comprehensive Income</b>		-	<b>(5,218,827.00)</b>	<b>(5,218,827.00)</b>
<b>13 Total Comprehensive Income for the period</b>		<b>(66,227,000.56)</b>	<b>(9,358,519.00)</b>	<b>(75,585,519.56)</b>



**Explanations for reconciliation of Statement of Profit & Loss and other Comprehensive Income as previously reported under IGAAP to INDAS**

**1) Revenue from Operations & Excise Duty**

Under previous IGAAP, revenue from sale of products was presented net of excise duty under revenue from operations. Whereas, under Ind AS, revenue from sale of products includes excise duty. The corresponding excise duty expense is presented separately on the face of the statement of profit & loss. The change does not affect total equity as at 01.04.2015 and 31.03.2016, profit before tax and total profit for year ended March, 31, 2016.

**2) Other Income & Finance cost**

a) Under previous IGAAP, there was no specific guidance on accounting for government loans at below market rate of interest. Hence, these were recognised and carried at the amount of proceeds received. Whereas in Ind AS, the benefit of government loans with below market rate of interest is accounted for as a "Government Grant" and is measured as the difference between the initial carrying amount of the loan determined in accordance with Ind AS-109 and the proceeds received from the loan. The government has converted trade tax dues of the company amounting to Rs.5,57,36,821.00 in the interest free loan due to the fact that the company is sick company as per BIFR norms and which has to be repaid in 5 instalment. As per Ind AS -20, grant of Rs.1,13,89,566.00 has been worked out as the difference between the initial carrying amount of the loan determined in accordance with Ind AS-109 and the proceeds received from the loan and will be recognised in the statement of profit and loss during the periods in which relative cost is incurred. During the year, as per Ind As, government grant of Rs.34,36,912.00 has been recognised under the head other income in the statement of profit & loss and corresponding cost in the nature of interest component on interest free government loan amounting to Rs.34,36,912.00 has also been recognised as finance cost in the statement of profit & loss.

b) The adjustment in the figure of other income is on account of reduction in amount of profit on sale of property, plant and equipments due to change in method of charging depreciation from written down value to straight line method to bring the method of charging depreciation at par with Bajaj Electricals Limited (Company having significant influence over Hind Lamp Ltd..)

c) The increase in the figure of finance cost other than those mentioned in note no.2(a) above is on account of charging premium payable on redemption on these preference shares to statement of profit and loss under the heading finance cost on systematic basis as per Ind AS.

**3) Depreciation & Amortisation Expenses**

a) Amount of depreciation is decreased due to change in method of charging depreciation from written down value to straight line method to bring the method of charging depreciation at par with Bajaj Electricals Limited (Company having significant influence over Hind Lamp Ltd..)

b) As per Ind As 16, depreciation on revalued assets is to be charged to statement of profit and loss and corresponding transfer from revaluation reserve should not be routed to profit and loss and to be transfer to retained earning. By doing this adjustment, depreciation to that extent is increased on revalued assets in comparison to IGAAP calculation.

**4) Other expenses and Loss from Discontinued Business**

Adjustment in the head other expenses is due to recognition of impairment loss on discontinued business at separate line item in the statement of profit & loss as per Ind AS which was not exist in IGAAP.

**5) Other Comprehensive Income**

1. As per Ind-AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit & Loss under IGAAP.

2. As per Ind-AS, income tax on items falling under the head other comprehensive income is also to be recognized in the other comprehensive income head as compared to being recognized in the statement of profit & Loss under IGAAP.



**Hind Lamps Limited**

**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

*Note 2.4 Reconciliation of Total Equity as at March 31st, 2016 and April 01st, 2015*

Particulars	As at 31st March, 2016	As at 01st April, 2015
<b>Total Equity (Shareholders' Fund) under previous IGAAP</b>	(394,279,389.28)	(315,451,944.72)
<b>Add/ (Less):</b>		
Reedemable Preference Shares (classified as liability as per Ind AS)	(62,637,526.00)	(56,685,544.00)
Borrowings From Bajaj Electricals Limited (classified as equity component of compound financial instruments)	115,200,000.00	115,200,000.00
Depreciation on Property, Plants & Equipments, Assets held for sale and Intangible Assets (1,73,53,939.00-37,08,862.00)	13,645,077.00	-
Impairment Loss adjusted from Revaluation Surplus as per IGAAP Financial Statements (67,45,719.00-65,76,379.00)	(169,340.00)	-
Decrease in Deferred Tax Assets (4,11,37,946.00-3,70,26,634.00)	(4,111,312.00)	-
Effects on Profit on Sale of Property, Plant & Equipment (2,39,63,710.00-2,37,93,192.00)	(170,518.00)	-
Round Off Difference	0.37	-
<b>Total Equity under Ind AS</b>	<b>(332,523,007.91)</b>	<b>(256,937,488.72)</b>
	-	-



**Hind Lamps Limited**  
**Regd. Off. - Station Road, Shikohabad, Firozabad - 205141**

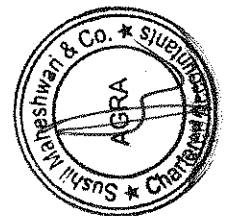
*Note 2.5 Reconciliation of Total comprehensive income for the year ending March 31st, 2016*

Particulars	For the Year ending 31st March, 2016
Profit as per IGAAP	(66,227,000.56)
<b>Add/(Less):</b>	
Finance Cost relating to Redeemable Preference Shares (classified as liability as per Ind AS)	(5,951,982.00)
Effect on Depreciation on Property, Plants & Equipments, assets held for sale and intangible assets (48,77,450.00-37,08,862.00)	1,168,588.00
Effect on Impairment loss adjusted from revaluation surplus as per IGAAP financial statements (64,52,424.00-67,45,719.00)	(293,295.00)
Effects on Deferred Tax Assets (4,11,37,946.00-3,70,26,634.00)	(4,111,312.00)
Effects on Profit on sale of Property, Plant & Equipment (2,39,63,710.00-2,37,93,192.00)	(170,518.00)
Round off Difference	(0.01)
Total effect of transition to Ind AS	(9,358,519.01)
Profit for the year as per Ind AS	(75,585,519.57)
	-



## Note 3A - Property, Plant &amp; Equipment, Capital Work in Progress &amp; Intangible Assets

Particulars	Tangible Assets										Total	Intangible Computer Software	Capital Work in Progress	
	Building Factory & Roads	Building Residences	Electric Installation	Furniture & Fittings	Laboratory & Med Equip.	Land	Library	Machinery and Plant	Telephone Installation	Vehicles				
<b>Year ended 31st March, 2016</b>														
<i>Freehold Assets -</i>														
<i>Gross Carrying Amount</i>														
Deemed Cost as at 01st April, 2015	97,781,598.79	123,397,566.42	15,115,051.93	3,797,336.92	256,234.74	28,472,501.00	96,985.00	439,348,043.70	728,724.59	2,480,754.79	711,474,797.88	1,552,368.00	234,883.00	
Exchange Differences														
Additions	2,441,495.00	227,245.00	201,417.00	-	-	-	-	5,219,354.00	-	534,200.00	8,623,771.00	59,004.00	-	
Disposals out of Original Cost during the year	2,187,298.00	283,873.00	50,706.00	-	-	-	-	59,726,522.00	-	-	62,248,399.00	-	116,963.00	
Disposals out of Revalued Cost during the year	6,302,959.00	5,053,600.00	-	-	-	-	-	30,876,000.00	-	-	42,232,559.00	-	-	
<b>Closing Gross Carrying Amount</b>	<b>91,732,836.79</b>	<b>118,287,338.42</b>	<b>15,265,762.93</b>	<b>3,797,336.92</b>	<b>256,234.74</b>	<b>28,472,501.00</b>	<b>96,985.00</b>	<b>353,964,875.70</b>	<b>728,724.59</b>	<b>3,014,954.79</b>	<b>615,617,550.88</b>	<b>1,611,372.00</b>	<b>114,930.00</b>	
<i>Accumulated Depreciation</i>														
Opening Accumulated Depreciation	86,656,044.00	89,332,505.00	12,878,272.00	3,360,458.00	243,926.00	-	84,599.00	419,625,800.00	668,974.00	2,344,662.00	615,195,240.00	1,473,947.00	-	
Depreciation during the year on Original Cost	49,519.00	100,248.00	261,032.00	40,798.00	1,064.00	-	-	1,852,638.00	23,706.00	59,447.00	2,388,472.00	36,960.00	-	
Depreciation during the year on Revaluation Cost	367,154.00	763,915.00	16,312.00	6,658.00	-	-	-	42,170.00	-	-	1,196,209.00	-	-	
Total Depreciation	416,673.00	864,163.00	277,344.00	47,456.00	1,064.00	-	-	1,894,828.00	23,706.00	59,447.00	3,584,681.00	36,960.00	-	
Disposals during the year	7,810,401.00	4,860,942.00	38,997.00	-	-	-	-	88,085,464.00	-	-	100,795,804.00	-	-	
Impairment / Depreciation on Transition	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Closing Accumulated Depreciation</b>	<b>79,262,316.00</b>	<b>85,335,726.00</b>	<b>13,116,619.00</b>	<b>3,407,914.00</b>	<b>244,990.00</b>	<b>-</b>	<b>84,599.00</b>	<b>333,435,164.00</b>	<b>692,680.00</b>	<b>2,404,109.00</b>	<b>517,984,117.00</b>	<b>1,510,907.00</b>	<b>-</b>	
<b>Net Carrying Amount</b>	<b>12,470,520.79</b>	<b>32,951,612.42</b>	<b>2,149,143.93</b>	<b>389,422.92</b>	<b>11,244.74</b>	<b>28,472,501.00</b>	<b>12,386.00</b>	<b>20,529,711.70</b>	<b>36,044.59</b>	<b>610,845.79</b>	<b>97,633,433.88</b>	<b>100,465.00</b>	<b>114,930.00</b>	



Particulars	Tangible Assets										Total	Intangible Computer Software	Capital Work in Progress	
	Building Factory & Roads	Building Residences	Electric Installation	Furniture & Fittings	Laboratory & Med Equip.	Land	Library	Machinery and Plant	Telephone Installation	Vehicles				
<b>Year ended 31st March, 2017</b>														
<b>Freehold Assets -</b>														
<b>Gross Carrying Amount.</b>														
Deemed Cost as at 01st April, 2016	91,732,836.00	118,287,338.00	15,265,762.00	3,797,337.00	256,235.00	28,472,501.00	96,985.00	353,964,873.00	728,725.00	3,014,955.00	615,617,547.00	1,611,372.00	114,930.00	
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additions	228,659.00	-	393,574.00	82,789.00	-	-	-	1,287,197.00	-	-	1,992,219.00	336,705.00	-	
Disposals out of Original Cost during the year	-	2,474,820.00	57,921.00	21,357.00	-	-	-	2,498,090.00	-	-	5,052,188.00	-	-	
Disposals out of Revalued Cost during the year	-	9,342,905.00	5,726.00	-	-	-	-	1,195,500.00	-	-	10,544,131.00	-	-	
<b>Closing Gross Carrying Amount</b>	<b>91,961,495.00</b>	<b>106,469,613.00</b>	<b>15,595,689.00</b>	<b>3,858,769.00</b>	<b>256,235.00</b>	<b>28,472,501.00</b>	<b>96,985.00</b>	<b>351,558,480.00</b>	<b>728,725.00</b>	<b>3,014,955.00</b>	<b>602,013,447.00</b>	<b>1,938,077.00</b>	<b>114,930.00</b>	
<b>Accumulated Depreciation</b>														
Opening Accumulated Depreciation	79,262,316.00	85,335,726.00	13,116,619.00	3,407,914.00	244,990.00	-	84,599.00	333,435,164.00	692,680.00	2,404,109.00	517,984,117.00	1,510,907.00	-	
Depreciation during the year on Original Cost	71,696.00	98,652.00	326,836.00	41,974.00	1,064.00	-	-	1,375,705.00	1,371.00	76,687.00	1,993,985.00	756,028.00	27,538.00	
Depreciation during the year on Revaluation Cost	353,340.00	715,942.00	10,326.00	732.00	-	-	-	37,368.00	-	-	1,117,708.00	-	-	
Total Depreciation	425,036.00	814,594.00	337,162.00	42,706.00	1,064.00	-	-	1,413,073.00	1,371.00	76,687.00	3,171,693.00	156,028.00	27,538.00	
Disposals during the year	-	7,784,060.00	60,438.00	20,584.00	-	-	-	3,139,772.00	-	-	11,004,854.00	-	-	
Impairment / Depreciation on Transition	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Closing Accumulated Depreciation</b>	<b>79,687,352.00</b>	<b>78,356,260.00</b>	<b>13,393,343.00</b>	<b>3,430,036.00</b>	<b>246,054.00</b>	<b>-</b>	<b>84,599.00</b>	<b>331,708,465.00</b>	<b>694,051.00</b>	<b>2,480,796.00</b>	<b>510,090,956.00</b>	<b>1,666,935.00</b>	<b>27,538.00</b>	
<b>Net Carrying Amount</b>	<b>12,274,143.00</b>	<b>28,103,353.00</b>	<b>2,202,346.00</b>	<b>428,733.00</b>	<b>10,181.00</b>	<b>28,472,501.00</b>	<b>12,386.00</b>	<b>19,850,015.00</b>	<b>34,674.00</b>	<b>534,159.00</b>	<b>91,922,491.00</b>	<b>271,142.00</b>	<b>87,372.00</b>	

**Note:**

a) The aggregate depreciation has been included under Depreciation and Amortisation Expense in the Statement of Profit & Loss.

**Annexure forming part of Note 3A:**

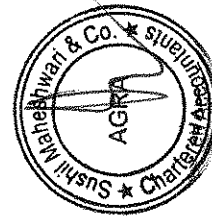
**I) Bifurcation of Depreciation and Amortisation Expense as per Ind AS 38 Para 118(d)**

Particular	For the year ended	
	31st March, 2017	31st March, 2016
Depreciation of Property, Plant & Equipment pertaining to continuing operation	3,111,694.00	3,497,460.00
Depreciation of investments property	-	-
Amortisation of intangible assets.	156,028.00	36,960.00
<b>Total Depreciation and Amortisation pertaining to Continuing Operation</b>	<b>3,267,722.00</b>	<b>3,534,420.00</b>
Depreciation of Property, Plant & Equipment pertaining to discontinued operations	-	87,221.00
<b>Total Depreciation and Amortisation Expense</b>	<b>3,267,722.00</b>	<b>3,621,641.00</b>

**II) Classes of Property, Plant & Equipment given above in these financial statements are only those which are applicable to the Entity:**

**III) Assets Pledged as Security as per Ind AS 16.74(a)**

Land and Land Development with a carrying amount of Rs.2,84,72,501/- (as at March 31, 2016; Rs.2,84,72,501/-) as at April 1, 2015; Rs.2,84,72,501) have been pledged to secure borrowing of the entity. The Land has been pledged as security for bank loans under a mortgage. The entity is not allowed to pledge these assets as security for other borrowing or to sell them to another entity.

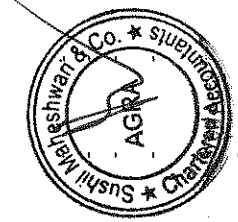




## Note 3B - Assets Held as Classified for Sale

Particulars	Tangible Assets										Total	Intangible Computer Software	Capital Work in Progress	
	Building Factory & Roads	Building Residences	Electric Installation	Furniture & Fittings	Laboratory & Med Equip.	Land	Library	Machinery and Plant	Telephone Installation	Vehicles				
<b>Year ended 31st March, 2016</b>														
<i>Freehold Assets -</i>														
<i>Gross Carrying Amount</i>														
Deemed Cost as at 01st April, 2015	212,743.00	-	-	-	-	-	-	303,730,559.00	-	-	-	-	-	303,943,302.00
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals out of Original Cost during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals out of Revalued Cost during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets Written Off / Impaired	41,114.00	-	-	-	-	-	-	6,704,605.00	-	-	-	-	-	6,745,719.00
<b>Closing Gross Carrying Amount</b>	<b>171,629.00</b>	-	-	-	-	-	-	<b>297,025,954.00</b>	-	-	-	-	-	<b>297,197,583.00</b>
<i>Accumulated Depreciation</i>														
Opening Accumulated Depreciation	169,195.00	-	-	-	-	-	-	295,547,167.00	-	-	-	-	-	295,716,362.00
Depreciation during the year on Original Cost	4.00	-	-	-	-	-	-	64,812.00	-	-	-	-	-	64,816.00
Depreciation during the year on Revaluation Cost	630.00	-	-	-	-	-	-	21,775.00	-	-	-	-	-	22,405.00
Total Depreciation	634.00	-	-	-	-	-	-	86,587.00	-	-	-	-	-	87,221.00
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment / Depreciation on Transition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>169,829.00</b>	-	-	-	-	-	-	<b>295,633,754.00</b>	-	-	-	-	-	<b>295,803,583.00</b>
<b>Assets Held for Sale</b>	<b>1,800.00</b>	-	-	-	-	-	-	<b>1,392,200.00</b>	-	-	-	-	-	<b>1,394,000.00</b>

Particulars	Tangible Assets										Total	Intangible Computer Software	Capital Work in Progress	
	Building Factory & Roads	Building Residences	Electric Installation	Furniture & Fittings	Laboratory & Med Equip.	Land	Library	Machinery and Plant	Telephone Installation	Vehicles				
<b>Year ended 31st March, 2017</b>														
<i>Freehold Assets -</i>														
<i>Gross Carrying Amount</i>														
Deemed Cost as at 01st April, 2016	171,629.00	-	-	-	-	-	-	297,025,954.00	-	-	-	-	-	297,197,583.00
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals out of Original Cost during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals out of Revalued Cost during the year	-	-	-	-	-	-	-	1,841,636.00	-	-	-	-	-	1,841,636.00
Assets Written Off / Impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>171,629.00</b>	-	-	-	-	-	-	<b>295,184,318.00</b>	-	-	-	-	-	<b>295,355,947.00</b>





## Note 4 - Financial Assets

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Other Financial Assets - Unsecured, Considered Good</b>			
<u>Bank Deposits with more than 12 months maturity</u>			
Margin Money with Bank	815,000.00	815,000.00	815,000.00
<b>Total</b>	<b>815,000.00</b>	<b>815,000.00</b>	<b>815,000.00</b>

## Note 5 - Deferred Tax Assets

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Deferred Tax Assets	164,496,916.00	144,107,468.00	107,683,700.00
Deferred Tax Liabilities	(10,210,398.00)	(8,693,795.00)	(9,296,661.00)
	<b>154,286,518.00</b>	<b>135,413,673.00</b>	<b>98,387,039.00</b>
<u>Deferred Tax Liabilities</u>			
Depreciation	(10,210,398.00)	(8,693,795.00)	(9,296,661.00)
<i>Total Deferred Tax Liabilities</i>	<i>(10,210,398.00)</i>	<i>(8,693,795.00)</i>	<i>(9,296,661.00)</i>
<u>Deferred Tax Assets</u>			
Gratuity Liability	23,855,778.00	18,454,564.00	18,249,564.00
Other Timing Differences	3,526,444.00	6,296,852.00	1,637,136.00
Section 43B Disallowances	45,064,482.00	40,126,446.00	38,755,412.00
Unabsorbed Loss/Depreciation	92,050,212.00	79,229,606.00	49,041,588.00
<i>Total Deferred Tax Assets</i>	<i>164,496,916.00</i>	<i>144,107,468.00</i>	<i>107,683,700.00</i>
<b>Net Total</b>	<b>154,286,518.00</b>	<b>135,413,673.00</b>	<b>98,387,039.00</b>

5.1 Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

5.2 The Company has recognized deferred tax assets arising out of Unabsorbed Depreciation and carried Forward Business Losses as per the Income Tax Act, 1961, amounting to Rs.9,20,50,212/- (Previous Year Rs. 7,92,29,606/- as on 31st March, 2016) on the basis of evidence before the management that there would be adequate taxable profits in the future which would absorb the said amounts. This includes Rs. 3,47,21,489/- on Unabsorbed Depreciation and Rs.5,73,28,723/- on carried Forward Business Losses as on 31st March, 2017.



## 5.3 Bifurcation of Details of Deferred Tax Assets

	2016-17	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Recognised directly in Equity	Reclassified from equity to Profit & Loss	Acquisitions / Disposals	Liabilities associated with assets classified as held for sale	Closing Balance
<b>Financial Year 2016-2017</b>									
<u>Deferred Tax (Liabilities) / Assets in relation to:</u>									
Property, Plant & Equipment	(8,678,705.00)	(1,535,589.00)	-	-	-	-	-	-	(10,214,294.00)
Intangible Assets	(15,090.00)	18,986.00	-	-	-	-	-	-	3,896.00
FVTPL Financial Assets	-	-	-	-	-	-	-	-	-
Financial Assets at FVTOCI	-	-	-	-	-	-	-	-	-
Unabsorbed Loss / Depreciation	79,229,606.00	12,820,606.00	-	-	-	-	-	-	92,050,212.00
Provision for Doubtful Debts	315,575.00	-	-	-	-	-	-	-	315,575.00
Defined Benefit Obligation	57,241,604.00	4,060,706.00	5,617,652.00	-	-	-	-	-	66,919,962.00
Other Financial Liabilities	-	-	-	-	-	-	-	-	-
Under Section 43B	1,339,405.00	660,892.00	-	-	-	-	-	-	2,000,297.00
Other Provision	5,981,278.00	(2,770,408.00)	-	-	-	-	-	-	3,210,870.00
	135,413,673.00	13,255,193.00	5,617,652.00	-	-	-	-	-	154,286,518.00
<b>Financial Year 2015-2016</b>									
<u>Deferred Tax (Liabilities) / Assets in relation to:</u>									
Property, Plant & Equipment	(9,272,429.00)	593,724.00	-	-	-	-	-	-	(8,678,705.00)
Intangible Assets	(24,232.00)	9,142.00	-	-	-	-	-	-	(15,090.00)
FVTPL Financial Assets	-	-	-	-	-	-	-	-	-
Financial Assets at FVTOCI	-	-	-	-	-	-	-	-	-
Unabsorbed Loss / Depreciation	49,041,588.00	30,188,018.00	-	-	-	-	-	-	79,229,606.00
Provision for Doubtful Debts	315,575.00	-	-	-	-	-	-	-	315,575.00
Defined Benefit Obligation	56,158,024.00	(1,250,165.00)	2,333,745.00	-	-	-	-	-	57,241,604.00
Other Financial Liabilities	-	-	-	-	-	-	-	-	-
Section 43B Disallowances	846,952.00	492,453.00	-	-	-	-	-	-	1,339,405.00
Other Provision	1,321,561.00	4,659,717.00	-	-	-	-	-	-	5,981,278.00
	98,387,039.00	34,692,889.00	2,333,745.00	-	-	-	-	-	135,413,673.00
<b>Total</b>									



**Note 6 - Other Non Current Assets**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b><u>Advances other than Capital Advances</u></b>			
- Unsecured, Considered Good			
<b><u>Security Deposits</u></b>			
Security Deposits	2,646,468.00	3,915,299.00	8,878,255.00
<b><u>Balances with Revenue Authorities</u></b>			
Advance FBT	297,929.00	422,904.00	422,904.00
Advance Income Tax	1,154,016.00	1,154,016.00	1,154,016.00
Cenvat @ 12.5%	2,768.55	-	-
Deferred Cenvat Credit on Capital Goods	26,956.63	40,326.00	-
Deferred Service Tax Receivable	124,839.00	-	-
Input on Capital Goods	418,158.28	420,631.00	-
ITC on Capital Goods	654,809.00	925,586.00	1,049,569.00
Vat Refundable	698,566.00	698,566.00	698,566.00
<b>Total</b>	<b>6,024,510.45</b>	<b>7,577,328.00</b>	<b>12,203,310.00</b>



**Note 7 - Inventories**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Inventories at the end of the year*</b>			
Goods in Transit	2,116,451.00	-	-
Finished Goods	25,613,665.06	11,647,813.00	16,477,954.00
Raw Material	10,898,013.05	15,738,414.00	22,684,516.00
Scraps	1,037,558.21	743,661.00	671,164.00
Stock in Trade	2,420,403.49	557,494.00	1,470,300.00
Stores and Spares	7,117,947.65	6,161,555.00	21,857,367.00
Work-in-Progress	2,110,662.16	3,965,495.00	2,348,751.00
	<b>51,314,700.62</b>	<b>38,814,432.00</b>	<b>65,510,052.00</b>

**\*Details as required as per Ind AS Para:**

Ind AS 2 Para 36(d)

The cost of inventories recognised as an expense during the year in respect of continuing operations was **21,47,35,416.22/-** (for the year ended 31st March, 2016: Rs. 25,88,29,215.16/-).

Ind AS 2 Para 36 (e) to (g)

The cost of inventories recognised as an expense includes Nil (during 2015-16: Rs. 1,53,08,825/-) in respect of slow and non moving items of inventory which have been written down to net realisable value. The same has been presented in the head of Other Expenses.

Ind AS 1 Para 61

Inventories as shown in balance sheet are expected to be recovered before 12 months at the same value on which they are recorded.

The mode of valuation of inventories has been stated in Note No. 1 (Significant Accounting Policies) Point No. 6

**Note 8A - Trade Receivable**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Outstanding for more than 6 month from the due date</b>			
Unsecured, Considered Good	8,144,824.70	12,205,141.73	14,354,973.00
Unsecured, Considered Doubtful	1,021,279.00	1,021,279.00	1,021,279.00
	9,166,103.70	13,226,420.73	15,376,252.00
Less:- Provision for doubtful Debts	1,021,279.00	1,021,279.00	1,021,279.00
	8,144,824.70	12,205,141.73	14,354,973.00
<b>Outstanding for less than 6 month from the due date</b>			
Unsecured, Considered Good	30,148,019.17	33,086,947.01	40,115,822.00
Unsecured, Considered Doubtful	-	-	-
	30,148,019.17	33,086,947.01	40,115,822.00
Less:- Provision for doubtful Debts	-	-	-
	30,148,019.17	33,086,947.01	40,115,822.00
<b>Total</b>	<b>38,292,843.86</b>	<b>45,292,088.74</b>	<b>54,470,795.00</b>



**Note:-** The average credit period on sales of goods is of 45 days. The company expects to realise its debtors in 45 days but in case of any delays of realisation of debt no interest is charged.



**Note 8B - Cash and Cash Equivalents**

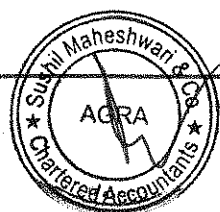
Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Cash in Hand ( <i>As taken and certified by the management</i> )	128,533.00	180,775.00	195,298.00
<b>Balances with Banks</b>			
<i>In Current Account</i>			
Bank of Baroda	41,140.74	204,148.24	86,611.24
Bank of India (Kosi)	11,199.59	15,314.59	14,662.00
Cheques in Hand	137,968.00	-	-
IDBI Bank Limited (Agra)	65,536.75	130,638.75	39,726.00
IDBI Bank Limited (No Lien)	100,000.00	100,000.00	100,000.00
State Bank of India(Shikohabad)	21,020.00	11,653.00	12,283.00
<b>Others</b>			
Gold Coins	36,892.00	36,892.00	36,892.00
Imprest - Postage	2,449.00	796.00	770.00
<b>Total</b>	<b>544,739.08</b>	<b>680,217.58</b>	<b>486,242.24</b>

**Note 8C - Other Financial Assets**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Other Financial Assets - Unsecured, Considered Good</b>			
<b>Bank Deposits with less than 12 months maturity</b>			
FDR with Bank	1,438,199.00	2,180,775.00	1,569,574.00
<b>Total</b>	<b>1,438,199.00</b>	<b>2,180,775.00</b>	<b>1,569,574.00</b>

**Note 9 - Current Tax Assets**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Current Tax Assets</b>			
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-	-
Tax Refund Receivable	503,332.93	1,648,592.93	1,661,079.00
	503,332.93	1,648,592.93	1,661,079.00
<b>Current Tax Liabilities</b>			
Income Tax Payable	-	-	-
	-	-	-
<b>Total</b>	<b>503,332.93</b>	<b>1,648,592.93</b>	<b>1,661,079.00</b>



Note 10 - Other Current Assets

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<u>Advance other than Capital Advances</u>			
<u>Other Advances - Unsecured, Considered Good</u>			
Advance Recoverable in Cash or kind (Refer Sub Schedule - A)	305,205.00	517,868.00	863,495.00
Advance to Suppliers - To Others	4,769,192.82	5,376,938.07	4,990,974.00
Advance for Expenses	-	5,881.00	4,225.00
<u>Balance with Revenue Authorities</u>			
Cenvat Credit of Excise	-	13,866.13	75,076.00
Cenvat Credit of Service Tax	1,680.51	223,231.87	176,012.00
Input Vat on Unregistered Purchase	-	-	1,960.00
IITC on Capital Goods	-	-	524,784.00
<u>Other Receivable</u>			
Interest Receivable on Deposits	819,157.00	744,921.00	646,503.00
<b>Total</b>	<b>5,895,235.33</b>	<b>6,882,706.07</b>	<b>7,283,029.00</b>



## Note 11 - Equity

## A) Equity Share Capital

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>a) Authorised Share Capital</b>			
64,00,000 Equity Shares of Rs. 25/- each with voting rights	160,000,000.00	160,000,000.00	160,000,000.00
9% Cumulative Redeemable Preference Shares of Rs. 25/- per share	10,000,000.00	10,000,000.00	10,000,000.00
0% Non Participating Redeemable Preference Shares of Rs. 25/- per share	80,000,000.00	80,000,000.00	80,000,000.00
<b>b) Issued, Subscribed and Fully Paid Up Capital</b>			
60,00,000 Equity Shares of Rs. 25/- each with voting rights	150,000,000.00	150,000,000.00	150,000,000.00
<b>Total</b>	<b>150,000,000.00</b>	<b>150,000,000.00</b>	<b>150,000,000.00</b>

Refer Notes (i) to (iii) below:

## Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue /(Redeem)	Closing Balance
<b>Equity shares with voting rights</b>			
<b>Year ended 01st April, 2015</b>			
- Number of shares	6,000,000	-	6,000,000
- Amount(in Rs.)	150,000,000.00	-	150,000,000.00
<b>Year ended 31st March, 2016</b>			
- Number of shares	6,000,000	-	6,000,000
- Amount(in Rs.)	150,000,000.00	-	150,000,000.00
<b>Year ended 31st March, 2017</b>			
- Number of shares	6,000,000	-	6,000,000
- Amount(in Rs.)	150,000,000.00	-	150,000,000.00

## (ii) Terms/ Rights attached to Equity Shares

The company has only single class of equity shares having par value Rs. 25/- each. Each holder of equity shares is entitled for one vote per share. Shareholders have right to participate in the dividends(if any) declared on that class of share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



## (iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	Number of shares held	% of Shareholding
<b>Equity shares with voting rights</b>		
<b>As at 01st April, 2015</b>		
Bachhraj and Company Private Limited	675,000	11.25%
Bajaj Electricals Limited	1,140,000	19.00%
Baroda Industries Private Limited	1,170,000	19.50%
Jamnalal Sons Private Limited	495,000	8.25%
Ms. Geetika Bajaj	1,170,000	19.50%
Smt. Kiran Bajaj	1,170,000	19.50%
<b>As at 31st March, 2016</b>		
Bachhraj and Company Private Limited	675,000	11.25%
Bajaj Electricals Limited	1,140,000	19.00%
Baroda Industries Private Limited	1,170,000	19.50%
Jamnalal Sons Private Limited	495,000	8.25%
Ms. Geetika Bajaj	1,170,000	19.50%
Smt. Kiran Bajaj	1,170,000	19.50%
<b>As at 31st March, 2017</b>		
Bachhraj and Company Private Limited	675,000	11.25%
Bajaj Electricals Limited	1,140,000	19.00%
Baroda Industries Private Limited	1,170,000	19.50%
Jamnalal Sons Private Limited	495,000	8.25%
Ms. Geetika Bajaj	1,170,000	19.50%
Smt. Kiran Bajaj	1,170,000	19.50%

**Note:** As per the records of the company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 11B - Other Equity

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>i) Reserve &amp; Surplus</b>			
Capital Reserve	52,100,000.00	52,100,000.00	52,100,000.00
Securities Premium Account	2,200,000.00	2,200,000.00	2,200,000.00
Retained Earning (P & L)	(815,022,082.90)	(734,549,742.85)	(664,183,053.72)
Revaluation Surplus	64,170,122.00	64,170,122.00	64,170,122.00
Other Items of Other Comprehensive Income	(17,781,278.00)	(5,218,827.00)	-
<b>Total</b>	<b>(714,333,238.90)</b>	<b>(621,298,450.91)</b>	<b>(545,712,931.72)</b>
<b>ii) Others - Other Equity</b>			
Redeemable Preference Shares	23,575,443.00	23,575,443.00	23,575,443.00
Loan from Bajaj Electricals Limited*	115,200,000.00	115,200,000.00	115,200,000.00
<b>Total</b>	<b>138,775,443.00</b>	<b>138,775,443.00</b>	<b>138,775,443.00</b>
<b>Grand Total</b>	<b>(575,557,795.90)</b>	<b>(482,523,007.91)</b>	<b>(406,937,488.72)</b>

\*Note: Loan from Bajaj Electricals Limited is treated as other equity as there is neither an intent from the lending company or expectation to demand repayment nor there is any intention to settle it, irrespective of whether the company is able to repay the same or not.



**Note 12A - Borrowings**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Secured Loan - Term Loan</b>			
Pradeshya Industrial Investment Corporation of UP (Refer Note A)	-	-	25,555,456.00
<b>Unsecured Loans</b>			
<b>Other Parties</b>			
Candour Fincon Private Limited (Refer Note B)	10,000,000.00	10,000,000.00	10,000,000.00
Deferred Trade Tax (Refer Note C)	21,466,670.00	50,085,193.00	55,736,821.00
Emkay Appliances Private Limited (Refer Note E)	69,544,015.00	62,259,637.00	20,791,433.00
Kalinga Fixtures Private Limited (Refer Note D)	50,000,000.00	50,000,000.00	57,500,000.00
Utkal Electricals Private Limited (Refer Note F)	7,500,000.00	7,500,000.00	-
<b>Non Participating Redeemable Preference Share Capital</b>			
28,00,000 shares of Rs. 25/- each (Refer Note G)	69,214,466.00	62,637,526.00	56,685,544.00
<b>Total</b>	<b>227,725,151.00</b>	<b>242,482,356.00</b>	<b>226,269,254.00</b>

**Terms & Conditions:**

<p><b>A) Pradeshya Industrial Investment Corporation of UP</b></p> <p>1. <b>Nature</b> :- Secured</p> <p>2. <b>Security</b> :- The Loan is secured by hypothecation of stores, stock in trade, book debts and other current assets with first charge on parri-passu basis on all immovable properties both present and future.</p> <p>3. <b>Interest</b> :- Interest Free</p> <p>4. <b>Repayment</b> :- The Loan is repayable in 2 annual Instalment due on 30.09.2015 of Rs. 16,283,366.00 and 30.09.2016 of Rs. 25,555,456.00 as per sanctioned MDRS by BIFR.</p>	<p><b>B) Candour Fincon Private Limited</b></p> <p>1. <b>Nature</b> :- Unsecured</p> <p>2. <b>Interest</b> :- Interest @13.00%</p> <p>3. <b>Repayment</b> :- There is no stipulated repayment schedule between the parties.</p>
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<p><b>C) Deferred Trade Tax</b></p> <p>1. <b>Nature</b> :- Unsecured</p> <p>2. <b>Interest</b> :- Interest Free</p> <p>3. <b>Repayment</b> :- The Loan is repayable in 5 Annual Instalment as per sanctioned MDRS by BIFR.</p> <p>30-09-2016 of Rs. 5,651,628/-</p> <p>30-09-2017 of Rs.26,675,460/-</p> <p>30-09-2018 of Rs.10,688,355/-</p> <p>30-09-2019 of Rs. 9,518,278/-</p> <p>30-09-2020 of Rs. 3,203,100/-</p>	<p><b>D) Kalinga Fixtures Private Limited</b></p> <p>1. <b>Nature</b> :- Unsecured</p> <p>2. <b>Interest</b> :- Interest Rate @13.00%</p> <p>3. <b>Repayment</b> :- There is no stipulated repayment schedule between the parties.</p>
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<p><b>E) Emkay Appliances Private Limited</b></p> <p>1. <b>Nature</b> :- Unsecured</p> <p>2. <b>Interest</b> :- Interest Rate @13.00%</p> <p>3. <b>Repayment</b> :- There is no stipulated repayment schedule between the parties.</p>	<p><b>F) Utkal Electricals Private Limited</b></p> <p>1. <b>Nature</b> :- Unsecured</p> <p>2. <b>Interest</b> :- Interest Rate @13.00%</p> <p>3. <b>Repayment</b> :- There is no stipulated repayment schedule between the parties.</p>
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G) Terms/ Rights attached to Preference Shares



Hind Lamps Limited

Notes forming part of the financial statements

The company has two class of preference shares out of which only single class of preference shares having par value Rs. 25/- each are issued. The preference shares are "Non Participating Redeemable Preference Shares" redeemable at the end of 10 years from the date of issue with a premium of Rs. 20/- per share. Each holder of preference shares, in the event of the liquidation of the company, will be entitled to receive assets of the company prior to the equity shareholders.

**Note 13 - Provisions**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<u>Provisions for Employees Benefits</u>			
Compensated Absences	11,316,246.00	8,464,933.00	9,243,531.00
Gratuity	60,767,437.00	45,291,287.00	46,902,475.00
PF Interest Guarantee	21,385,781.00	21,385,781.00	17,319,855.00
<u>Other Provision</u>			
Interest Payable on Deferred Trade Tax	1,943,063.00	-	-
<b>Total</b>	<b>95,412,527.00</b>	<b>75,142,001.00</b>	<b>73,465,861.00</b>





Hind Lamps Limited

Notes forming part of the financial statements

**Note 14A - Borrowings**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b><u>Loans repayable on Demand</u></b>			
<b>Secured - From Bank</b>			
<i>Cash Credit (Refer Note below)</i>			
Bank of Baroda, Agra	21,722,822.71	19,518,797.70	14,527,665.00
Bank of Baroda, Shikohabad	6,544,492.50	5,056,083.00	4,741,280.00
Bank of India	4,864,218.30	4,793,751.00	4,023,867.00
Bank of India, Shikohabad	18,938,130.87	18,691,242.67	16,406,867.00
<b>Total</b>	<b>52,069,664.38</b>	<b>48,059,874.37</b>	<b>39,699,679.00</b>

**Note: Terms & Conditions for Cash Credit**

**1. Nature :** Secured

**2. Security :-** The Loan is secured by hypothecation of stores, stock in trade, book debts and all other current assets and first charge on all immovable properties.

**3. Interest :-** Interest Rate @11.50% p.a.

**4. Repayment :-** On Demand

**Note 14B - Trade Payable**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Due to Micro, Small and Medium Enterprises	-	759,995.00	1,272,158.00
Others	76,800,430.88	73,854,508.98	74,746,054.27
<b>Total</b>	<b>76,800,430.88</b>	<b>74,614,503.98</b>	<b>76,018,212.27</b>

**Note 14C - Other Financial Liabilities**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b><u>Other Current Liabilities</u></b>			
i) Current Maturities of Long-Term Debt			
a) Pradeshiya Industrial Investment Corporation of U.P.	-	25,555,456.00	16,283,366.00
b) Deferred Trade Tax	22,482,956.00	5,651,628.00	-
ii) Interest Accrued & due on borrowings	23,987,956.00	11,897,952.00	3,927,192.00
<b>Trade Advance - From Related Party</b>			
Bajaj Electricals Limited	53,000,000.00	-	-
<b>Total</b>	<b>99,470,912.00</b>	<b>43,105,036.00</b>	<b>20,210,558.00</b>



*Hind Lamps Limited*

*Notes forming part of the financial statements*

**Note 15 - Other Current Liabilities**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Other Current Liabilities</b>			
Revenue Received in Advance (Advance from Customers)	7,028,081.93	1,428,187.38	53,006.00
Other Statutory Liabilities Payable (Refer Sub-Schedule - B)	187,579,935.99	157,142,398.28	145,421,668.69
Other Liabilities Payable (Refer Sub-Schedule - C)	16,292,963.00	15,649,503.10	15,191,291.00
<b>Total</b>	<b>210,900,980.92</b>	<b>174,220,088.76</b>	<b>160,665,965.69</b>

**Note 16 - Provisions**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Provisions for Employees Benefits</b>			
Compensated Absences	2,378,895.00	1,893,551.00	1,110,201.00
Gratuity	13,258,383.00	11,254,875.00	6,527,246.00
PF Interest Guarantee	298,364.00	298,364.00	173,444.00
<b>Total</b>	<b>15,935,642.00</b>	<b>13,446,790.00</b>	<b>7,810,891.00</b>



*Hind Lamps Limited*

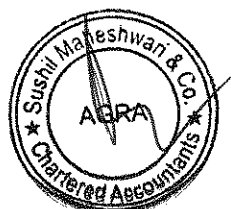
*Sub Schedules forming part of the Financial Statements*

**Sub Schedule A - Advances Recoverable in cash or kind**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Coupons - Canteen	123,824.00	125,051.00	119,680.00
Imprest - Abhishek Upadhayay	10,000.00	-	-
Imprest - Canteen	-	24,346.00	34,056.00
Imprest - Harish Paliwal Kosi	-	7,838.00	480,195.00
Imprest - Manish Pathak	11,818.00	-	-
Imprest - Transit House	3,000.00	-	-
Prepaid Expenses	156,563.00	360,633.00	229,564.00
<b>Total</b>	<b>305,205.00</b>	<b>517,868.00</b>	<b>863,495.00</b>

**Sub Schedule B - Other Statutory Liabilities**

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
C.T.D. Payable	4,000.00	4,300.00	5,100.00
Central Sales Tax	354,614.45	596,263.64	420,701.00
Cess on Service Tax	-	-	12,685.00
E.S.I. Contribution	471,286.00	467,253.00	465,101.00
Employee Provident Fund (Excluded)	622,060.00	621,280.00	15,141.00
Employee Provident Fund (Exempted)	143,617,930.00	120,001,279.00	103,860,340.00
Employee Provident Fund (Exempted) Loan	31,083,155.00	26,772,597.00	26,917,122.00
Employee Provident Fund (Exempted) Vol.	112,193.00	112,755.00	203,762.00
Entry Tax Payable	12,014.00	7,483.00	5,042.00
Excise Duty	878,890.32	-	1,220,004.24
Excise Duty Payable Finished Goods	2,811,937.00	1,205,289.00	1,026,650.00
Family Pension Fund Account	542,184.00	547,810.00	596,036.00
Gratuity Payable	3,177,346.00	3,177,346.00	5,630,356.00
Group Saving Linked Insurance	105,187.00	74,018.00	50,917.00
Higher Cess on Service Tax	-	-	6,359.00
Krishi Kalyan Cess	5,316.00	-	-
L.I.C. Deduction	572,577.20	595,833.80	646,924.00
Other Branches Vat, Cst	-	-	16,816.22
P.F. Interest	820,713.00	813,200.00	2,827,652.00
Service Tax	148,832.00	239,387.00	633,311.00
Swachh Bharat Cess Payable	5,316.00	8,549.00	-
TCS (Tax on Scrap Sale)	2,357.00	3,726.84	1,922.00
TDS Payable	2,162,530.00	1,894,028.00	838,306.00
U.P. Vat	69,498.01	-	1,960.23
Works Contract Tax	-	-	19,461.00
<b>Total</b>	<b>187,579,935.99</b>	<b>157,142,398.28</b>	<b>145,421,668.69</b>



Sub Schedule C - Other Liabilities

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Advance for Travelling	25,088.00	10,030.00	30,113.00
Earnest Money	-	117,200.00	117,200.00
Freight Inward Payable	15,501.00	-	-
Imprest Account HO	48,448.00	200,000.00	157,654.00
Leave Payable	-	-	557,358.00
Liabilities for Expenses	2,208,771.00	4,289,756.00	2,839,762.00
Loan Account Consumables	-	22,039.00	22,039.00
Mediclaim	-	122,978.00	94,775.00
Overtime Payable	9,385.00	8,499.00	1,863.00
Provision For Bonus	6,298,396.00	4,164,751.00	2,346,786.00
Provision For Bonus (Kosi)	3,468.00	3,468.00	226,522.00
Provision For Expenses	155,412.00	126,652.00	126,652.00
Salary & Wages Payable	7,114,795.00	6,166,003.10	6,790,099.00
Salary And Wages Payable (Kosi)	-	5,806.00	1,485,867.00
Temple Donation	79,933.00	66,247.00	41,258.00
Unpaid Bonus Account	171,589.00	166,425.00	167,638.00
Unpaid Salaries & Wages	162,177.00	179,649.00	185,705.00
<b>Total</b>	<b>16,292,963.00</b>	<b>15,649,503.10</b>	<b>15,191,291.00</b>



Note 17 - Revenue From Operations

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>Sales of Products</u>		
Caps	100,675,810.09	140,013,103.88
Lamps	264,609,953.00	270,669,473.00
Lead Glass Tubing	-	1,166,126.00
Sale of Traded goods	11,447,971.84	11,590,909.45
	376,733,734.93	423,439,612.33
Add:- Excise Duty	33,377,220.94	39,544,824.00
<b>Net Sales</b>	<b>410,110,955.87</b>	<b>462,984,436.33</b>
<u>Sale of Services</u>		
Income from Manpower Supply	22,490.00	3,764,416.00
	22,490.00	3,764,416.00
<u>Other Operating Revenues</u>		
Scrap Sales	22,507,786.65	30,027,964.06
Add:- Excise Duty	1,869,874.41	2,409,626.00
	24,377,661.06	32,437,590.06
<b>Total</b>	<b>434,511,106.93</b>	<b>499,186,442.39</b>

Note 18 - Other Income

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>Interest Income</u>		
Interest Income	264,805.00	590,934.00
<u>Other Non-Operating Income</u>		
Deemed Government Grant*	3,488,358.00	3,436,912.00
Miscellaneous Income	2,051,125.36	4,953,460.42
Profit on Sale of Fixed Assets	-	23,793,192.00
Township Income	1,307,952.30	1,198,476.00
<b>Total</b>	<b>7,112,240.66</b>	<b>33,972,974.42</b>



**\*Note:-** Grant in the form of Deferment in payment of Trade Tax Liability without payment of interest. Government Grant is recognised in Other Income & expenses against the same are recorded in Finance Costs as per Ind AS 20. However, no such grant is actually received or no such expenses have been paid during the year. Total Amount of Grant (benefits of a Government Loan at a Nil rate of interest) is Rs. 1,13,89,566/-.

**Nature of Grant** - Grant in the form of Income (As per Ind AS 20 Para 10A)

**Extent of Grant** - Grant of Rs. 34,88,358/- (Previous Year Rs. 34,36,912/-) recognised in profit & loss.

**Note 19 - Cost of Raw Material Consumed**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>Raw Material and Component Consumed</u> Raw Material and Components*	216,262,533.86	246,618,863.28
<b>Total</b>	<b>216,262,533.86</b>	<b>246,618,863.28</b>





Hind Lamps Limited

Notes forming part of the financial statements

**Detail of Raw Material and Component Consumed**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Aluminium Strip	77,332,912.98	93,655,750.16
Arc Tube	22,772,629.50	29,465,857.00
Brass Strip	5,741,520.27	7,124,961.28
Filament	26,492,763.67	22,432,301.84
Glass Tubes	5,032,031.57	1,983,115.74
Others	40,955,890.69	55,194,488.78
Shell	37,934,785.18	36,762,388.48
<b>Total</b>	<b>216,262,533.86</b>	<b>246,618,863.28</b>

Raw Material & Components Consumed

**Details of Indigenous & Imported Raw Material consumed during the year:**

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	Amount (in Rs.)	%	Amount (in Rs.)	%
<u>Consumed during the year :</u>				
Indigenous	198,728,891.53	91.89%	213,154,517.07	86.43%
Imported	17,533,642.33	8.11%	33,464,346.21	13.57%
<b>Total</b>	<b>216,262,533.86</b>	<b>100.00%</b>	<b>246,618,863.28</b>	<b>100.00%</b>

C.I.F. Value of Imports

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>C.I.F. Value of Imports</u>		
Raw Material	17,867,313.00	21,195,714.00
<b>Total</b>	<b>17,867,313.00</b>	<b>21,195,714.00</b>



Hind Lamps Limited

Notes forming part of the financial statements

**Note 20 - Purchase of Stock in Trade (Traded Goods)**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>Purchase of Traded Goods</u>		
Material and Other Traded Goods	11,130,491.34	7,978,006.88
<b>Total</b>	<b>11,130,491.34</b>	<b>7,978,006.88</b>

**Note 21 - Manufacturing Expenses**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Consumption of Stores & Spares	1,852,435.00	4,400,593.75
Electricity Expenses	19,392,832.00	20,654,920.00
Power & Fuel	25,008,895.40	27,722,469.53
<b>Total</b>	<b>46,254,162.40</b>	<b>52,777,983.28</b>

**Note 22 - Changes in Inventories**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Opening Stock of Finished Goods	10,442,524.00	15,451,304.00
Opening Stock of Scrap Material	743,661.00	671,164.00
Opening Stock of Traded Goods	561,062.90	1,470,300.00
Opening Stock of Work in Progress	3,965,495.04	2,348,751.00
Excise Duty on Finished Goods	1,205,289.00	1,026,650.00
	<b>16,918,031.94</b>	<b>20,968,169.00</b>
Closing Stock of Finished Goods	22,801,728.06	10,442,524.00
Closing Stock of Scrap Material	1,037,558.21	743,661.00
Closing Stock of Traded Goods	2,420,403.49	557,494.00
Closing Stock of Work in Progress	2,110,662.16	3,965,495.00
Excise Duty on Finished Goods	2,811,937.00	1,205,289.00
	<b>31,182,288.92</b>	<b>16,914,463.00</b>
Change in Inventories	(14,264,256.98)	4,053,706.00
Add/(Less):-Difference in Excise duty on Finished goods	1,606,648.00	178,639.00
<b>Net (Increase)/ Decrease in Inventories</b>	<b>(12,657,608.98)</b>	<b>4,232,345.00</b>



**Note 23 - Employees Benefits Expenses**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Bonus	6,304,343.00	4,188,260.00
Contribution to EPF	21,069,585.00	31,346,582.00
Contribution to ESI	3,853,688.00	3,795,511.00
Contribution to Gratuity Fund	8,365,399.00	7,003,087.00
Contribution to Pension Fund	25,605.00	31,103.00
Group Insurance Against EDLI	1,418,874.00	1,051,293.00
Leave Encashment	1,668,501.00	1,437,657.00
Leave Travel Concession	2,433,014.00	2,539,930.00
Salaries & Wages (Refer Sub-Schedule - D)	102,770,331.11	114,798,041.00
Staff Welfare Expenses (Refer Sub-Schedule - E)	1,928,882.03	1,079,824.63
<b>Total</b>	<b>149,838,222.14</b>	<b>167,271,288.63</b>

**Note 24 - Finance Cost**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Bank Charges	1,119,437.75	1,564,845.08
Interest	32,584,915.00	28,304,078.00
Interest Deemed on Deferred Trade Tax	3,488,358.00	3,436,912.00
Interest on Redeemable Preference Shares	6,576,940.00	5,951,982.00
<b>Total</b>	<b>43,769,650.75</b>	<b>39,257,817.08</b>

**Bifurcation of Interest Expense as per Ind AS**

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<u>Continuing Operations</u>		
Interest Costs		
Interest on Bank Overdrafts and Loans (Other than those from Related Parties)	5,336,243.00	4,271,330.00
Interest on Loans from Related Parties	10,261,832.00	8,985,383.00
Interest on obligations under Finance Leases	-	-
Other Interest Expense	27,052,138.00	24,436,259.00
	42,650,213.00	37,692,972.00
Total Interest Expense for Financial Liabilities not classified as at FVTPL	42,650,213.00	37,692,972.00
Less:- Amounts included in the cost of Qualifying Assets	-	-
<b>Total</b>	<b>42,650,213.00</b>	<b>37,692,972.00</b>



**Note 25 - Other Expenses**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Balance Written Off	-	7,381,965.00
Canteen Expenses	1,937,567.99	1,540,994.77
Discount	2,758,645.25	2,577,771.80
Insurance	645,953.00	1,056,798.47
Lease Rent *	1,156,677.66	1,145,772.09
Loss on account of dead and slow moving items	-	14,663,629.00
Loss on sale of fixed assets	791,253.00	-
Miscellaneous Expenses (Refer Sub-Schedule - F)	6,535,960.00	5,899,222.42
Packing Material Consumed	19,954,579.18	22,563,485.38
Payment to Auditors (Refer Note (i))	532,900.00	530,010.00
Rates & Taxes	1,699,020.85	3,104,601.35
Repair Building	1,103,192.07	1,272,402.00
Repair Machinery	5,122,862.79	5,937,010.95
<b>Total</b>	<b>42,238,611.78</b>	<b>67,673,663.23</b>

**Note(i)**

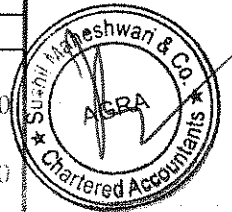
Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>(i) Payments to the auditors comprises:</b>		
Statutory Audit Fee	400,000.00	400,000.00
Tax Audit Fee	100,000.00	100,000.00
Reimbursement of Expenses	32,900.00	30,010.00
<b>Total</b>	<b>532,900.00</b>	<b>530,010.00</b>

**Lease is classified as Operating Lease\***

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Rent recognised in Profit & Loss Accounts	1,156,677.66	1,145,772.09
<b>Total</b>	<b>1,156,677.66</b>	<b>1,145,772.09</b>

**Details of Future Minimum Lease Rentals are as follows:**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
For a period not later than one year	963,372.00	1,776,807.00
For a period later than one year but not later than five years	1,309,500.00	1,517,392.00
<b>Total</b>	<b>2,272,872.00</b>	<b>3,294,199.00</b>



Note 26 - Other Comprehensive Income

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
A (i) Items that will not be reclassified to Profit & Loss		
<u>Remeasurement gains (losses) on defined benefit plans</u>		
Gratuity	(15,480,184.00)	(7,654,025.00)
Leave Encashment	(2,699,919.00)	101,453.00
	(18,180,103.00)	(7,552,572.00)
(ii) Income tax relating to items that will not be reclassified to profit or loss (Deferred Tax Assets)	5,617,652.00	2,333,745.00
<b>Total Other Comprehensive income net of taxes</b>	<b>(12,562,451.00)</b>	<b>(5,218,827.00)</b>
A (i) Items that will be reclassified to Profit & Loss		
<u>Remeasurement gains (losses) on defined benefit plans</u>		
Gratuity	-	-
Leave Encashment	-	-
	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
<b>Total Other Comprehensive income net of taxes</b>	<b>-</b>	<b>-</b>



Hind Lamps Limited

Sub Schedules forming part of the Financial Statements

**Sub Schedule D - Salaries & Wages**

Particulars	For the year ended	For the year ended
	31st March, 2017	31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Assembly Charges	508,467.00	393,640.00
Salary & Wages (Kosi)	20,445.00	2,821,734.00
Salary Administration	1,458,988.00	1,627,275.00
Salary Cap	1,639,556.23	1,740,749.00
Salary General Maintenance	171,410.77	290,730.00
Salary Housing & Estate	3,323,647.48	2,192,594.30
Salary Lamp	5,401,827.56	5,334,080.00
Salary Management	14,131,579.07	12,937,201.00
Salary Medical	124,411.92	174,684.00
Salary Power House	124,229.00	133,712.00
Salary Stock Keeping	341,547.60	316,148.00
Salary Workshop	283,107.69	322,490.00
V.R.S. Compensation	-	12,566,496.00
Wages Administration	329,302.25	268,443.00
Wages C.Q.C.	3,638,488.12	2,374,950.00
Wages Cap	21,909,669.50	22,710,327.00
Wages Drivers	94,629.00	101,257.00
Wages General Maintenance	5,113,090.65	4,305,083.00
Wages H.T.D.	-	36,958.00
Wages Housing & Estate	4,838,376.54	4,670,424.70
Wages Lamp	29,927,148.82	29,952,279.00
Wages Medical	149,895.99	141,643.00
Wages Power House	1,742,681.15	1,273,469.00
Wages Store Transport	3,008,178.48	2,957,757.00
Wages Workshop	4,492,168.29	5,153,917.00
<b>Total</b>	<b>102,772,846.11</b>	<b>114,798,041.00</b>

**Sub Schedule E - Staff Welfare**

Particulars	For the year ended	For the year ended
	31st March, 2017	31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Gift Account	196,990.00	469,613.00
Long Service Award	48,377.58	97,580.00
Medical Expenses	21,619.24	115,853.80
Medical Reimbursement	264,881.00	44,002.00
Office Expenses	121,892.00	-
Recruitment Expenses	-	6,293.00
Staff Cost	69,690.00	115,008.00
Staff Training Expenses	24,190.00	4,285.00
Uniform	1,181,242.21	227,189.83
<b>Total</b>	<b>1,928,882.03</b>	<b>1,079,824.63</b>





**Sub Schedule F - Miscellaneous Expenses**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Advertisement	48,965.00	7,455.00
Balances Written Off	-	-
Books and Periodicals	1,542.00	4,986.00
Cleaning Charges	62,600.00	59,100.00
Computer Expenses	3,010.00	1,000.00
Conference Expenses	20.00	15,020.00
Consultancy Charges	249,824.00	161,992.00
Conveyance Charges	119,634.50	43,269.00
Cycle & Scooter Charges	185,120.00	179,400.00
Donation	6,000.00	6,000.00
Exchange Rate Fluctuation	36,037.49	181,439.54
Festival Celebration Expenses	538,547.00	40,006.00
Freight Inward	-	-
Freight Outward	1,343,558.88	1,275,036.00
General Charges	67,924.00	61,900.00
Hotel Expenses	84,297.00	57,237.00
Insurance Fund Administration Charges	3,918.00	3,888.00
Krishi Kalyan Cess	46,177.46	-
Laboratory Expenses	90.00	40.00
Legal and Professional Expenses	1,083,697.00	1,085,448.00
Loading & Unloading Charges	25,358.00	-
Membership Fees	96,495.00	42,350.00
Miscellaneous Balances Written Off	389,913.12	21,033.00
Miscellaneous Expenses	58,296.00	39,191.19
Office Expenses	78,596.00	195,591.06
Packing Freight General	-	-
PF Inspection Charges	140,824.00	139,821.00
Postage and Courier	61,959.00	64,619.88
Printing and Stationery Expenses	202,417.45	137,283.50
Repair and Maintenance	106,480.00	880.00
Retainership	311,000.00	546,150.00
Swachh Bharat Cess	54,488.23	20,914.51
Taxi Charges	41,533.00	228,767.00
Telephone Expenses	285,332.70	303,794.00
Travelling Expenses	397,217.00	360,426.00
Vat Excess Paid	-	7,046.74
Vehicles Expenses	313,965.17	259,852.00
Water Charges	18,060.00	43,200.00
Woods Account	73,063.00	305,086.00
<b>Total</b>	<b>6,535,960.00</b>	<b>5,899,222.42</b>



## Note 27 - Disclosures under Ind AS (Earning Per Share)

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	<b>Earnings per share</b>		
	<u>Basic</u>		
a	<u>Continuing Operations</u>		
	Net Loss for the year from continuing Operations attributable to the equity shareholders	(80,482,405.05)	(63,103,006.57)
	Weighted average number of equity shares	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share from continuing Operations - Basic</b>	<b>(13.41)</b>	<b>(10.52)</b>
b	<u>Discontinued Operations</u>		
	Net Loss for the year from Discontinued Operations attributable to the equity shareholders	(10,065.00)	(7,263,686.00)
	Weighted average number of equity shares	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share from Discontinued Operations - Basic</b>	<b>-</b>	<b>(1.21)</b>
c	<u>Total Operations</u>		
	Net Loss for the year attributable to the equity shareholders	(80,492,470.05)	(70,366,692.57)
	Weighted average number of equity shares	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share - Basic</b>	<b>(13.41)</b>	<b>(11.73)</b>
	<u>Diluted</u>		
	The diluted earnings per share has been computed by dividing the Net loss after Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible debentures.		
d	<u>Continuing Operations</u>		
	Net Loss for the year attributable to the equity shareholders from continuing Operations	(80,482,405.05)	(63,103,006.57)
	Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
	Loss attributable to equity shareholders from continuing Operations(on dilution)	(80,482,405.05)	(63,103,006.57)
	Weighted average number of equity shares for Basic EPS	6,000,000	6,000,000
	Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share, from continuing Operations - Diluted</b>	<b>(13.41)</b>	<b>(10.52)</b>
e	<u>Discontinued Operations</u>		
	Net Loss for the year attributable to the equity shareholders from Discontinued Operations	(10,065.00)	(7,263,686.00)
	Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
	Loss attributable to equity shareholders from Discontinued Operations(on dilution)	(10,065.00)	(7,263,686.00)
	Weighted average number of equity shares for Basic EPS	6,000,000	6,000,000
	Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share, from Discontinued Operations - Diluted</b>	<b>-</b>	<b>(1.21)</b>
f	<u>Total Operations</u>		
	Net Loss for the year attributable to the equity shareholders	(80,492,470.05)	(70,366,692.57)
	Add: Interest expense and exchange fluctuation on convertible bonds(net)	-	-
	Loss attributable to equity shareholders(on dilution)	(80,492,470.05)	(70,366,692.57)
	Weighted average number of equity shares for Basic EPS	6,000,000	6,000,000
	Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	6,000,000	6,000,000
	Par value per share	25.00	25.00
	<b>Earnings per share - Diluted</b>	<b>(13.41)</b>	<b>(11.73)</b>



## Note 28: Employee Benefits

Disclosures as per Ind AS - 19 "Employee Benefits" :

## Employee Benefits Expense (Included in Statement of Profit &amp; Loss &amp; other Comprehensive Income)

Particular	For the year ended	
	31st March, 2017	31st March, 2016
Salaries and Wages	102,770,331.11	114,798,041.00
Contribution to Provident and Other Funds *	50,213,335.00	50,881,601.00
Bonus	6,304,343.00	4,188,260.00
Leave Encashment Expenses **	4,368,420.00	1,336,204.00
Leave Travel Concession	2,433,014.00	2,539,930.00
Staff Welfare Expense	1,928,882.03	1,079,824.63
<b>Total</b>	<b>168,018,325.14</b>	<b>174,823,860.63</b>

\* This figure includes Provision for Gratuity amounting to Rs.2,38,45,583.00 (P.Y.1,46,57,112.00) out of which amount of actuarial gain /loss on remeasurement is recognised under other comprehensive income as per the requirement of Ind AS-19 and balance figure is shown as employee benefit expenses under statement of profit & loss.

\*\* This figure includes Provision for Leave Encashment amounting to Rs.42,87,508.00 (P.Y.12,42,785.00) out of which amount of actuarial gain /loss on remeasurement is recognised under other comprehensive income as per the requirement of Ind AS-19 and balance figure is shown as employee benefit expenses under statement of profit & loss.

## Gratuity and other post-employment benefit plans

## Defined Benefit Plans

Amount recognized in the statement of profit and Loss in respect of gratuity cost (defined benefit plan) is as follows:

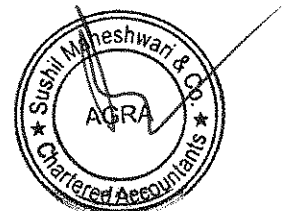
Particular	For the year ended	For the year ended
	31st March, 2017	31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>Gratuity Cost</b>		
Service Cost	3,869,979.00	2,858,384.00
Net interest on net defined liability/ (asset)	4,495,420.00	4,144,703.00
Re-measurement - Actuarial Gain/(Loss) recognised in OCI	15,480,184.00	7,654,025.00
<b>Net Gratuity Cost</b>	<b>23,845,583.00</b>	<b>14,657,112.00</b>
<b>Assumptions</b>		
Interest Rate	7.37%	7.95%
Salary Increase	7.20%	3.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The expected return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The following table sets out the status of the gratuity plan.

Particular	For the year ended	For the year ended	As on beginning
	31st March, 2017	31st March, 2016	01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Change in Projected Benefit Obligations</b>			
Obligations at the beginning of the period	56,546,162.00	53,480,033.00	49,847,283.00
Service Cost	3,869,979.00	2,858,384.00	2,764,648.00
Interest Cost	4,495,420.00	4,144,703.00	4,237,019.00
Benefits Settled	(6,365,925.00)	(11,590,983.00)	(2,530,586.00)
Actuarial (Gain) / Loss - Experience	1,536,884.00	4,338,190.00	(3,115,890.00)
Actuarial (Gain) / Loss - Demographic Assumptions	-	3,924,530.00	-
Actuarial (Gain) / Loss - Financial Assumptions	13,943,300.00	(608,695.00)	2,277,559.00
Others (Describe)	-	-	-
<b>Obligations at the end of the period</b>	<b>74,025,820.00</b>	<b>56,546,162.00</b>	<b>53,480,033.00</b>
<b>Change in Plan Assets</b>			
Plan Assets at the beginning of the period, at fair value	-	-	-
Interest income on Plan Assets	-	-	-
Re-measurement - Actuarial Gain/(Loss)	-	-	-
Return on Plan Assets greater/(lessor) than discount rate	-	-	-
Contributions	-	-	-
Benefits settled	-	-	-
<b>Plan Assets at the end of the period, at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>



Historical Information:-

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016	As on beginning 01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Present Value of Defined Benefit Obligation	74,025,820.00	56,546,162.00	53,480,033.00
Fair Value of Plan	-	-	-
<b>Assets / (Liability) Recognised</b>	<b>(74,025,820.00)</b>	<b>(56,546,162.00)</b>	<b>53,480,033.00</b>

Movement in the present value of the Defined Benefit Obligation are as follows.

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>Opening Defined Benefit Obligation</b>	56,546,162.00	53,480,033.00
Current service cost	3,869,979.00	2,858,384.00
Interest cost	4,495,420.00	4,144,703.00
Remeasurement (Gains) / Losses:		
Actuarial (Gain) / Loss - Experience	1,536,884.00	4,338,190.00
Actuarial (Gain) / Loss - Demographic Assumptions	-	3,924,530.00
Actuarial (Gain) / Loss - Financial Assumptions	13,943,300.00	(608,695.00)
Others ( Describe)	-	-
Past service cost, including Losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Benefits Paid	(6,365,925.00)	(11,590,983.00)
Others ( Describe)	-	-
<b>Closing Defined Benefit Obligation</b>	<b>74,025,820.00</b>	<b>56,546,162.00</b>

Movement in the fair value of the Plan Assets are as follows.

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>Opening Fair Value of Plan Assets</b>	-	-
Interest income	-	-
Remeasurement (Gains) / Losses:		
Return on Plan Assets (excluding amounts included in net interest expense)	-	-
Others ( Describe)	-	-
Contribution from the employer	-	-
Contribution from plan participants	-	-
Assets distributed on settlements	-	-
Assets acquired in a business combination	-	-
Benefits Paid	-	-
Others ( Describe)	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>

Compensated Absence

**Defined Benefit Plans**

Amount recognized in the statement of profit and Loss in respect of compensated absence cost (defined benefit plan) is as follows:

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>Compensated Absence Cost</b>		
Service Cost	764,090.00	541,824.00
Net interest on net defined liability/ (asset)	823,499.00	802,414.00
Re-measurement - Actuarial Gain/(Loss) recognised in OCI	2,699,919.00	(101,453.00)
<b>Net Gratuity Cost</b>	<b>4,287,508.00</b>	<b>1,242,785.00</b>
<b>Assumptions</b>		
Interest Rate	7.37%	7.95%
Salary Increase	7.20%	3.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The expected return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.



The following table sets out the status of the gratuity plan.

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016	As on beginning 01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
<b>Change in Projected Benefit Obligations</b>			
Obligations at the beginning of the period	10,358,484.00	10,353,732.00	9,681,585.00
Service Cost	764,090.00	541,824.00	579,739.00
Interest Cost	823,499.00	802,414.00	822,935.00
Benefits Settled	(950,851.00)	(1,238,033.00)	(1,261,074.00)
Actuarial (Gain) / Loss - Experience	(133,491.00)	(695,802.00)	81,704.00
Actuarial (Gain) / Loss - Demographic Assumptions	-	705,268.00	-
Actuarial (Gain) / Loss - Financial Assumptions	2,833,410.00	(110,919.00)	448,843.00
Others (Describe)	-	-	-
<b>Obligations at the end of the period</b>	<b>13,695,141.00</b>	<b>10,358,484.00</b>	<b>10,353,732.00</b>
<b>Change in Plan Assets</b>			
Plan Assets at the beginning of the period, at fair value	-	-	-
Interest income on Plan Assets	-	-	-
Re-measurement - Actuarial Gain/(Loss)	-	-	-
Return on Plan Assets greater/(lesser) than discount rate	-	-	-
Contributions	-	-	-
Benefits settled	-	-	-
<b>Plan Assets at the end of the period, at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>

Historical Information:-

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016	As on beginning 01st April, 2015
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Present Value of Defined Benefit Obligation	13,695,141.00	10,358,484.00	10,353,732.00
Fair Value of Plan	-	-	-
<b>Assets / (Liability) Recognised</b>	<b>(13,695,141.00)</b>	<b>(10,358,484.00)</b>	<b>10,353,732.00</b>

Movement in the present value of the Defined Benefit Obligation are as follows.

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>Opening Defined Benefit Obligation</b>	10,358,484.00	10,353,732.00
Current service cost	764,090.00	541,824.00
Interest cost	823,499.00	802,414.00
Remeasurement (Gains) / Losses:		
Actuarial (Gain) / Loss - Experience	(133,491.00)	(695,802.00)
Actuarial (Gain) / Loss - Demographic Assumptions	-	705,268.00
Actuarial (Gain) / Loss - Financial Assumptions	2,833,410.00	(110,919.00)
Others ( Describe)	-	-
Past service cost, including Losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Benefits Paid	(950,851.00)	(1,238,033.00)
Others ( Describe)	-	-
<b>Closing Defined Benefit Obligation</b>	<b>13,695,141.00</b>	<b>10,358,484.00</b>

Movement in the fair value of the Plan Assets are as follows.

Particular	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
Opening Fair Value of Plan Assets	-	-
Interest income	-	-
Remeasurement (Gains) / Losses:		
Return on Plan Assets (excluding amounts included in net interest expense)	-	-
Others ( Describe)	-	-
Contribution from the employer	-	-
Contribution from plan participants	-	-
Assets distributed on settlements	-	-
Assets acquired in a business combination	-	-
Benefits Paid	-	-
Others ( Describe)	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>



Hind Lamps Limited

Notes forming part of the revised financial statements

**Note 29 - Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8th, 2016 to December 30th, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other Denomination notes	Total
Closing Cash in Hand as on November 8th, 2016	143,000.00	203,242.00	346,242.00
Add: Permitted Receipts	-	1,650,533.00	1,650,533.00
Less: Permitted Payments	-	1,504,272.00	1,504,272.00
Less: Amount deposited in banks	143,000.00	132,500.00	275,500.00
Closing Cash in Hand as on December 30th, 2016	-	217,003.00	217,003.00

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.



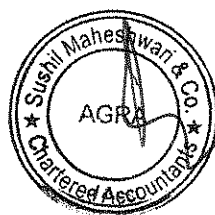


## Note 30 - Disclosure on Discontinued Operations

The Company was producing FTL but due to ban on such production by the government, it has resulted in discontinuance of FTL Division. The company has discontinued its operations from 01st April, 2015 and such discontinuance is expected to be completed within 3 years from the date of discontinuance. The carrying amount of the total assets & of the total liabilities, as on the balance sheet date i.e., 31st March, 2017 is Rs. 13,61,428/- & 4,20,681/- (Previous Year Rs.13,94,000/- & 4,30,746/-) respectively disclosed under the head "Assets Held for Sale". The details regarding revenue, expenditure & pre tax profits in respect of activities attributable to the discontinuing operation during the current financial reporting period are as shown below (Refer Schedule No. A). The amounts on net cash flows attributable to the operating, investing, and the financing activities of the discontinuing operation during the current financial reporting period are also shown below (Refer Schedule No. B):-

## Schedule No. A - Discontinuing Operations in TL Plant

Particulars	Continuing Operations		Discontinuing Operations		Total Operations	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1 Revenue from operations(Gross)	434,511,106.93	499,186,442.39	-	-	434,511,106.93	499,186,442.39
2 Other Income	7,112,240.66	33,972,974.42	-	-	7,112,240.66	33,972,974.42
<b>Total Revenue</b>	<b>441,623,347.59</b>	<b>533,159,416.81</b>	-	-	<b>441,623,347.59</b>	<b>533,159,416.81</b>
3 Expenses						
a) Cost of Raw Material Consumed	216,262,533.86	246,618,863.28	-	-	216,262,533.86	246,618,863.28
b) Purchase of Goods	11,130,491.34	7,978,006.88	-	-	11,130,491.34	7,978,006.88
c) Manufacturing Expenses	46,254,162.40	52,777,983.28	-	-	46,254,162.40	52,777,983.28
d) Excise Duty	35,247,095.35	41,954,450.00	-	-	35,247,095.35	41,954,450.00
e) Changes in Inventories	(12,657,608.98)	4,232,345.00	-	-	(12,657,608.98)	4,232,345.00
f) Employees Benefits Expenses	149,838,222.14	167,271,288.63	-	-	149,838,222.14	167,271,288.63
g) Finance Cost	43,769,650.75	39,257,817.08	-	-	43,769,650.75	39,257,817.08
h) Depreciation & Amortization Expenses	3,267,722.00	3,621,641.00	-	87,221.00	3,267,722.00	3,708,862.00
i) Other Expenses	42,238,611.78	67,673,663.23	-	6,745,719.00	42,238,611.78	74,419,382.23
<b>Total Expenses</b>	<b>535,350,880.64</b>	<b>631,386,058.38</b>	-	<b>6,832,940.00</b>	<b>535,350,880.64</b>	<b>638,218,998.38</b>
4 Profit/(Loss) before Tax(3-4)	(93,727,533.05)	(98,226,641.57)	-	(6,832,940.00)	(93,727,533.05)	(105,059,581.57)
5 Tax Expense:						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax	(13,245,128.00)	(35,123,635.00)	(10,065.00)	430,746.00	(13,255,193.00)	(34,692,889.00)
6 Profit/(Loss) for the year(5-6)	<b>(80,482,405.05)</b>	<b>(63,103,006.57)</b>	<b>10,065.00</b>	<b>(7,263,686.00)</b>	<b>(80,472,340.05)</b>	<b>(70,366,692.57)</b>
7 <b>Other Comprehensive Income</b>						
A (i) Items that will not be reclassified to profit or loss	(18,180,103.00)	(7,552,572.00)	-	-	(18,180,103.00)	(7,552,572.00)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(5,617,652.00)	(2,333,745.00)	-	-	(5,617,652.00)	(2,333,745.00)
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>Total Other Comprehensive Income</b>	<b>(12,562,451.00)</b>	<b>(5,218,827.00)</b>	-	-	<b>(12,562,451.00)</b>	<b>(5,218,827.00)</b>



## Note 30 - Disclosure on Discontinued Operations (Contd.)

(Schedule No. B) Cash Flow Statement for the year ended as on 31st March, 2017

Discontinuing Operations

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Amount (in Rs.)	Amount (in Rs.)
<b>A. Cash flow from operating activities:</b>		
Profit/(Loss) before tax	-	(6,832,940.00)
(Profit)/Loss on Fixed Assets Sold(Net)	-	-
Obsolete Stock Written Off	-	-
Provision Written Back	-	-
Liability Written Back	-	-
Balances Written Off	-	-
<b>Net Profit/(Loss) before tax provision and extra ordinary item</b>	-	(6,832,940.00)
<u>Adjustments for:</u>		
Depreciation(Net Off Transferred to Revaluation Reserve)	-	87,221.00
Interest Expense/Other Borrowing Cost	-	-
Interest income	-	-
Lease Rent	-	-
Impairment of Assets	-	6,745,719.00
<b>Operating profit before working capital changes</b>	-	-
<b>Adjustments for changes in working capital :</b>		
Net (Increase) / Decrease in Trade Receivables	-	-
Net (Increase) / Decrease in Inventories	-	-
Net (Increase) / Decrease in Other Receivables	-	-
Net Increase / (Decrease) in Provision	-	-
Net Increase / (Decrease) in Trade and Other Payables	-	-
Net Increase / (Decrease) in Other Current Assets	-	-
<b>Cash generated from Operations</b>	-	-
Taxes (Paid) / Received	-	-
<b>Net Cash Flow from Operating Activities - A</b>	-	-
<b>B. Cash Flow from Investing Activities:</b>		
Purchases of Fixed Assets	-	-
Sale of Fixed Assets	-	-
<b>Net Cash Flow from Investing Activities - B</b>	-	-
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from Long Term Borrowings	-	-
Proceeds from Long Term Loans & Advances	-	-
Lease Rent	-	-
Finance Cost Paid	-	-
<b>Net Cash Flow from Financing Activities - C</b>	-	-
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents( A+B+C)</b>		-
Cash and Cash Equivalents at the beginning of year		-
Amount transferred to continuing operations		-
<b>Cash and Cash Equivalents as at the end of the year (See Note No. 9B)</b>		-



**Note 31 - Related Party Transactions**

Investor in the Reporting Entity and having Significant Influence	
1	Bajaj Electricals Limited

List of Individual controlling voting power /exercising significant influence & their relatives	
1	Mr. Shekhar Bajaj
2	Mrs. Kiran Bajaj
3	Mr. Anant Bajaj
4	Mr. Madhur Bajaj
5	Mr. Niraj Bajaj
6	Ms. Geetika Bajaj

Key Management Personnel & their Relatives		
1	Mr. Anant Shekhar Bajaj	Director appointed from 01-07-2005
2	Mr. Kunjbihari Ramgopalji Bhattad	Independent Director appointed from 29-10-2014
3	Mr. Manish Arun Pathak	Chief Finance Officer appointed from 22-02-2016
5	Mr. Sachin Chaudhari	Company Secretary appointed from 26-03-2015
6	Mr. Raghavan Sundarrajan	Whole Time Director appointed from 26-03-2015
7	Mr. Sanjay Shambhuprasad Murarka	Independent Director appointed from 29-10-2014
8	Mr. Shekhar Bajaj	Director appointed from 14-09-1979

Enterprises over which Investor Company or KMP / Significant Shareholders and their relatives exercises significant influence	
1	Hind Musafir Agency Limited
2	Starlite Lighting Limited



## Note 31 Related Party Transactions

Related Party	Nature of Transaction	2016-17		2015-16	
		Net Transaction Value	Outstanding Balance	Net Transaction Value	Outstanding Balance
Bajaj Electricals Limited	Sale during the year	273,929,926.09	3,085,548.04	280,610,092.66	3,852,725.77
	Income from Manpower Supply	22,490.00	-	3,764,416.00	-
	Purchase during the year	11,281,667.01	-	2,522,339.36	-
	Discount Given	404,013.53	-	2,577,992.80	-
	Interest Paid	9,235,647.00	-	8,985,383.00	-
	Services Taken	6,117.00	-	-	-
	Term Loan	-	115,200,000.00	-	115,200,000.00
	Trade Advance	53,000,000.00	53,000,000.00	-	-
	Reimbursement of Expenses	229,117.00	-	1,283,536.00	-
Starlite Lighting Limited	Sale during the year	8,955,441.20	1,435,326.43	13,119,432.23	3,520,611.23
Kiran Bajaj	Trade Payable	-	501.00	-	501.00
Hind Musafir Agency Limited	Other Payable	6,117.00	-	-	6,117.00
Manish Arun Pathak	Salary	378,107.00	-	-	-
	Bonus	7,000.00	-	-	-
	Sale during the year	21,750.00	-	-	-
	Reimbursement of Expenses	43,502.00	-	-	-
	Advance for Expenses	11,818.00	11,818.00	-	-

## Note 32 - Classification of Previous Years Figures

The Previous figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.



Sushil Maheshwari  
Director  
DIN: 00089358

Raghavan Sundarajan  
Whole-time Director  
DIN: 07136948

Manish Arun Pathak  
Chief Finance Officer  
PAN: AKAPP604AK

Sachin Chaudhary  
Secretary  
ACS - 28957