BAJAJ
Bajaj Electricals Ltd.
Inspiring Trust

L-79AGM/1762/MGP

August 13, 2018

To,

Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Email: corp.relations@bseindia.com
Fax No.: 22723121 / 22722061

BSE Code No. 500031

Corporate Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Email: cmlist@nse.co.in
Fax No.: 26598237/38 or 26598347/48

NSE Symbol: BAJAJELEC – Series: EQ

Dear Sir / Madam,

Sub.: Annual Report 2017-18

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2017-18 approved and adopted by the members as per the provisions of the Companies Act, 2013, at the 79th Annual General Meeting of the Company held on Thursday, August 9, 2018 at 12.00 p.m., at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400 021.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For Bajaj Electricals Limited

Mangesh Patil
EVP-Legal & Taxation and Company Secretary

Encl.: As above

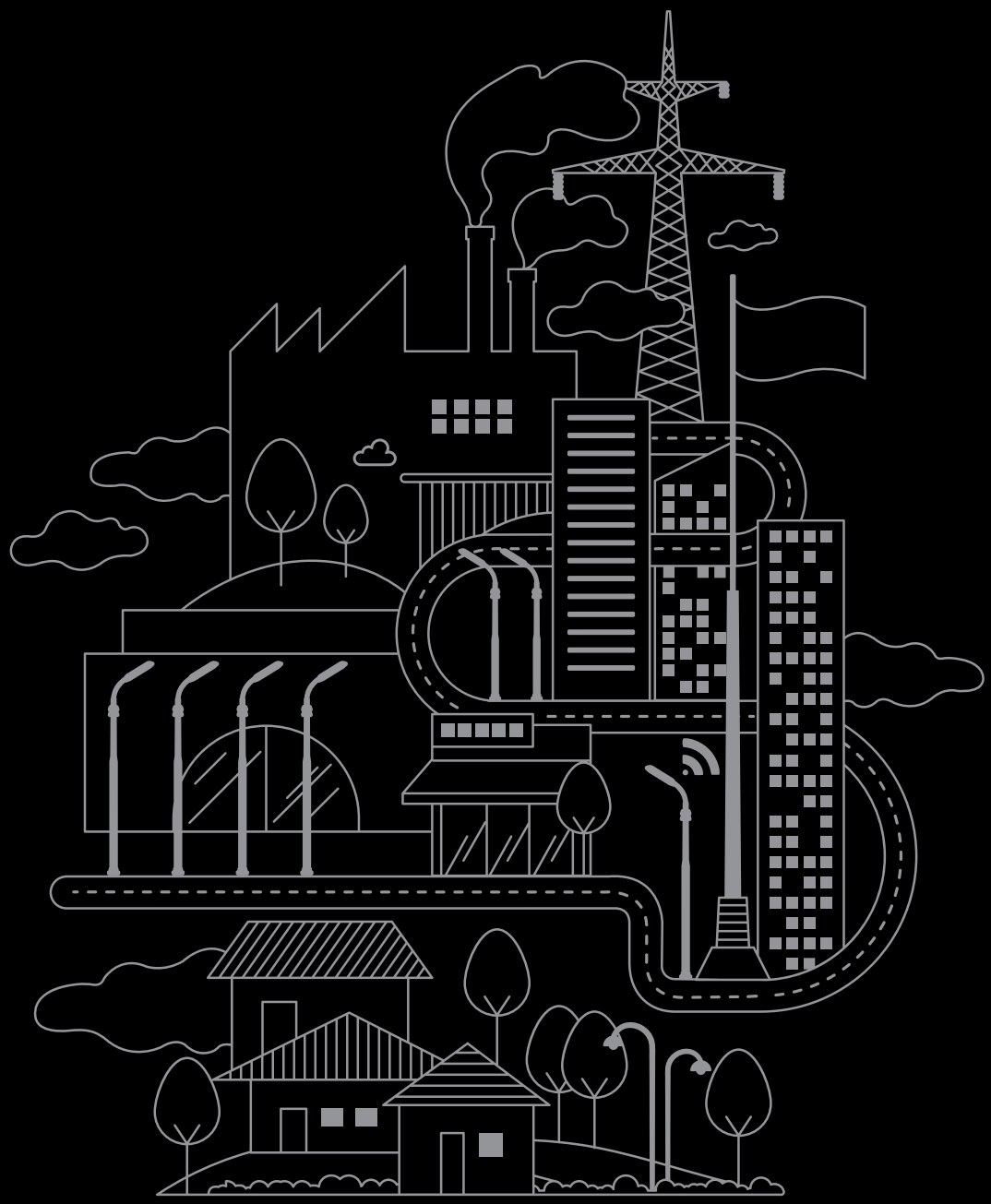
79th Annual Report

2017-18

BAJAJ

Bajaj Electricals Ltd.

Inspiring Trust



WE ILLUMINATE **NATIONS**

SMART **INDOORS** & CONNECTED **OUTDOORS**

CORPORATE INFORMATION

Board of Directors
Shekhar Bajaj, *Chairman & Managing Director*
Anant Bajaj, *Managing Director*
Harsh Vardhan Goenka
Ashok Jalan
Madhur Bajaj
Dr. (Smt.) Indu Shahani
Dr. Rajendra Prasad Singh
Anuj Poddar
Siddharth Mehta

Company Secretary
Mangesh Patil

Auditors
S R B C & Co. 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., IndusInd 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, Puducherry, Pune, Raipur

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

Central Warehouses
Banur, Daman, Mumbai & Vapi

Regional Distribution Centres
Bengaluru, Delhi & Kolkata

Overseas Representative / Liaison Offices
China, Dubai & Zambia

Annual General Meeting
On Thursday, 9th August, 2018 at 12.00 noon at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400 021, Maharashtra.

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

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WE ILLUMINATE **NATIONS**

SMART **INDOORS** & CONNECTED **OUTDOORS**

The last few decades have witnessed a rapid acceleration of globalisation, mainly due to a growth in international trade and an increase in the use of smart technology. This has led to growing urbanisation and digitalisation, particularly in developing countries.

To fulfil the demands arising out of accelerated globalisation and its effects, Bajaj Electricals Limited has expanded its horizons, through a host of smart indoor and connected outdoor solutions. These solutions are catalysts driving change within urban communities. Furthermore, Bajaj Electricals aims to provide technically advanced IoT-enabled smart solutions to consumers, to help create sustainable living spaces for them.

Bajaj Electricals' mission is to offer next-level complete digital solutions such as Smart Poles, Human-centric Lighting, Sports Lighting, Architectural Lighting, Solar Lighting and Horticulture Lighting, as well as solutions for Healthcare Industries. We are creating Smart Buildings with our IBMS solutions. And with our holistic solutions, we are creating Smart Cities for better energy efficiency. We strive to provide a one-stop solution to our customers, with the help of a complete on-ground support system as well as digital platforms like cloud-based connectivity and wireless solutions. This will enhance productivity and make it easier to create sustainable and smart infrastructure.

The diverse range of solutions we are aiming to provide, demonstrates our ambition to reach out to, enrich and illuminate millions of lives, cities and nations across the world.

CHAIRMAN'S MESSAGE

"In this challenging business environment, our strong brand connect, the launch of new products, service delivery models and continuous expansion of our distribution network enabled us to deliver a strong performance"

Dear Fellow Shareholders,

It gives me great pleasure to share with you an update on the performance of your Company for FY 2017-18. It was a transformative year in the Indian calendar with the introduction of the Goods and Services Tax (GST), arguably the biggest tax reform since Independence and awaited since more than a decade. GST has created a single national market and will benefit both consumers as well as the industry including the Consumer Goods sector. We are particularly happy to share that your Company worked closely with its partners along its entire supply chain to transition its operations to the new tax regime efficiently.

The implementation of GST disrupted demand in our industry, attributable to the initial adjustments made by the traders towards the new tax regime. Our performance was also affected due to destocking by traders in the month of June and the second quarter. Though the sales in the subsequent quarters have picked up, it will take some time for the benefits of GST to get realised. Personally, I am enthused by the way GST is leading to the formalisation of the economy and I am of the view that it will be beneficial for the organised trade and industry and will bring better fiscal discipline.

In this challenging business environment, our strong brand connect, the launch of new products, service delivery models and continuous expansion of our distribution network enabled us to deliver a strong performance. Total revenue from operations for FY 2017-18 was ₹ 4,716.39 crores, with comparable revenue growth of 9.73%. This is especially commendable as revenue growth in the first half of the financial year, was down by 1%, with GST transition impacting sales in the second quarter. In the second half of the financial year we had a growth of 17.93%. Profit before exceptional items and tax for the year, grew impressively by 51.05% from ₹ 168.04 crores to ₹ 253.83 crores.

With a large young, tech-savvy, aspirational population whose discretionary income is rising by the day, India's consumer story is one of the world's most compelling. The Company has set up a new R&D centre to provide innovative and high-tech products to meet these evolving expectations. The Company has also enhanced its digital capabilities to strengthen social media connect and leverage the potential of digital to understand the pulse of the consumers and take informed decisions. For us, consumer needs and requirements are and will always be at the epicentre of all our endeavours, and I take confidence from the continued support provided by all our stakeholders to address them as we move forward.

Our depth of capabilities and breadth of offerings has received a major fillip with our proposal to acquire 100% stake in Nirlep Appliances Pvt. Ltd. Nirlep is a well-known brand in the manufacture of non-stick cookware in India. The proposed acquisition will give the Company exclusive access to Nirlep brand with its goodwill, state-of-the-art manufacturing facility, people, distribution network and product portfolio which not only complements our existing offerings but is also a perfect synergic blend.

The macroeconomic scenario of the country remains positive. Consolidation of reforms, strong FDI inflows and supportive tailwinds from global growth and exports are expected to spur growth. Inflation is in check, though there is some risk on input price due to global movement in commodity price and monetary tightening in some major economies, resulting in currency and interest rate movement. The healthy growth projections for the year and the favourable outlook are likely to have a positive impact on consumer demand. Additionally, infrastructure development in areas such as power transmission and rural electrification remains a top priority of the Government, and this is expected to provide us new vistas of opportunities in our EPC business. We are already part of Government initiatives on electrification of villages across India and participants in improvement of life of BPL families. In EPC space, we have a very healthy order book and can expect a very high growth because of better execution of projects.

The Company continues to uphold its commitment towards environmental protection and sustainability. Anti-tobacco campaigns and tree plantation drives were among the initiatives conducted to create a positive social impact. We have taken an ambitious plan to plant over 1,00,000 trees this year. The Company has also been actively supporting CSR activities to train rural and urban youth in skill development to enhance their employability and entrepreneurial abilities. These initiatives would not have been possible without the unstinted commitment of our people, partnering NGO's, the management and our Board of Directors. I take this opportunity to thank them all.

I would like to thank our entire team at Bajaj Electricals for their great work and dedication throughout the year. I would also like to express my gratitude to you and all the stakeholders for the trust and faith that you have reposed in us. As we move into another exciting year, we continue to seek your support. We remain steadfast to our consumer-focussed philosophy to accelerate our momentum and deliver success for all our stakeholders while balancing our responsibility to society and the communities at large.

Yours sincerely,

Shekhar Bajaj
Chairman & Managing Director

NEW LAUNCHES

Bajaj Appliances

Bajaj Cool.iNXT Air Cooler

Calenta Mechanical Water Heater

New Majesty Instant Water Heater

Shakti PC Deluxe Water Heater

Majesty RHX 3 New Room Heater

2016 MTBX Microwave Oven

JX4 Neo Juicer Mixer Grinder

Twister DLX Mixer Grinder

FX 1000 Food Processor

Bajaj Lighting

LED Batten 28W Tubelight

LED Batten 20W Plastic

LED Tubelight 20W

Bajaj Luminaires

Dazzle

Dominto Dyna

Edge

Amaze

Bajaj Fans

Leatrim Max 250x250

Regal Gold NXG

Ark HS

morphy richards Global Range

Prism Range

Kettle

Toaster

Redefine Range

Kettle

Toaster

Total Control Range

Hand Mixer

Table Blender

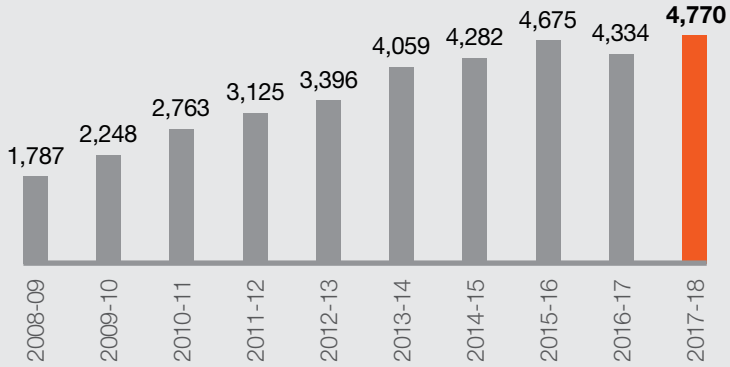
Hand Blender

Stand Mixer

FINANCIAL HIGHLIGHTS 10-Year Financial Performance

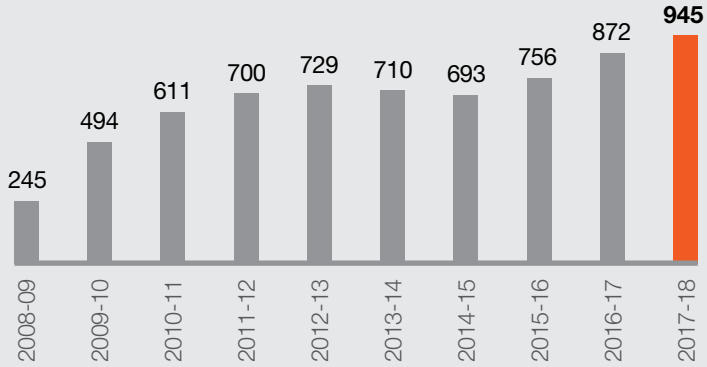
Gross Revenue
(₹ in Crore)

4,770



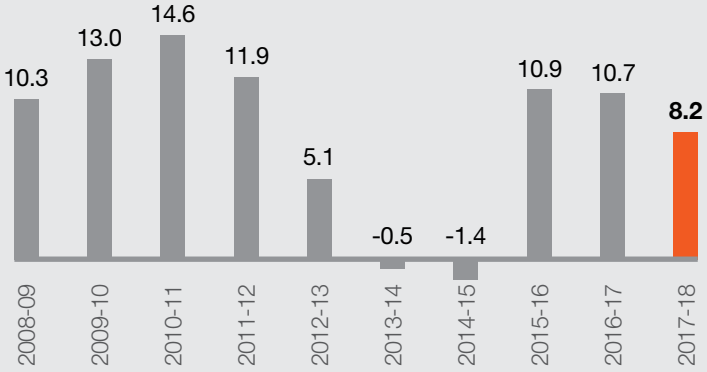
Networth
(₹ in Crore)

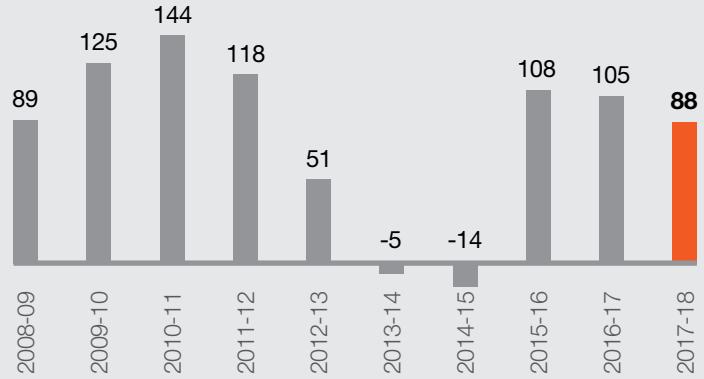
945



Basic EPS
(₹)*

8.2

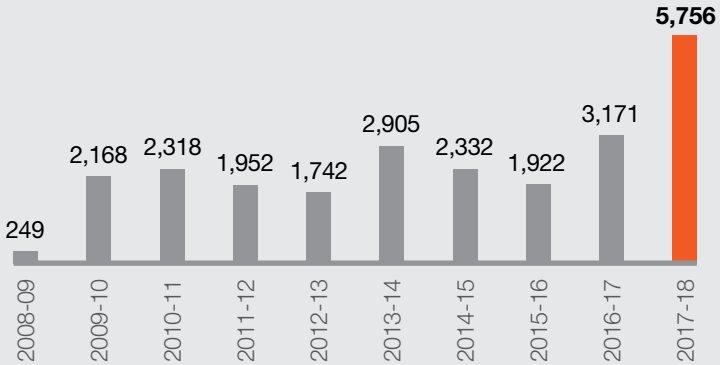




Profit After Tax

(₹ in Crore)

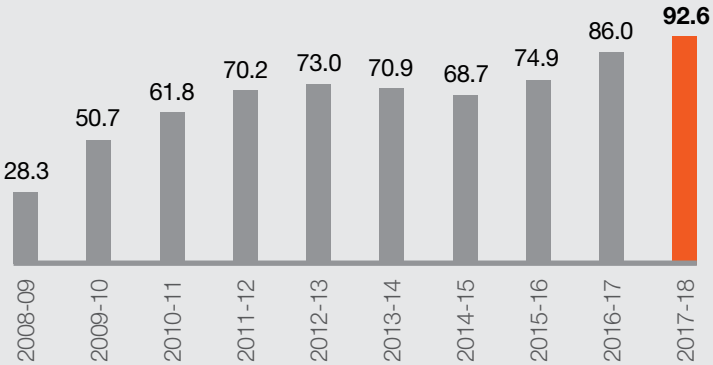
88



Market Capitalisation

(₹ in Crore)

5,756



Book Value Per Share

(₹)*

92.6

** 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*

BOARD OF DIRECTORS

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Managing Director

Harsh Vardhan Goenka
Independent Director

Ashok Jalan
Independent Director

Madhur Bajaj
Non-Executive Director

Dr. (Smt.) Indu Shahani
Independent Director

Dr. Rajendra Prasad Singh
Independent Director

Anuj Poddar
Independent Director

Siddharth Mehta
Independent Director

AWARDS & ACCOLADES

IT

- IDC Digital ICON Award 2017 for our Digital Transformation Project
- Digital Transformation of the department award for our Consumer Care Applications
- CIO Power List Digital ICON 2017 for our Digital Transformation Project
- IMC Digital Award 2017 for our Consumer Care Application

TOC

- POOGI Award at TOCICO International Conference 2017, Berlin, Germany

CSR

- Silver – Olive Crown Award for 'Creative Excellence in Communicating Sustainability' by the International Advertising Association (IAA) – India Chapter

POWER DISTRIBUTION

- Appreciation award by the Hon'ble Chief Minister of Bihar for our contribution and excellent performance towards electrification of Bihar

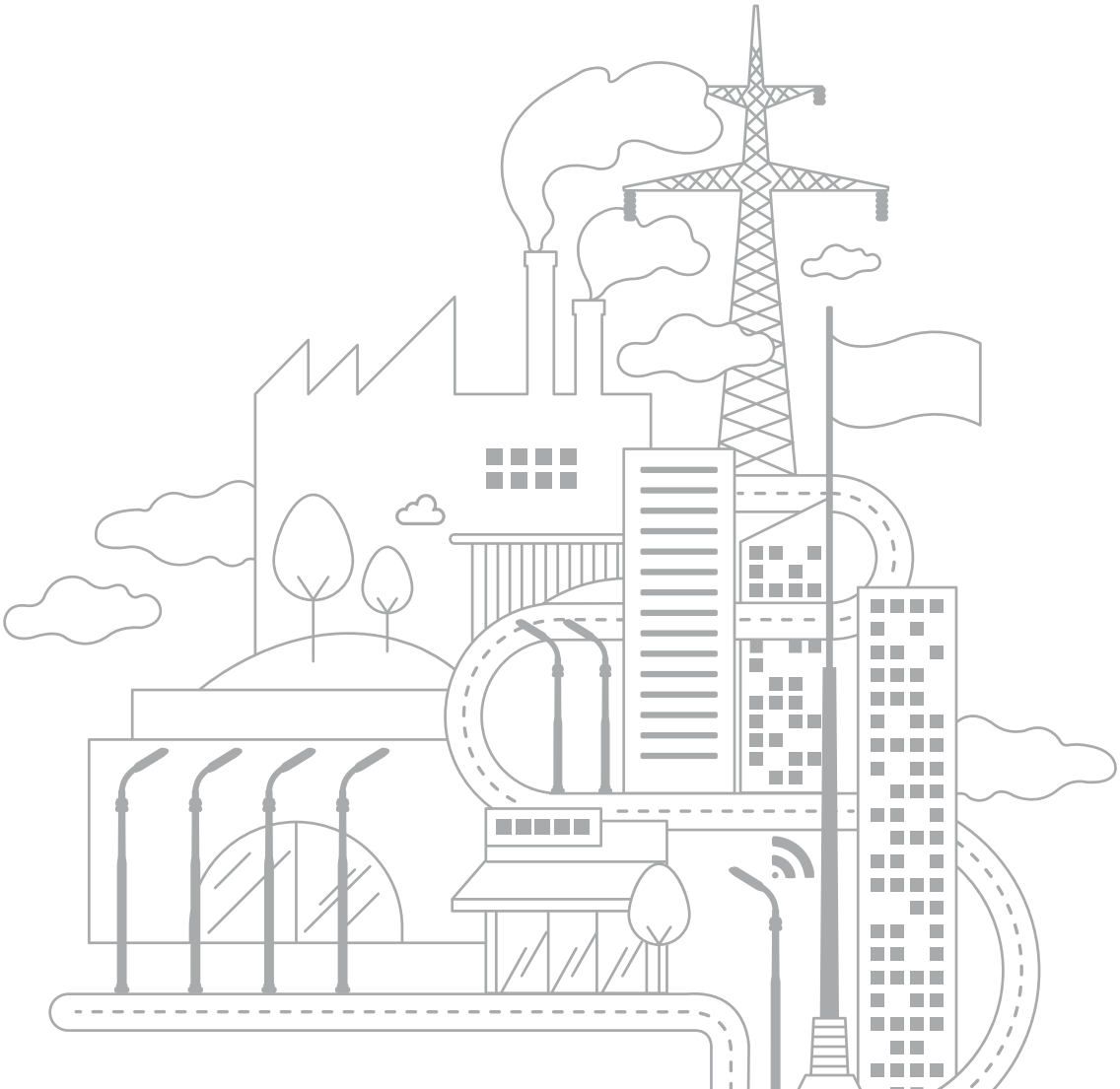
ADVERTISING

- Blue Elephant for Best Animation for Film Advertising in the Film Craft category at the Kyoorius Creative Awards 2018
- Silver – Creative Abby Awards 2018 for Digital and Brand Microsite

RESEARCH AND DEVELOPMENT

- Leadership in Energy and Environmental Design (LEED) Platinum Certificate, by the United States Green Building Council (USGBC) to Bajaj Electricals R&D Centre – 'AB SQUARE' Navi Mumbai, India
- The SEAD Global Efficiency Medal for Outdoor Lighting 2017, Paris, France

STATUTORY REPORTS



SMART INDOORS

CONNECTED OUTDOORS

Notice of the Annual General Meeting

Pursuant to Section 101 of the Companies Act, 2013

NOTICE is hereby given that the Seventy-ninth (79th) Annual General Meeting ('AGM') of Bajaj Electricals Limited will be held on Thursday, the 9th day of August, 2018 at 12.00 noon at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.

2. To declare a dividend on Equity Shares.

3. To appoint a Director in place of Shri Anant Bajaj (DIN: 00089460), who retires by rotation and, being eligible, offers himself for re-appointment.

4. **Appointment of Statutory Auditors**

   To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED that pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) and pursuant to the approval of the Members at the 78th Annual General Meeting, the Company hereby ratifies the appointment of Messrs S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration Number: 324982E/E300003) as Auditors of the Company to hold office until the conclusion of the 83rd Annual General Meeting of the Company to be held in the year 2022, at a remuneration to be determined by the Board of the Company in addition to out-of-pocket expenses as may be incurred by them during the course of audit."

SPECIAL BUSINESS:

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 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] and pursuant to the recommendation of the Audit Committee, the remuneration payable to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration Number 000010), appointed by the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, amounting to ₹1,43,000/- (Rupees One Lakh Forty Three Thousand only) (excluding all taxes and reimbursement of out-of-pocket expenses) be and is hereby ratified and confirmed.

   FURTHER RESOLVED that an approval of the Company be accorded to the Board and the Company Secretary of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

6. **Borrowing by way of Issue of Securities**

   To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

   "RESOLVED that pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 (the 'Act') read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, as may be applicable, and other applicable guidelines and regulations issued by the Securities and Exchange Board of India (SEBI) or any other law for the time being in force [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and in terms of the Articles of Association of the Company, approval of the Members of the Company be accorded to authorise the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) to borrow from time

to time, by way of securities including but not limited to secured / unsecured redeemable Non-Convertible Debentures (NCDs) and/or Commercial Papers (CPs) to be issued under private placement basis, in Domestic and / or International market, in one or more series / tranches aggregating upto an amount not exceeding ₹1,500 crore (Rupees One Thousand Five Hundred Crore only), issuable / redeemable at discount / par / premium, under one or more shelf disclosure documents, during the period of one year from the date of this Annual General Meeting, 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 and/or CPs be issued, the consideration for the issue, utilisation of the issue proceeds and all matters connected with or incidental thereto; provided that the said borrowings shall be within the overall borrowing limit of the Company.

FURTHER RESOLVED that an approval of the Company be accorded to the Board of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

7. **Promotion and re-designation of Shri Anant Bajaj as the Managing Director of the Company**

To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED that subject to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded for the promotion and re-designation of Shri Anant Bajaj (DIN: 00089460), who was re-appointed as the Joint Managing Director of the Company for a term of five (5) years from February 1, 2016 to January 31, 2021, as the Managing Director of the Company effective June 1, 2018, for the remainder of his five (5) years term, on the terms and conditions including remuneration payable as set out in the Explanatory Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) to alter and vary the terms and conditions of the said re-designation/promotion and/ or remuneration as it may deem fit.

FURTHER RESOLVED that Shri Anant Bajaj shall be liable to retire by rotation.

FURTHER RESOLVED that the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

8. **Maintenance of Statutory Registers at a place other than the Registered Office of the Company.**

To consider and, if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED that pursuant to Section 94 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep and maintain the statutory registers of the Company (excluding Register of Members, Index of Members, Register and Index of Debenture holders) and the copies of all annual returns and copies of certificates and documents required to be annexed thereto at its corporate office situated at Mulla House, 51, Mahatma Gandhi Road, Fort, Mumbai 400 001.

FURTHER RESOLVED that the Register of Members, the Index of Members, the Register and Index of Debenture holders and copies of certificates and documents required to be annexed thereto, be kept at the office of Messrs Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, instead of at the Registered Office of the Company, so long as they are the Registrar and Share Transfer Agents of the Company."

9. **To adopt new set of Articles of Association of the Company in conformity with the Companies Act, 2013**

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

"RESOLVED that pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 or any other law for the time being force (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association as submitted to

this meeting (duly initialed by the Company Secretary for the purpose of identification), be and are hereby approved and adopted in substitution, and to the entire exclusion of the existing Articles of Association of the Company.

FURTHER RESOLVED that the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) of the Company be and is hereby authorised to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts and deeds, matters and things as may be deemed necessary to give effect to this resolution and/or to delegate all or any of the powers conferred herein to any officer(s) / authorised representative(s) of the Company."

NOTES:

A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.

B. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.

C. A person can act as a proxy on behalf of Members not exceeding fifty 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. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his/her identity at the time of attending the Meeting.

D. 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 three days' written notice is given to the Company.

E. 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.

F. 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.

G. The Explanatory Statement as required under Section 102 of the Act is annexed hereto. Further, additional information with respect to Item Nos. 3 and 4 is also provided in Annexure to the Notice.

H. 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 and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

I. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are Link Intime India Private Limited ('LinkIntime') having their office at C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083.

J. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, August 4, 2018 to Thursday, August 9, 2018 (both days inclusive).

K. The dividend, if declared at the AGM, would be paid/ dispatched on or after Thursday, August 16, 2018 to those persons or their mandates:

   (a) whose names appear as Beneficial Owners as at the end of the business hours on Friday, August 3, 2018 in the list of Beneficial Owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") in respect of the shares held in electronic form; and

   (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company or with LinkIntime on or before Friday, August 3, 2018.

L. Under the Act, dividends that are unclaimed/unpaid for a period of seven years are required to be transferred

to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of ₹9,30,154/- being unclaimed/unpaid dividend of the Company for the financial year ended March 31, 2010 was transferred to IEPF on September 26, 2017.

Last dates for claiming unclaimed and unpaid dividends declared by the Company for the financial year 2010-11 and thereafter are as under:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid dividend
March 31, 2011	July 28, 2011	August 27, 2018
March 31, 2012	July 26, 2012	August 25, 2019
March 31, 2013	August 6, 2013	September 5, 2020
March 31, 2014	July 31, 2014	August 30, 2021
March 31, 2015	August 6, 2015	September 5, 2022
March 31, 2016	March 10, 2016	April 9, 2023
March 31, 2017	August 3, 2017	September 2, 2024

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim to LinkIntime well in advance of the above due dates. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 3, 2017 (date of last AGM) on the website of the Company: www.bajajelectricals.com as also on the website of the Ministry of Corporate Affairs ('MCA').

Further, pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by MCA.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The shareholders whose dividend/shares is/are/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html.

M. Members can avail the nomination facility in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to LinkIntime at their above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants (DPs) for availing this facility.

N. 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 LinkIntime/Company, if not already done.

Those Members who have changed their email IDs are requested to register their new email IDs with LinkIntime/Company in case the shares are held in physical form and with the DP where shares are held in dematerialised 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 LinkIntime/Company in case shares are held in physical form and with their DPs as well as the Company where shares are held in dematerialised mode, to enable expeditious credit of dividend to their bank accounts electronically through National Automated Clearing House (NACH)/National Electronic Clearing Service (NECS) and to prevent fraudulent encashment.

O. Pursuant to Sections 101 and 136 of the Act read with the Rules framed thereunder, the Notice convening AGM along with the Annual Report 2017-18 would be sent by electronic mode to those Members whose e-mail Ids are registered with the Depository or LinkIntime, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail Ids, physical copies would be sent by permitted mode.

P. Members are requested to:

(a) intimate to LinkIntime, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;

(b) intimate to their DP changes, if any, in their registered addresses at an early date, in case of shares held in dematerialised form;

(c) quote their folio numbers/Client ID/DP ID in all correspondence;

(d) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names; and

(e) Members are requested to bring their copy of the Annual Report to AGM.

Q. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.

R. Shri Anant Khamankar, Practicing Company Secretary (Membership No. FCS 3198) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

S. **PROCEDURE FOR REMOTE E-VOTING**

I. 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 and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL on all Resolutions set forth in this Notice, through remote e-voting.

II. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. A Member may avail this facility at his/her/its discretion, as per the instructions provided herein:

Instructions:

(i) The shareholders should log on to the e-voting website: www.evotingindia.com.

(ii) Click on Shareholders.

(iii) 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.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) 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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth	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. • 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 (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach 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 is also to be used by the demat holders for voting for 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) 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.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution you have decided to vote on, 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Shareholders can also cast their votes 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xvii) 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 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.
- 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their votes.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

III. **OTHER INSTRUCTIONS:**

a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available under the 'Help' section of www.evotingindia.com or contact at legal@bajajelectricals.com, or Shri Rakesh Dalvi, Deputy Manager, CDSL at 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 or at the email Ids: rakeshd@cdslindia.com or on phone No.: 022-2305 8542 or call CDSL's toll free No.: 1800 200 5533 for any further clarifications.

b. The remote e-voting period commences on Sunday, August 5, 2018 (9:00 AM IST) and ends on Wednesday, August 8, 2018 (5:00 PM IST). During this period, Members holding shares either in physical form or in dematerialised form, as on the cut-off date of August 2, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

c. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Thursday, August 2, 2018, being the cut-off

date. Members are eligible to cast vote only if they are holding shares as on that date.

d. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting i.e., Thursday, August 2, 2018, he/she/it may vote following the instructions given above.

IV. **Voting at AGM:** In addition to the remote e-voting facility as described above, the Company shall make voting facility available at the venue of the AGM. 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.

V. The results of voting shall be declared not later than forty-eight hours from the conclusion of the meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company: www.bajajelectricals.com and the website of CDSL: www.evotingindia.com immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.

VI. The route map of the venue of the Meeting is given at the end of the Notice. The prominent landmark for the venue is that it is 'Opposite INOX CR2'.

By Order of the Board

MANGESH PATIL
EVP – Legal & Taxation
and Company Secretary
FCS No. 4752

Registered Office:
45/47, Veer Nariman Road,
Mumbai - 400 001.
CIN: L31500MH1938PLC009887
E-mail: legal@bajajelectricals.com
Website: www.bajajelectricals.com
Tel.: +91 22 6110 7800

Mumbai, June 15, 2018

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('ACT')

ITEM NO. 5

The Board of Directors, at its Meeting held on May 23, 2018, upon the recommendation of the Audit Committee, approved the appointment of Messrs R. Nanabhoy & Co., Cost Accountants having Firm Registration Number 000010, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the financial year ending March 31, 2019, at a remuneration of ₹1,43,000/- (Rupees One Lakh Forty Three Thousand only) (excluding all taxes and reimbursement of out-of-pocket expenses).

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending March 31, 2019.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6

In terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ('the Rules'), a company shall not make private placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the members of the company by a Special Resolution. In case of an offer or invitation for offer of Non-Convertible Debentures, the company can pass a Special Resolution once a year for all the offers or invitations to be made for such Debentures during the year.

In order to augment resources for, inter-alia, the ongoing capital expenditure, long term working capital / short

term working capital and for general corporate purposes, the Company may offer or invite subscription for securities including but not limited to secured / unsecured redeemable Non-Convertible Debentures and / or Commercial Papers, in one or more series / tranches on a private placement basis, in domestic and / or international market, issuable / redeemable at discount / par / premium.

The Company seeks to pass an enabling resolution to borrow funds from time to time by offer of securities including but not limited to Non-Convertible Debentures and/or Commercial Papers for an amount not exceeding ₹1,500 crore (Rupees One Thousand Five Hundred Crore only), at a discount or at par or at a premium and at such interest as may be appropriate considering the prevailing money market conditions at the time of borrowing but not exceeding 11.00% p.a.

The details of the Paid-up Capital & Free Reserves and Outstanding Borrowings are as under:

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Paid-up Capital and Free Reserves	692.10	612.76
Outstanding Borrowings	723.10	646.56

The approval sought for offer of securities including but not limited to Non-Convertible Debentures and / or Commercial Papers, shall be within the overall borrowing limit of the Company in terms of Section 180 of the Act.

The Articles of Association of the Company is available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the AGM and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mulla House, 51, Mahatma Gandhi Road, Fort, Mumbai 400 001 as well as during the AGM at the venue thereof.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No.6 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

The Board commends the Special Resolution set out at Item No.6 of the Notice for approval by the Members.

ITEM NO. 7

Shri Anant Bajaj was re-appointed as the Joint Managing Director in the whole-time employment of the Company for a period of five years w.e.f. February 1, 2016.

With the objective of furthering its strategic goals, the Board of Directors of the Company at its meeting held on May 23, 2018 has, on the recommendation of the Nomination & Remuneration Committee, approved the promotion and re-designation of Shri Anant Bajaj, as the Managing Director of the Company w.e.f. June 1, 2018, for the remainder of his five years term and increase in his remuneration with effect from that date, subject to the terms and conditions as mentioned hereinafter and the approval of the Members.

The terms of promotion/re-designation and remuneration payable to Shri Anant Bajaj are as under:

1. Effective June 1, 2018, Shri Anant Bajaj, shall hold the office as the Managing Director of the Company for the remainder period of his five years term starting from February 1, 2016 and ending on January 31, 2021.

2. The Managing Director shall carry out such duties, as may be entrusted to him, and exercise his power subject to the superintendence, control and directions of the Chairman & Managing Director and the Board of Directors.

3. The re-designation/promotion and remuneration payable to Shri Anant Bajaj as the Managing Director shall be subject to the approval of the shareholders and such other approvals as may be necessary, under the provisions of the Act.

The following additional information as required by Schedule V to the Act is given below:

I. General Information

(1) Nature of Industry: The Company is engaged in marketing of various consumer household and industrial goods including electric lamps and bulbs, lighting fittings and domestic appliances like fans, air-coolers, pressure cooker, ovens, toasters, heaters, geysers, mixer grinders and parts thereof; pumps and parts thereof; water purifier, water filters, etc., manufacturing and/or marketing electric fans and industrial items like highmasts, transmission line tower, and in the implementation of turnkey projects.

(2) Date or expected date of commencement of commercial production: Not applicable, since the Company is an existing company incorporated on July 14, 1938 under Indian Companies Act, 1913 and having commenced its operations vide Certificate of Commencement of Business dated September 12, 1938.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

(4) Financial performance based on given indicators as per audited financial results for the year ended March 31, 2018:

Particulars	₹ in crore	
	FY 2017-18	FY 2016-17
Turnover and Other Income	4,769.58	4,333.85
Net Profit/(Loss) as per Profit & Loss Account	87.70	105.36
Profit as per Section 197 of the Act	299.87	200.49
Net Worth	944.75	871.50

(5) Foreign Investments of collaborators, if any: Nil

II. Information about the appointee:

(1) Background details:

Shri Anant Bajaj, aged 41 years, is a Commerce Graduate and holds Post Graduate Diploma in Family Managed Businesses (PGDFMB) from S. P. Jain Institute of Management, Mumbai. He has also completed President Management Programme of Harvard Business School in the year 2013. He started his career with the Company as a Management Trainee in April-1997, before being appointed as a "Project Co-Ordinator" for the Ranjangaon Unit of the Company effective November 1, 1999. Under his supervision, Ranjangaon Unit was successfully commissioned on schedule and has now emerged as the leading business unit of the Company with an excellent performance. Subsequently, he was promoted and assigned various other roles before he was appointed as an Executive Director in the whole time employment of the Company on February 1, 2006 and later promoted / designated as the Joint Managing Director of the Company effective April 1, 2012. He was re-appointed as the Joint Managing Director for a further period of five years w.e.f. February 1, 2016.

(2) Past remuneration: As a Joint Managing Director he is drawing a Salary of ₹14.00 lakh per month plus other perquisites, allowances and commission as may be applicable. His total remuneration for FY 2017-18, including commission payable, was ₹ 605.66 lakh.

(3) Recognition or awards: Nil

(4) Job profile, his suitability and key achievements: Shri Anant Bajaj has been associated with the Company since last 21 years and has an extensive on-the-job experience in various corporate matters. He is looking after two Core Business Verticals (a) Consumer Products Business (Appliances, Fans & CSD, Lighting and Morphy Richards); and (b) Luminaires and EPC Business (Luminaires and EPC i.e. Special Projects, TLT and High Mast). In addition to above he is also responsible for the Research & Development, Information Technology and Advertising & Digital Branding functions of the Company.

(5) Remuneration Proposed:

a) Salary: ₹18,00,000/- per month. Annual and accelerated increments may be decided by the Nomination & Remuneration Committee and/or the Board of Directors, based on merit and taking into account the Company's performance for the year.

b) Commission: Commission at the rate of one per cent (1%) of the net profits of the Company for each financial year, payable after the adoption of the annual accounts for that financial year by the Members.

c) Perquisites: In addition to salary and commission as above, the following perquisites will also be paid and/or provided. Valuation of all perquisites shall be done in accordance with the provisions of the Income Tax Act, 1961 and rules made thereunder. In the absence of any such rule, perquisites shall be evaluated at actual cost.

(i) Housing Rent Allowance (HRA): ₹3,50,000/- per month or the Company provided furnished accommodation;

(ii) Additional Allowance: ₹1,00,000/- per month;

(iii) Leave Travel Assistance (LTA): For self and family once in a year upto ₹2,40,000/- per annum;

(iv) Medical Expenses: Medical expenses incurred in India and/or abroad, including hospitalisation and surgical charges, for self and family upto ₹2,40,000/- per annum. This can be accumulated upto three years;

(v) Telephone: Expenses towards usage of telephones installed at residence will be reimbursed by the Company at actual;

(vi) Mobile Phone: Reimbursement at actual;

(vii) Car: Provision of two cars for use of the Company's business with reimbursement of maintenance and driver salary as per the rules of the Company;

(viii) Provident Fund and Superannuation Fund: The contribution towards Provident Fund and Pension/ Superannuation Fund as per the rules of the Company, will not be included in the computation of the ceiling on perquisites to the extent either singly or put together are not taxable under the Income Tax Act, 1961 (at present, this is limited to 12% and 15% respectively, of the Basic Salary);

(ix) Gratuity: As per the rules of the Company;

(x) Leave and encashment of unavailed leave: As per rules of the Company;

(xi) Entertainment Expenses: The Managing Director will be entitled to reimbursement of entertainment expenses incurred in the course of business of the Company;

(xii) Clubs Membership: Membership of two clubs, the admission and annual membership fee whereof shall be borne by the Company;

(xiii) Other perquisites and emoluments as per the rules of the Company.

d) Minimum Remuneration: The total remuneration payable to the Managing Director as aforesaid shall not exceed the overall limits laid down under Sections 196, 197 and 203 of the Act.

In the event of loss or inadequacy of profits in any year during the aforesaid tenure, the Managing Director shall be paid the remuneration including commission which shall be governed by the limits set out in Schedule V to the Act or any amendment thereof.

e) Other terms: The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors (which includes the Nomination & Remuneration Committee of the Board of Directors) as it may, in its discretion, deem fit within the minimum remuneration payable to the Managing Director in accordance with the provisions of the Act or any amendments made hereinafter in this regard or with the approval of the Central Government, wherever required.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration paid to similar senior level appointees in other companies in the industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Shri Anant Bajaj is a member of the Promoter family and holds 4981823 (4.88 %) equity shares in the Company.

III. Other Information:

(1) Reasons of loss or inadequate profits: Not applicable since the Company is making adequate profits.

(2) Steps taken or proposed to be taken for improvement: Not applicable.

(3) Expected increase in productivity and profits in measurable terms: Not applicable.

The above terms of remuneration for Shri Anant Bajaj were recommended by the Nomination and Remuneration Committee at its meeting held on May 23, 2018.

Shri Anant Bajaj satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his promotion/re-designation. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of promotion and re-designation of Shri Anant Bajaj under Section 190 of the Act.

Details of Shri Anant Bajaj are provided in "Annexure" to the Notice pursuant to the provisions of (i) the SEBI Listing Regulations; and (ii) Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India.

Shri Anant Bajaj is considered interested in the resolution set out at Item No. 7 of the Notice and his relatives may be deemed to be interested in the resolution, to the extent of their shareholding interest, in the Company. Further, Shri Shekhar Bajaj, Chairman & Managing Director who is related to Shri Anant Bajaj is considered interested in the said Resolution.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

ITEM NO. 8

In the interest of operational and administrative convenience, it is proposed to maintain the Statutory Registers of the Company and copies of annual returns at the Company's corporate office situated at Mulla House, 51, Mahatma Gandhi Road, Fort, Mumbai 400 001, a place other than its registered office.

Also, since Messrs Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company, have shifted their Registered Office to a new location at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, an approval of the Members is sought for maintaining the Register of Members, Index of Members, Register and Index of Debenture holders, together with the copies of the certificates and documents required to be annexed thereto at their said new location.

Section 94 of the Act permits the Company to maintain its Registers and Annual Returns at any place other than its Registered Office subject to the Members' approval by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out under Item No.8 of the Notice.

The Board commends the Special Resolution set out under Item No.8 of the Notice for approval of the Members.

ITEM NO. 9

The existing Articles of Association ("AOA") of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

Members are aware that the Ministry of Corporate Affairs ("MCA") has notified most of the sections of the Companies Act, 2013 ("the Act") which replace the provisions of the Companies Act, 1956. The MCA has also notified the Rules pertaining to the further notified sections.

In order to bring the existing AOA of the Company in line with the provisions of the Act, the Company will have to make numerous changes in the existing AOA. It is therefore considered desirable to adopt a comprehensive new set of Articles of Association of the Company ("New Articles") in substitution of and to the exclusion of the existing AOA.

Shareholders' attention is invited to certain salient provisions in the new draft AOA of the Company viz:

- Incorporation of provisions relating to Independent Directors of the Company.

- The Act has defined the term Key Managerial Personnel, the same is proposed to be incorporated.
- The participation of the Directors in meetings can be in person or through video conferencing or other audio-visual means as permitted in the Act. Accordingly, the provisions in this regard are proposed to be incorporated.
- The books of accounts and statutory registers can also be kept in electronic mode as prescribed by the Act and the rules framed thereunder, subject to compliance of prescribed guidelines. In view of this provisions relating to the same are proposed to be incorporated.
- The AOA is aligned with the provisions of Act.

Pursuant to provisions of Section 14 of the Act, amendment of Articles of Association requires approval of Members by way of Special Resolution. Accordingly, this matter has been placed before the Members for approval.

A copy of the existing AOA as well as new Articles of the Company is available for inspection at the Registered Office of the Company during working hours on any working day, and is also available on the website of the Company www.bajajelectricals.com.

None of Directors/Key Managerial Personnel or their relatives are in any way interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company.

The Board commends the Resolution set forth in Item No.9 for approval of the Members.

By Order of the Board

MANGESH PATIL
EVP – Legal & Taxation
and Company Secretary
FCS No. 4752

Registered Office:
45/47, Veer Nariman Road,
Mumbai - 400 001.
CIN: L31500MH1938PLC009887
E-mail: legal@bajajelectricals.com
Website: www.bajajelectricals.com
Tel.: +91 22 6110 7800

Mumbai, June 15, 2018

ANNEXURE

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NOS. 3 AND 4

ITEM NO.3

Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing Annual General Meeting:

Particulars	Shri Anant Bajaj
Date of Birth / Age	May 18, 1977 / 41 Years
Qualifications	Kindly refer information provided at Item 7 of the Explanatory Statement.
Experience (including expertise in specific functional area)/Brief Resume	
Appointment / Re-appointment	Re-appointment on retirement by rotation and Promotion and Re-designation.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at Item No. 7 of the Notice of AGM read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	
Remuneration proposed to be paid	
Date of first appointment on the Board	February 1, 2006
Shareholding in the Company as on March 31, 2018	4981823 (4.88%)

Relationship with other Directors / Key Managerial Personnel	Son of Shri Shekhar Bajaj, Chairman & Managing Director and Nephew of Shri Madhur Bajaj, Non-Executive Director
Number of meetings of the Board attended during the year	Five
Directorships of other Boards as on March 31, 2018	1. Hind Lamps Limited 2. Starlite Lighting Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	Nil

ITEM NO.4

The Members, at their 78th AGM held on August 3, 2017, had approved the appointment of Messrs S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 324982E/E300003) as Statutory Auditors of the Company to hold office until the conclusion of the 83rd AGM of the Company to be held in the year 2022 and the said appointment was subject to ratification by the Members at every AGM held thereafter.

On May 7, 2018, the much-awaited notification has been issued by MCA whereby a few more sections of the Companies (Amendment) Act, 2017 have become effective. One of such notified sections refers to the ratification of the appointment of Statutory Auditors. Pursuant to the said amended Section, ratification of appointment of Statutory Auditors at every AGM is now not compulsory.

However, the appointment of the Auditors at the 78th AGM since was made subject to ratification by the Members at every AGM to be held thereafter, the Members are requested to ratify the appointment of Auditors for the remainder of their five years term i.e. for the period commencing from the year 2018-19 until the conclusion of the 83rd AGM of the Company to be held in the year 2022 and to authorise the Board of Directors to fix the remuneration of the Auditors.

By Order of the Board

MANGESH PATIL
EVP – Legal & Taxation and Company Secretary
FCS No. 4752

Registered Office:
45/47, Veer Nariman Road,
Mumbai - 400 001.
CIN: L31500MH1938PLC009887
E-mail: legal@bajajelectricals.com
Website: www.bajajelectricals.com
Tel.: +91 22 6110 7800

Mumbai, June 15, 2018

MAP SHOWING LOCATION OF THE VENUE OF 79TH ANNUAL GENERAL MEETING OF BAJAJ ELECTRICALS LIMITED

Venue :

Kamalnayan Bajaj Hall, Bajaj Bhavan,
Jamnalal Bajaj Marg, Nariman Point,
Mumbai 400 021

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 79th Annual Report of the Company, together with the audited financial statements for the financial year (FY) ended March 31, 2018. This Report states compliance as per the requirements of the Companies Act, 2013 (the "Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules & regulations as applicable to the Company.

FINANCIAL RESULTS

The highlights of the Standalone Financial Results are as under:

(Amount: ₹ in crore, except for EPS)

Particulars	FY 2017-18	FY 2016-17
Revenue from Operations & Other Income	4,769.58	4,333.85
Gross Profit before Finance Cost and Depreciation	346.63	278.35
Less: Finance Cost	58.86	80.44
Less: Depreciation	33.94	29.87
Profit / (Loss) before Exceptional Items and Tax	253.83	168.04
Exceptional Items	(89.36)	-
Profit/(Loss) before Taxes	164.47	168.04
Less: Provision for Tax expenses	80.85	60.38
Profit/(Loss) after Tax	83.62	107.66
Less: Other Comprehensive Income	(4.08)	2.29
Add: Balance in Profit & Loss Account	140.92	35.55
Less: Dividend including Dividend Distribution Tax paid during the year	34.18	-
Balance available for appropriation	194.44	140.92
Amount transferred to General Reserves	-	-
Earnings per share (₹) Basic	8.23	10.65
Earnings per share (₹) Diluted	8.19	10.63

The highlights of the Consolidated Financial Results are as under:

(Amount: ₹ in crore, except for EPS)

Particulars	FY 2017-18	FY 2016-17
Revenue from Operations & Other Income	4,769.58	4,333.85
Profit / (Loss) before Exceptional Items and Tax	253.83	168.04
Exceptional Items	78.79	-
Profit / (Loss) before Taxes	175.04	168.04
Share of Profit / (loss) of associates and joint ventures	(10.56)	(5.49)
Profit / (Loss) before tax	164.48	162.55
Less: Provision for Tax expenses	80.85	60.38
Net Profit / (Loss) for the period	83.63	102.17
Earnings per share (₹) Basic	8.23	10.10
Earnings per share (₹) Diluted	8.19	10.08

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

SHARE CAPITAL

The Paid-up Equity Share Capital as on March 31, 2018 was ₹ 20.41 crore. During the year under review, there was no public issue, rights issue, bonus issue, preferential issue, etc. made by the Company. The Company has not issued shares with differential voting rights. The increase in

number of shares is due to issue of 747325 equity shares of ₹ 2 each to the employees upon their exercise of stock options. These shares were included, on weighted average basis, for the computation of EPS. Details of Directors' shareholding as on March 31, 2018, are mentioned in the Annexure to this Directors' Report in 'Form MGT – 9'.

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

The equity shares of the Company continue to remain listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The stipulated listing fees for FY 2018-19 have been paid to both the stock exchanges.

DEPOSITORY SYSTEM

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2018, 97.96% of the Company's total paid up capital representing 99953845 shares are in dematerialised form. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail the facility of dematerialisation from either of the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

DIVIDEND & DIVIDEND DISTRIBUTION POLICY

Your Directors are pleased to recommend a dividend of 175% (₹ 3.50) on 102037501 equity shares of ₹ 2 each for FY 2017-18. The amount of dividend and tax thereon aggregates to ₹ 43.05 crore (previous year ₹ 34.18 crore). The dividend on equity shares, subject to the approval of the Members at the Annual General Meeting ("AGM") to be held on August 9, 2018, will be paid on or after August 16, 2018 to the Members whose names appear in the Register of Members as of the close of business hours on August 3, 2018; in respect of shares held in dematerialised form, it will be paid to Members whose names are furnished by Depositories, as beneficial owners as of the close of business hours on that date.

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

As per Regulation 43A of the Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or for retaining profits earned by the Company. The policy is annexed herewith as Annexure I and is also available at the Company's website: www.bajajelectricals.com.

TRANSFER TO RESERVE

The Company has not transferred any amount to the reserves during the current financial year.

FINANCIAL LIQUIDITY

The Company's cash and cash equivalent as at March 31, 2018 was ₹ 21.82 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.

CAPITAL EXPENDITURE

As at March 31, 2018 the gross property, plant and equipment, investment property and other intangible assets including leased assets, stood at ₹ 404.53 crore and the net property, plant and equipment, investment property and other intangible assets, including leased assets, at ₹ 312.55 crore. Capital Expenditure during the year amounted to ₹ 40.93 crore.

STATE OF COMPANY AFFAIRS / OPERATIONS

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

CREDIT RATING

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

Instrument	Rating Agency	Rating	Outlook
Commercial Paper (CP)	ICRA Limited	ICRA A1+ (pronounced ICRA A one plus)	-
	CARE Ratings Limited	CARE A1+ (pronounced CARE 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)	

RELATED PARTY TRANSACTIONS

The Company undertakes various transactions with related parties in the ordinary course of its business. All transactions entered into with the related parties during the year under review were on arm's length basis and in the ordinary course of business. Your Company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company i.e. Policy on Materiality of and Dealing with Related Party Transactions ("RPT Policy"). Accordingly, AOC-2 is not applicable to the Company. Further, the details of transactions entered into by the Company with related parties in the normal course of business were placed before the Audit Committee of the Board.

There were no materially significant related party transactions with the Promoters, Directors and Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

The RPT Policy as approved by the Audit Committee and the Board is available on the website of the Company: www.bajajelectricals.com.

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

PARTICULARS OF LOANS AND ADVANCES, GUARANTEES OR INVESTMENTS

The Company has disclosed the full particulars of the loans given, investments made or guarantees given or security provided as required under Section 186 of the Act and Regulation 34(3) and Schedule V of the Listing Regulations in Note Nos. 4, 6, 7, 9 & 12 forming part of the financial statements.

The details of loans and advances which are required to be disclosed in the Annual Report of the Company pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations are furnished separately as Annexure II to this report.

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.

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 NSE under ISIN 'INE193E07014' and 'INE193E07022', respectively. The said Series – 1 and Series – 2 NCDs were redeemed on their respective due dates i.e. on April 28, 2016 and April 24, 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 this Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility ("CSR") activities of the Company are guided by its CSR Policy, which is framed and approved by the Board. These are discussed in detail in the Management Discussion and Analysis Report, which forms part of this Annual Report. The statutory disclosure with respect to CSR activities forms part of this Report and is annexed herewith as Annexure III.

BUSINESS RESPONSIBILITY REPORT

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

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

As a green initiative, the BRR for FY 2017-18 has been hosted on the website of the Company: www.bajajelectricals.com. Any Member interested in obtaining a copy of BRR may write to the Company Secretary.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company regarding

the compliance of conditions of corporate governance as stipulated under Schedule V of the Listing Regulations forms a part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in key functional areas are separately discussed in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

As per the provisions of Section 177(9) of the Act, the Company has established a vigil mechanism by adopting Whistle Blower Policy pursuant to which whistle blowers can raise concerns in the prescribed manner. Further, the mechanism adopted by the Company encourages a whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimisation of the whistle blower, who avails of such mechanism, as well as direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time.

None of the whistle blowers have been denied access to the Audit Committee of the Board. The Whistle Blower Policy is available on the website of the Company: www.bajajelectricals.com.

EMPLOYEES STOCK OPTION SCHEME

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

During FY 2017-18, 377500 stock options were granted to the eligible employees at the market price prevailing on 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 disclosures relating to ESOP Scheme required to be made under the provisions of the Act and the rules made thereunder and SEBI SBEB Regulations together with a certificate obtained from the Statutory Auditors, confirming compliance, are provided on the website of the Company: 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.

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

SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company has no subsidiary as on March 31, 2018.

Details of associate companies/joint ventures of the Company:

Name of the Company	% of shareholding of the Company as on March 31, 2018	Status
Starlite Lighting Limited (SLL)	47.00*	Joint Venture
Hind Lamps Limited (HLL)	19.00	Associate

***Acquisition of additional 28% equity shares in SLL**

The Company had advanced a sum of ₹3.80 crore to SLL as a Short-Term Loan inter-alia on the collateral security by way of pledge of 3500000 (28%) equity shares of ₹10 each held in SLL by the Promoters of SLL, under an Agreement of Pledge of Shares dated February 23, 2007, with a right to the Company to purchase the same, at its sole discretion, at a pre-determined consideration of ₹0.10 paisa per equity share. During the year under review, the Company exercised its right to acquire these shares and with this acquisition, the shareholding of the Company in SLL has increased from 19% to 47%.

Performance of Joint Venture and Associate

****SLL:** The gross revenue of SLL for FY 2017-18 stood at ₹ 158.07 crore (Previous Year: ₹ 90.54 crore). Loss for the year was at ₹122.30 crore (Previous Year Loss: ₹ 29.17 crore).

***Based on unaudited figures.*

HLL: The gross revenue of HLL for FY 2017-18 stood at ₹ 42.18 crore (Previous Year: ₹ 44.16 crore). Loss for the year was at ₹ 8.46 crore (Previous Year Loss: ₹ 9.30 crore).

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

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

In accordance with the third proviso to Section 136(1) of the Act, the Annual Report of Company, containing therein its Standalone and Consolidated Financial Statements are available on the Company's website: www.bajajelectricals.com. Further, as per fourth proviso to the said Section, the annual accounts of the joint venture and associate of the Company are also available on the Company's website: www.bajajelectricals.com. Any shareholder who may be interested in obtaining a copy of the aforesaid documents may write to the Company Secretary at the Company's Registered Office. Further, the said documents will be available for examination by the shareholders of the Company at its Registered Office during all working days except Saturday, Sunday, Public Holidays and National Holidays, between 10.00 a.m. to 05.00 p.m.

CONSOLIDATED FINANCIAL STATEMENTS

The directors also present the audited consolidated financial statements incorporating the duly audited/unaudited financial statements of the associate and joint venture prepared in compliance with the Act, applicable Accounting Standards and the Listing Regulations. The Consolidated Financial Statements of the Company and its associate and joint venture companies prepared in accordance with the Act and applicable Accounting Standards forms part of this Annual Report.

PRESENTATION OF FINANCIAL RESULTS

The financial results of the Company for the year ended March 31, 2018 have been disclosed as per Schedule III to the Act.

SCHEME OF ARRANGEMENT FOR DEMERGER OF MANUFACTURING BUSINESS OF HLL INTO THE COMPANY

During FY 2015-16, the Board of Directors of the Company had approved the proposal for demerger of manufacturing business of HLL into the Company, pursuant to a Scheme of Arrangement ("Scheme") under Sections 230-232 and other applicable provisions of the Act and granted its approval for issue of 529740 fully paid-up equity shares of the Company of the face value of ₹2 each to the shareholders of the HLL (except to the Company itself) as a consideration for the demerger in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961, which was based on the Share Entitlement Ratio (i.e. 109 equity shares of the Company of the face value of ₹2 each for 1000 equity shares of HLL of the face value of ₹25 each), as recommended by Messrs S.R.Batliboi & Co. LLP, Chartered Accountants, who were appointed as Independent Valuer by the Company and HLL.

Since HLL 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 and accordingly, on April 22, 2016, HLL had filed the said Scheme with BIFR vide its letter dated April 18, 2016 under BIFR Case No.09/2002 ("Case").

As the Scheme was not required to be filed with the High Court or Tribunal for its approval when it was approved by the Board of Directors of both the companies and was required to be filed only with BIFR, the provisions of erstwhile Clause 24(f) of the Listing Agreement and/or Regulation 37 of the Listing Regulations and 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 of draft scheme of arrangement with the stock exchange(s) / SEBI for obtaining Observation Letter or No-Objection Letter were not applicable to the Company.

However, subsequently, the Central Government of India, vide Notification No. S.O. 3568 (E) dated November 25, 2016, brought the provisions of SICA Repeal Act into force with effect from December 1, 2016 and SICA was repealed. Section 4(b) of SICA Repeal Act (as amended by Section 252 of the Insolvency and Bankruptcy Code, 2016) provides that any proceeding of whatever nature, pending before BIFR shall stand abated. Accordingly, the Scheme filed by HLL stood abated as on December 1, 2016.

With the notification of SICA Repeal Act, the provisions of Regulation 37 of the Listing Regulations and SEBI Circulars have become applicable to the Company as the Scheme was then required to be filed with Tribunal.

On March 10, 2017, SEBI vide its Circular No. CFD/DIL3/CIR/2017/21 ("Revised SEBI Circular"), amended the regulatory framework for schemes of arrangements. The provisions of Para 8 of the Revised SEBI Circular, inter-alia, states that in cases of the issuance of shares under schemes to a select group of shareholders or shareholders of unlisted companies, the issuer shall follow the pricing provisions of Chapter VII of SEBI (Issue of Capital and

Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"). Further, as per Para 6 of the said Revised SEBI Circular, the schemes filed with the stock exchange(s) / SEBI after the date of the Revised SEBI Circular shall be governed by its provisions.

On September 29, 2017, the Company had filed the Scheme with the stock exchanges under Regulation 37 of the Listing Regulations with a request for waiver from the requirements of adhering to the pricing provisions of Chapter VII of SEBI ICDR Regulations considering the fact that the Scheme was approved by the Board of Directors of both the companies well before the issue of the said Revised SEBI Circular.

However, the stock exchanges requested the Company to amend the Scheme and the Valuation Report to meet with the requirements of the Revised SEBI Circular. Accordingly, the Board of Directors of the Company, in its meeting held on November 9, 2017, considered and approved the revised valuation / share entitlement ratio for a demerger of the manufacturing business of HLL into the Company and made consequential amendment to the Scheme (hereinafter referred to as "Amended Scheme").

As per the revised valuation report dated October 31, 2017, as issued by Messrs Katre Barwe & Associates, Chartered Accountants, Mumbai, the independent valuation firm, the revised share entitlement ratio of equity shares for the proposed demerger of the manufacturing business of the HLL into the Company, as at relevant date, shall be 97 equity shares of the Company of ₹2 each fully paid up for every 1,000 equity shares of HLL of ₹25 each fully paid up ("Revised Valuation Report"). Accordingly, the shareholders of HLL, except the Company, shall now be issued 471420 fully paid-up equity shares of the Company of the face value of ₹2 each, as against 529740 equity shares proposed earlier in consideration for the demerger, in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.

On November 20, 2017, the Company had filed the Amended Scheme with the stock exchanges under Regulation 37 of the Listing Regulations. On March 21, 2018, the stock exchanges conveyed their no-objection to the Company in terms of Regulation 94 of the Listing Regulations while advising the Company to publish the information pertaining to Dr. Rajendra Prasad Singh, Independent Director of the Company, in the matter of G.E.T. Power Limited in the Scheme and to bring the same to the notice of shareholders and Hon'ble National Company Law Tribunal ("Hon'ble NCLT"). The copies of the aforesaid observation letters along with other relevant documents are available on the website of the Company: www.bajajelectricals.com.

To meet the requirements of the aforesaid observation letters, the Board at its meeting held on March 29, 2018, suitably amended the Scheme (hereinafter referred to as the "Amended Scheme with SEBI/RBI Observations"). The Company is now in the process of filling the Amended Scheme with SEBI/RBI Observations with the Hon'ble NCLT.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Shri Vishnubhai Haribhakti, Independent Director and Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, stepped down from the directorship of the Company w.e.f. August 4, 2017 due to his advancing age. The Board placed on record its appreciation of the contribution made by Shri Vishnubhai Haribhakti as Director of the Company.

As on the date of this report, the Company's Board comprises of nine (9) Directors, out of which, seven (7) are Non-Executive Directors (NEDs) including one (1) Woman Director. NEDs represent 77.78% of the total strength. Further, out of the said seven (7) NEDs, six (6) are independent directors representing 66.67% of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and also with the provisions of the Act.

Director coming up for retirement by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Anant 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 AGM.

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.

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

Number of Meetings of the Board

The details of the Board Meetings and attendance of Directors are provided in the Report on Corporate Governance, which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and Listing Regulations.

Audit Committee

The Company has in place an Audit Committee in terms of the requirements of the Act read with the Rules made thereunder and Regulation 18 of the Listing Regulations. The details relating to the same are given in the Report on Corporate Governance which forms part of this Annual Report.

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 familiarisation programme are explained in the Corporate Governance Report. The said details are also available on the website of the Company: www.bajajelectricals.com.

Evaluation of performance of the Board, its Committees and Directors

The Board has conducted an annual evaluation of performance of all its Directors, Committees of the Board and that of its Chairman, in terms of the relevant provisions of the Act, Rules made thereunder and Listing Regulations. The manner in which the evaluation was conducted by the Company has been explained in the Corporate Governance Report, which forms part of this Annual Report.

Key Managerial Personnel (KMP)

Pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Rules framed thereunder, the Board has designated Shri Shekhar Bajaj, Chairman & Managing Director, Shri Anant Purandare, President & Chief Financial Officer and Shri Mangesh Patil, EVP – Legal & Taxation and Company Secretary and Compliance Officer, as KMPs of the Company.

None of the KMPs of the Company has resigned during the year under review.

Policy on Remuneration of Directors, KMPs and Senior Managerial Personnel & criteria for matters under Section 178 of the Act

Information regarding Policy on Remuneration of Directors, KMPs 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, KMPs and Senior Managerial Personnel

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

Promotion and re-designation of Shri Anant Bajaj

On the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on May 23, 2018, has approved and recommended to the Members' for their approval, the promotion and re-designation of Shri Anant Bajaj, Joint Managing Director as the Managing Director of the Company.

Members' attention is drawn to the Item No. 7 of the Notice convening the AGM proposing the promotion / re-designation of Shri Anant Bajaj, Joint Managing Directors as the Managing Director of the Company.

INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

The Company has robust systems for internal audit and corporate risk assessment and mitigation. The Company has an independent Internal Audit Department assisted by dedicated outsourced audit team.

The Internal Audit covers all the factories, branch offices, warehouses, project sites and centrally controlled businesses and functions, as per the annual plan agreed with the Audit Committee. The audit coverage plan of Internal Audit 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 the issues highlighted in previous report.

The procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with the requirements of the Act. The Company has laid down standard operating procedures and policies to guide the operations of the business. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the management. Robust and

continuous internal monitoring mechanisms ensure timely identification of risks and issues. The management, Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company.

Based on the report of the Statutory Auditors, the internal financial controls with reference to the standalone financial statements were adequate and operating effectively, however, the consolidated financial statements of the Company were qualified for internal financial controls, as SLL, a joint venture of the Company did not have appropriate internal financial control system over financial statement close process in relation to establishing processes for evaluation and determination of impairment of assets including tax assets, appropriate review of financial statements including application of accounting standards on non-routine transactions (sale and lease back of fixed assets) which could potentially result in the joint venture not recognising impairment of assets on a timely basis or incorrectly recognising or derecognising assets; resulting in restatement of financial statements.

The Board has taken note of the findings of the statutory auditors of SLL with respect to the weakness in its internal financial control system over financial statement close process and endeavors to strengthen the same so as to be commensurate with the size and nature of its business.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the approval given on April 10, 2015 by Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 1, 2015. These Secretarial Standards were thereafter revised and made effective from October 1, 2017. The Company is in compliance with the same.

REPORTING OF FRAUD

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

RISK MANAGEMENT

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

AUDITORS

Statutory Auditors

Messrs S R B C & Co. LLP, Chartered Accountants (ICAI Registration No.324982E/E300003) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 78th AGM held on August 3, 2017 until the conclusion of the fifth consecutive AGM of the Company to be held in the financial year 2021-22, subject to ratification of their appointment by the Members at every AGM held after the AGM held on August 3, 2017.

As required under the provisions of Section 139(1) of the Act, the Company has received a written consent from Messrs S R B C & Co. LLP, Chartered Accountants and a Certificate to the effect that their appointment, if made, would be in accordance with the provisions of the Act and the Rules framed thereunder and that they satisfy the criteria provided in Section 141 of the Act.

The Members are requested to ratify the appointment of the Statutory Auditors as aforesaid and fix their remuneration.

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 financial statements does not contain any qualification, reservation or adverse remark or disclaimer.

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 has, on the recommendation of the Audit Committee, appointed Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No.000010), to audit the cost accounts of the Company for FY 2018-19. As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the Members in the general meeting for their ratification. Accordingly, a resolution seeking Members ratification for the remuneration payable to Messrs R. Nanabhoy & Co., Cost Accountants, is included at item no. 5 of the Notice of the AGM.

The particulars of the Cost Auditors and cost audit conducted by them for FY 2016-17 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 2016-17
Due date of filing of Report	September 30, 2017
Actual date of filing of Report	August 31, 2017

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and Rules thereunder, the Company had appointed Messrs Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No. FCS 3198; CP No. 1860) to undertake the secretarial audit of the Company for FY 2017-18. The Report of the Secretarial Auditor is annexed herewith as Annexure V.

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

INVESTOR EDUCATION AND PROTECTION FUND

Please refer to paragraphs 'Unclaimed Dividends' and 'Transfer of Shares to IEPF', the Corporate Governance Report which forms part of this Annual Report.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting financial position of the Company which have occurred between the end of the financial year of the Company i.e. March 31, 2018 and the date of the Directors' Report.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as of March 31, 2018 pursuant to the sub-section 3 of Section 92 of the Act, in Form MGT-9 is annexed herewith as Annexure VI.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

HUMAN RESOURCES

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

PROTECTION OF WOMEN AT WORKPLACE

The Company has formulated a policy on 'Protection of Women's Rights at Workplace' as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. This has been widely disseminated. There were no cases of sexual harassment complaints received by the Company in FY 2017-18.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors, KMPs and employees under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is given in Annexure VIII to this Report.

The Company had ten (10) employees who were employed throughout the year and were in receipt of remuneration more than ₹102 lakh per annum and eleven (11) employees were employed for part of the year and were in receipt of remuneration of more than ₹8.50 lakh per month.

In terms of Section 136 of the Act, the copy of the Financial Statements of the Company, including the Consolidated Financial Statements, the Auditor's Report and relevant Annexures to the said financial statements and reports are being sent to the Members and other persons entitled therefore, excluding the information in respect of the said employees containing the particulars as specified in Rule 5(2) of the said Rules, which is available for inspection by the Members at the Company's Registered Office during all working days except on Saturday, Sunday, Public Holidays and National Holidays, between 10.00 a.m. to 5.00 p.m. up to the date of AGM. If any Member is interested in obtaining a copy thereof, he/she may write to the Company Secretary of the Company at its Registered Office.

The financial statements, reports etc. of the Company are available on the website of the Company: www.bajajelectricals.com.

INDUSTRIAL RELATIONS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable Accounting Standards have been followed and there is no material departure;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state-of-affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

ACKNOWLEDGEMENT AND APPRECIATION

Your Directors take this opportunity to thank the Company's customers, shareholders, suppliers, banks, financial institutions and the Central and State Governments for their unstinted support. The Directors would also like to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

ANNEXURES

The following annexures form part of this report:

a. Dividend Distribution Policy – Annexure I;

b. Details of Loans and Advances as per Regulation 34(3) read with Part A of Schedule V of the Listing Regulations – Annexure II;

c. Annual Report on CSR Activities – Annexure III;

d. Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in 'Form AOC-1' – Annexure IV;

e. Secretarial Audit Report in 'Form MR-3' – Annexure V;

f. Extract of Annual Return in 'Form MGT-9' – Annexure VI;

g. Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo – Annexure VII; and

h. Disclosures with respect to the remuneration of Directors, KMPs and employees under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – Annexure VIII.

For and on behalf of the Board

	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
Mumbai May 23, 2018			

Annexure I

Dividend Distribution Policy

1. Preamble

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") require the top 500 listed companies, based on market capitalisation as on March 31 of every financial year, to disclose a Dividend Distribution Policy in the annual report and on the corporate website.

The Board of Directors ("Board") of Bajaj Electricals Limited ("Company") has adopted this Dividend Distribution Policy ("Policy") to comply with the Listing Regulations.

The Company currently has only one class of shares, i.e. equity, for which this Policy is applicable. The Policy is subject to review if and when the Company issues different classes of shares.

2. Dividend distribution philosophy

The Company is deeply committed to driving superior value creation for all its stakeholders'. The Company's focus will continue to be on the sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

3. Dividend

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount of the paid-up shares they hold. Dividend includes interim dividend.

4. Circumstances under which shareholders can expect dividend

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities and other relevant factors (as mentioned elsewhere in this Policy) and declare dividend in any financial year.

The dividend for any financial year shall normally be paid out of the Company's profits for that year which will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013 ("Act"). If the circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Listing Regulations, as may be applicable.

5. Interim and Final Dividend

The Board may declare one or more interim dividends during the year. Additionally, the Board may recommend final dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the dividend proposal will be considered, shall be intimated to the stock exchanges and post board meeting, the outcome of the meeting shall also be provided to the stock exchanges, as required under the Listing Regulations.

6. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

- Distributable surplus available with the Company;
- Company's liquidity position and future cash flow needs;
- Track record of dividend distribution of the Company;
- Dividend payout ratios of the comparable companies;
- Prevailing taxation policy or any amendments expected thereof, with respect to dividend distribution;
- Capital expenditure requirements considering the expansion and acquisition opportunities;
- Cost and availability of alternative sources of financing;
- Stipulations / covenants of loan agreements;
- Macroeconomic and business conditions in general; and
- Any other relevant factors that the Board may deem fit to consider before recommending / declaring Dividend.

7. Utilisation of retained earnings

Subject to the applicable provisions, the retained earnings of the Company shall be applied for :

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.;
- Buyback of shares subject to applicable limits;
- Payment of dividend in future years;
- Issue of Bonus Shares; and
- Any other permissible purpose

8. Modification of the Policy

The Board is authorised to change/amend this Policy from time to time at its sole discretion, as it may deem fit, and/or in pursuance of any amendments made in the Act, the Listing Regulations, etc.

9. Disclaimer

This document neither solicits investment in the Company's securities nor gives any assurance of guaranteed returns (in any form) for investments in the Company's equity shares.

Mumbai, **Shekhar Bajaj**
March 29, 2017 Chairman & Managing Director

Annexure II

Details of Loans and Advances as per Regulation 34(3) read with Part A of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans to subsidiary, associate, joint venture:

(Amount: ₹ in lakh)

Name of the Company	Category	Balance as on March 31, 2018*	Maximum outstanding during the year*
Hind Lamps Limited	Associate	1,152.00	1,152.00
Starlite Lighting Limited	Joint Venture	-	280.00

** Excluding trade advances.*

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Mumbai
May 23, 2018

Annexure III

Annual Report on Corporate Social Responsibilities (CSR) Activities

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 and 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.

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 2017-18:** ₹ 13,335 lakh

4. **Prescribed CSR Expenditure (2% of the amount as in item No. 3 above):** ₹ 266.70 lakh

5. **Details of CSR spent during the financial year:**

   i. Total amount spent for the financial year: ₹ 195.30 lakh

ii. Amount unspent: ₹ 71.40 lakh

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

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.	United Way of Mumbai	Mission Mangroves	Ensuring Environmental Sustainability and promoting its education	Mumbai	11.51	8.06	11.51
2.	Direct	Green India - Tree Plantation		PAN India	90.00	35.03	35.03
3.	National Rural Research and Development Association	Tree Plantation & Nursery		Jawhar	11.50	10.60	10.60
4.	Direct	Waste Management		Mumbai	10.00	4.55	4.55
5.	Stree Mukti Sangathana	Waste Management		Mumbai	21.12	12.68	19.01
6.	Swachh Bharat Kosh – Government of India	Swachh Bharat Mission		PAN India	17.50	17.50	17.50
7.	Sri Chaitanya Seva Trust	Long term sustainable organic farming model		Palghar	4.50	0.83	4.50
8.	Prafulla Dahanukar Art Foundation & Samvaad Foundation	Kalanand Art Program II	Promotion of Arts and Culture	Goa, Mumbai, Pune, Bangalore, Chandigarh, Kolkata and Indore	30.83	1.50	30.83
9.	Prafulla Dahanukar Art Foundation & Samvaad Foundation	Balanand Art Progran and Kalanand Art Program			17.10	16.27	16.27
10.	Salaam Mumbai Foundation	Tobacco Control Program	Promoting Health care	Yavatmal and Wardha	13.14	5.91	13.14
11.	Seva Sahayog	Shiksha Vikas - School Community Development Project	Education Promotion	Mumbai, Mohali and Patna	61.37	61.37	69.16
12.	Prime Minister's National Relief Fund (PMNRF)	Contribution to PMNRF	Disaster Relief	Bihar and Assam	21.00	21.00	21.00
	Total				**300.79**	**195.30**	**253.09**

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:

- 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 2018-19 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 Policy of the Company.

For and on behalf of the Board of Directors

	Dr.(Smt.) Indu Shahani	**Anant Bajaj**	**Shekhar Bajaj**
Mumbai	Member	Member	Chairperson
May 23, 2018	DIN: 00112289	DIN: 00089460	DIN: 00089358

Annexure IV

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part A: Subsidiary

Not applicable

Part B: Associates and Joint Venture

Sr.	Particulars	Hind Lamps Limited (Associate)	Starlite Lighting Limited (Joint Venture)
1.	Date on which the associate or joint venture was associated or acquired	January 7, 1952	February 23, 2007
2.	Latest audited Balance Sheet date	March 31, 2018	March 31, 2018
3.	Shares of associate/joint venture held by the Company on the year end		
	Number of equity shares	1140000	5875000
	Amount of investment in associate / joint venture	₹ 684.53 lakh	Nil
	Extent of holding %	19.00	47.00
4.	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 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. Since the Company is in a position to influence the operating and financial policies of these companies, 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.	
5.	Reason why the associate / joint venture is not consolidated	Not applicable	Not applicable
6.	Net worth attributable to Shareholding as per latest audited / unaudited Balance Sheet	₹ (969.26) lakh	₹ (7,086.77) lakh
7.	Profit / (Loss) for the year		
	i. Considered in Consolidation	₹ (845.77) lakh	₹ (12,230.75) lakh
	ii. Not Considered in Consolidation	-	-

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Mumbai
May 23, 2018

Annexure V

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2018.

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

OTHER APPLICABLE LAWS:

i. The Water (Prevention & Control of Pollution) Act, 1974 read with water (Prevention & Control of Pollution) Rules, 2011;

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 relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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

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

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

We further report that during the audit period:

The Company has allotted 747325 (Seven Lakh Forty Seven Thousand Three Hundred and Twenty Five) equity shares of ₹ 2 each fully paid up, on the following dates, to the employees of the Company on their exercise of stock options granted to them under the Company's ESOP Schemes and vested in their favour:

1. On June 19, 2017 – 120500 equity shares;
2. On August 11, 2017 – 114675 equity shares;
3. On October 16, 2017 – 171675 equity shares;
4. On December 8, 2017 – 191325 equity shares; and
5. On February 8, 2018 - 149150 equity shares.

For Anant B Khamankar & Co.

Anant Khamankar
FCS No. – 3198
CP No. – 1860

Date : May 14, 2018
Place : Mumbai

Annexure to Secretarial Auditors' Report

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

Our Secretarial Audit Report for the Financial Year ended March 31, 2018, of the even date is to be read along with this letter.

Management's Responsibility

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

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to the secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For Anant B Khamankar & Co.

Anant Khamankar
FCS No. – 3198
CP No. – 1860

Date : May 14, 2018
Place : Mumbai

Annexure VI

Form No. MGT-9

Extract of Annual Return

As on the Financial Year ended March 31, 2018
Pursuant to Section 92(3) of the Companies Act, 2013 ("the Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS

i	Corporate Identity Number (CIN)	L31500MH1938PLC009887
ii	Registration Date	July 14, 1938
iii	Name of the Company	Bajaj Electricals Limited
iv	Category / Sub-category of the Company	Public Company Limited by Shares / Indian Non-Government Company
v	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
vi	Whether a listed company	Yes (Listed on BSE Limited and National Stock Exchange of India Limited)

vii	Name, address & contact details of the Registrar & Share Transfer Agent	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Tel No: (022) 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	National Industrial Classification Code of the product/service	% to total turnover of the Company
i	Consumer Products	3562, 3630, 3640, 3641, 3642, 3643, 3648, 3649, 3680	47.25
ii	Engineering, Procurement and Construction	3402, 3450, 3630, 3680	52.74

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN or Global Location Number	Holding / Subsidiary / Associate	% of shares held	Applicable section
I	Starlite Lighting Limited 6, MIDC, Satpur, Trimbak Road, Nashik – 422 007	U31300MH1995PLC090213	Joint Venture	47.00	Sections 2(6) and 2(27) of the Act
Ii	Hind Lamps Limited Shikohabad, Firozabad, Uttar Pradesh - 283 141	U27302UP1951PLC002355	Associate	19.00	

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a) Individual / HUF	19050878	-	19050878	18.81	21587678	-	21587678	21.16	2.35
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	40954607	-	40954607	40.43	40954607	-	40954607	40.14	(0.30)
e) Banks / Fis		-	-	-	-	-	-	-	-
f) Any other		-	-	-	-	-	-	-	-
Trust	1676200	-	1676200	1.65	1676200	-	1676200	1.64	(0.01)
Partnership Firm	2536800	-	2536800	2.50	-	-	-	-	(2.50)
Total shareholding of Indian Promoters (A1)	**64218485**	**-**	**64218485**	**63.40**	**64218485**	**-**	**64218485**	**62.94**	**(0.46)***
2. Foreign									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / Fis	-	-	-	-	-	-	-	-	-

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	
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of foreign Promoters (A2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoters (A) = (A1) + (A2)	**64218485**	**-**	**64218485**	**63.40**	**64218485**	**-**	**64218485**	**62.94**	**(0.46)***
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6824057	5000	6829057	6.74	5476013	-	5476013	5.37	(1.38)
b) Banks / FIs	46150	16220	62370	0.06	34499	17220	51719	0.05	(0.01)
c) Central Govt.	-	-	-	-	225680	-	225680	0.22	0.22
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	7490921	156000	7646921	7.55	9763647	156000	9919647	9.72	2.17
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others									
Alternate Investment Funds	-	-	-	-	180000	-	180000	0.18	0.18
Sub-total (B1)	**14361128**	**177220**	**14538348**	**14.35**	**15679839**	**173220**	**15853059**	**15.54**	**1.18**
2. Non – Institutions									
a) Bodies Corp.									
i) Indian	3084136	15110	3099246	3.06	3802547	11710	3814257	3.74	0.68
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals (including HUF)									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10699285	1089671	11788956	11.64	10246829	816026	11062855	10.84	(0.80)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3259613	1081200	4340813	4.29	2930077	1081200	4011277	3.93	(0.35)
c) Others									
Non-Resident Indians	413657	1500	415157	0.41	407874	1500	409374	0.40	(0.01)
Non-Resident (Non-Repatriable)	563925	1500	565425	0.56	543569	-	543569	0.53	(0.03)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	42600	-	42600	0.04	42600	-	42600	0.04	-
Clearing Members	385641	-	385641	0.38	185307	-	185307	0.18	(0.20)
Trusts	1895505	-	1895505	1.87	1896718	-	1896718	1.86	(0.01)
Sub-total (B2)	**20344362**	**2188981**	**22533343**	**22.25**	**20055521**	**1910436**	**21965957**	**21.53**	**(0.72)**
Total Public Shareholding (B) = (B1)+(B2)	**34705490**	**2366201**	**37071691**	**36.60**	**35735360**	**2083656**	**37819016**	**37.06**	**0.46**
C. Shares held by Custodian for GDR ADRs (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total(A)+(B)+(C)	**98923975**	**2366201**	**101290176**	**100.00**	**99953845**	**2083656**	**102037501**	**100.00**	**-**

** The decrease in % of total shares of the Company from 63.40% to 62.94% is due to allotment of 747325 shares on excercise of stock options by the employees.*

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares	% of shares pledged / encumbered	No. of shares	% of total shares	% of shares pledged / encumbered	
(A)	**Individual/HUF**							
1	Anant Bajaj	4531823	4.47	-	4981823	4.88	-	0.41
2	Deepa Bajaj	1000	0.00	-	1000	0.00	-	0.00
3	Geetika Bajaj	8346	0.01	-	608346	0.60	-	0.59
4	Kiran Bajaj	3086419	3.05	-	5252819	5.15	-	2.10
5	Kriti Bajaj	90000	0.09	-	90000	0.09	-	0.00
6	Kumud Bajaj	638200	0.63	-	190200	0.19	-	(0.44)
7	Madhur Bajaj	2125035	2.10	-	815035	0.80	-	(1.30)
8	Minal Bajaj	367200	0.36	-	617200	0.60	-	0.24
9	Neelima Bajaj Swamy	110000	0.11	-	900000	0.88	-	0.77
10	Nimisha Jaipuria	90000	0.09	-	558000	0.55	-	0.46
11	Niraj Bajaj	1711235	1.69	-	2193235	2.15	-	0.46
12	Niravnayan Bajaj	251000	0.25	-	251000	0.25	-	0.00
13	Pooja Bajaj	130000	0.13	-	130000	0.13	-	0.00
14	Rahulkumar Bajaj	124180	0.12	-	1392580	1.36	-	1.24
15	Shefali Bajaj	30000	0.03	-	30000	0.03	-	0.00
16	Shekhar Bajaj	4680735	4.62	-	2500735	2.45	-	(2.17)
17	Sanjivnayan Bajaj	10735	0.01	-	10735	0.01	-	0.00
18	Suman Jain	99645	0.10	-	99645	0.10	-	0.00
19	Sunaina Kejriwal	965325	0.95	-	965325	0.95	-	(0.01)
	(A)	**19050878**	**18.81**	**-**	**21587678**	**21.16**	**-**	**2.35**
(B)	**Bodies Corporate**							
1	Bachhraj and Company Private Limited	1000	0.00	-	1000	0.00	-	0.00
2	Bachhraj Factories Private Limited	95000	0.09	-	95000	0.09	-	0.00
3	Bajaj Holdings and Investment Limited	16697840	16.49	-	16697840	16.36	-	(0.12)
4	Bajaj International Private Limited	800000	0.79	-	800000	0.78	-	(0.01)
5	Bajaj Sevashram Private Limited	5000	0.00	-	5000	0.00	-	0.00
6	Baroda Industries Private Limited	770000	0.76	-	770000	0.75	-	(0.01)
7	Hercules Hoists Limited	554937	0.55	-	554937	0.54	-	0.00
8	Hind Musafir Agency Limited	1258000	1.24	-	1258000	1.23	-	(0.01)
9	Jamnalal Sons Private Limited	19872830	19.62	-	19872830	19.48	-	(0.14)
10	Kamalnayan Investment and Trading Private Limited	1000	0.00	-	1000	0.00	-	0.00
11	Madhur Securities Private Limited	1000	0.00	-	1000	0.00	-	0.00
12	Niraj Holdings Private Limited	1000	0.00	-	1000	0.00	-	0.00
13	Rahul Securities Private Limited	415000	0.41	-	415000	0.41	-	0.00
14	Rupa Equities Private Limited	1000	0.00	-	1000	0.00	-	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares	% of shares pledged / encumbered	No. of shares	% of total shares	% of shares pledged / encumbered	
15	Sanraj Nayan Investments Private Limited	1000	0.00	-	1000	0.00	-	0.00
16	Shekhar Holdings Private Limited	480000	0.47	-	480000	0.47	-	0.00
	(B)	**40954607**	**40.43**	**-**	**40954607**	**40.14**	**-**	**(0.30)**
(C)	**Others**							
	Trusts							
1	Kiran Bajaj (as Trustee of Geetika Trust No. 2)	1210000	1.19	-	1210000	1.19	-	(0.01)
2	Niraj Bajaj (as Trustee of Niravnayan Trust)	466200	0.46	-	466200	0.46	-	0.00
	Partnership Firms							
3	Shekhar Bajaj (held on account of Bajaj Trading Co.)	2536800	2.50	-	0	0.00	-	(2.50)
4	Shekhar Bajaj (held on account of Anant Bajaj Trust)	-	-	-	-	-	-	-
	(C)	**4213000**	**4.16**	**-**	**1676200**	**1.64**	**-**	**(2.52)**
	(A)+(B)+(C)	**64218485**	**63.40**	**-**	**64218485**	**62.94**	**-**	**(0.46)**

** The decrease in % of total shares of the Company from 63.40% to 62.94% is due to allotment of 747325 shares on excercise of stock options by the employees.*

iii. Change in Promoters' Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Anant Bajaj	4531823	4.47				
	Inter-se Transfer			Mar 15, 2018	450000	4981823	4.88
	At the end of the year					4981823	4.88
2.	Deepa Bajaj	1000	0.00	No change during the year		1000	0.00
3.	Geetika Bajaj	8346	0.01				
	Inter-se Transfer			Jan 8, 2018	600000	608346	0.60
	At the end of the year					608346	0.60
4.	Kiran Bajaj	3086419	3.05				
	Inter-se Transfer			Jan 8, 2018	1830000	4916419	4.83
	Inter-se Transfer			Mar 15, 2018	336400	5252819	5.19
	At the end of the year					5252819	5.19
5.	Kriti Bajaj	90000	0.09	No change during the year		90000	0.09
6.	Kumud Bajaj	638200	0.63				
	Inter-se Transfer			Dec 27, 2017	152000	790200	0.78
	Inter-se Transfer			Jan 8, 2018	(600000)	190200	0.19
	At the end of the year					190200	0.19
7.	Madhur Bajaj	2125035	2.10				
	Inter-se Transfer			Dec 27, 2017	770000	2895035	2.84
	Inter-se Transfer			Jan 8, 2018	(2080000)	815035	0.80
	At the end of the year					815035	0.80
8.	Minal Bajaj	367200	0.36				
	Inter-se Transfer			Jan 8, 2018	250000	617200	0.61
	At the end of the year					617200	0.60

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
9.	Neelima Bajaj Swamy	110000	0.11				
	Inter-se Transfer			Dec 27, 2017	790000	900000	0.88
	At the end of the year					900000	0.88
10.	Nimisha Jaipuria	90000	0.09				
	Inter-se Transfer			Dec 27, 2017	468000	558000	0.55
	At the end of the year					558000	0.55
11.	Niraj Bajaj	1711235	1.69				
	Inter-se Transfer			Mar 15, 2018	482000	2193235	2.15
	At the end of the year					2193235	2.15
12.	Niravnayan Bajaj	251000	0.25	No change during the year		251000	0.25
13.	Pooja Bajaj	130000	0.13	No change during the year		130000	0.13
14.	Rahulkumar Bajaj	124180	0.12				
	Inter-se Transfer			Mar 15, 2018	1268400	1392580	1.36
	At the end of the year					1392580	1.36
15.	Shefali Bajaj	30000	0.03	No change during the year		30000	0.03
16.	Shekhar Bajaj	4680735	4.62				
	Gift Given			Dec 26, 2017	(2180000)	2500735	2.45
	At the end of the year					2500735	2.45
17.	Sanjivnayan Bajaj	10735	0.01	No change during the year		10735	0.01
18.	Suman Jain	99645	0.10	No change during the year		99645	0.10
19.	Sunaina Kejriwal	965325	0.95	No change during the year		965325	0.95
20.	Bachhraj and Company Private Limited	1000	0.00	No change during the year		1000	0.00
21.	Bachhraj Factories Private Limited	95000	0.09	No change during the year		95000	0.09
22.	Bajaj Holdings and Investment Limited	16697840	16.49	No change during the year		16697840	16.36
23.	Bajaj International Private Limited	800000	0.79	No change during the year		800000	0.78
24.	Bajaj Sevashram Private Limited	5000	0.00	No change during the year		5000	0.00
25.	Baroda Industries Private Limited	770000	0.76	No change during the year		770000	0.75
26.	Hercules Hoists Limited	554937	0.55	No change during the year		554937	0.54
27.	Hind Musafir Agency Limited	1258000	1.24	No change during the year		1258000	1.23
28.	Jamnalal Sons Private Limited	19872830	19.62	No change during the year		19872830	19.48
29.	Kamalnayan Investment and Trading Private Limited	1000	0.00	No change during the year		1000	0.00
30.	Madhur Securities Private Limited	1000	0.00	No change during the year		1000	0.00
31.	Niraj Holdings Private Limited	1000	0.00	No change during the year		1000	0.00
32.	Rahul Securities Private Limited	415000	0.41	No change during the year		415000	0.41
33.	Rupa Equities Private Limited	1000	0.00	No change during the year		1000	0.00
34.	Sanraj Nayan Investments Private Limited	1000	0.00	No change during the year		1000	0.00
35.	Shekhar Holdings Private Limited	480000	0.47	No change during the year		480000	0.47
36.	Kiran Bajaj (as Trustee of Geetika Trust No. 2)	1210000	1.19	No change during the year		1210000	1.19
37.	Niraj Bajaj (as Trustee of Niravnayan Trust)	466200	0.46	No change during the year		466200	0.46
38.	Shekhar Bajaj (held on account of Bajaj Trading Co.)	2536800	2.50				
	Inter-se Transfer			Mar 15, 2018	(2536800)	-	-
	At the end of the year					-	-

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
39.	Shekhar Bajaj (held on account of Anant Bajaj Trust)	-	-				
	Gift received			Dec 26, 2017	2180000	2180000	2.14
	Inter-se Transfer			Dec 27, 2017	(2180000)	-	-
	At the end of the year					-	-

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Niraj Bajaj	750000	0.79	No change during the year		750000	0.74
2.	Reliance Capital Trustee Company Limited - A/c Reliance Small Cap Fund	2313234	2.27				
	Transfer			Apr 7, 2017	(106500)	2206734	2.16
	Transfer			Apr 14, 2017	(5000)	2201734	2.16
	Transfer			Jun 2, 2017	(200000)	2001734	1.96
	Transfer			Jun 30, 2017	(39300)	1962434	1.92
	Transfer			Aug 11, 2017	(19130)	1943304	1.90
	Transfer			Aug 18, 2017	(321570)	1621734	1.59
	Transfer			Sep 22, 2017	(71000)	1550734	1.52
	Transfer			Oct 27, 2017	(62000)	1488734	1.46
	Transfer			Jan 12, 2018	(278990)	1209744	1.19
	Transfer			Feb 23, 2018	51700	1261444	1.24
	Transfer			Mar 2, 2018	177715	1439159	1.41
	Transfer			Mar 9, 2018	288272	1727431	1.69
	Transfer			Mar 16, 2018	198554	1925985	1.89
	Transfer			Mar 23, 2018	50000	1975985	1.94
	Transfer			Mar 31, 2018	102991	2078976	2.04
	At the end of the year					2078976	2.04
3.	Caisse De Depot Et Placement Du Quebec - Enam Asset Management	1500000	1.47				
	Transfer			Nov 17, 2017	102183	1602183	1.57
	Transfer			Nov 24, 2017	4783	1606966	1.57
	Transfer			Dec 1, 2017	43034	1650000	1.62
	Transfer			Dec 8, 2017	59398	1709398	1.68
	Transfer			Dec 15, 2017	40602	1750000	1.72
	At the end of the year					1750000	1.72
4.	MSD India Fund Limited	-	-				
	Transfer			Apr 7, 2017	400	400	0.00
	Transfer			Apr 14, 2017	182093	182493	0.18
	Transfer			Apr 21, 2017	219176	401669	0.39
	Transfer			Apr 28, 2017	62280	463949	0.45
	Transfer			May 5, 2017	48526	512475	0.50
	Transfer			May 12, 2017	20594	533069	0.52
	Transfer			May 19, 2017	100000	633069	0.62
	Transfer			Jun 2, 2017	210595	843664	0.83
	Transfer			Jun 30, 2017	190000	1033664	1.01

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Transfer			Aug 18, 2017	250000	1283664	1.26
	Transfer			Sep 15, 2017	3300	1286964	1.26
	Transfer			Nov 10, 2017	124121	1411085	1.38
	Transfer			Nov 17, 2017	23995	1435080	1.41
	Transfer			Dec 8, 2017	48000	1483080	1.45
	Transfer			Dec 22, 2017	21000	1504080	1.47
	Transfer			Jan 12, 2018	115047	1619127	1.59
	Transfer			Mar 9, 2018	(125000)	1494127	1.46
	At the end of the year					1494127	1.46
5.	Aditya Birla Sun Life Insurance Company Limited	387084	0.38				
	Transfer			Apr 21, 2017	165000	552084	0.54
	Transfer			May 26, 2017	40000	592084	0.58
	Transfer			Jun 2, 2017	40000	632084	0.62
	Transfer			Jun 16, 2017	585000	1217084	1.19
	Transfer			Aug 11, 2017	3150	1220234	1.20
	Transfer			Aug 25, 2017	97000	1317234	1.29
	Transfer			Sep 8, 2017	57000	1374234	1.35
	Transfer			Sep 22, 2017	(97000)	1277234	1.25
	Transfer			Oct 13, 2017	72900	1350134	1.32
	Transfer			Oct 20, 2017	64000	1414134	1.39
	Transfer			Oct 27, 2017	79277	1493411	1.46
	Transfer			Nov 24, 2017	1800	1495211	1.47
	Transfer			Dec 15, 2017	(136900)	1358311	1.33
	Transfer			Jan 5, 2018	132000	1490311	1.46
	Transfer			Jan 19, 2018	(7282)	1483029	1.45
	Transfer			Mar 2, 2018	31500	1514529	1.48
	Transfer			Mar 23, 2018	(132768)	1381761	1.35
	Transfer			Mar 31, 2018	(67440)	1314321	1.29
	At the end of the year					1314321	1.29
6.	Principal Trustee Company Private Limited - Principal Mutual Fund - Principal Emerging Bluechip Fund	854789	0.84				
	Transfer			Apr 7, 2017	(61028)	793761	0.78
	Transfer			May 19, 2017	22500	816261	0.80
	Transfer			Jun 23, 2017	17762	834023	0.82
	Transfer			Jul 14, 2017	(12000)	822023	0.81
	Transfer			Jul 21, 2017	98500	920523	0.90
	Transfer			Jul 28, 2017	50000	970523	0.95
	Transfer			Aug 18, 2017	9000	979523	0.96
	Transfer			Aug 25, 2017	6000	985523	0.97
	Transfer			Sep 1, 2017	18000	1003523	0.98
	Transfer			Sep 8, 2017	39087	1042610	1.02
	Transfer			Nov 17, 2017	18000	1060610	1.04
	Transfer			Nov 24, 2017	24800	1085410	1.06
	Transfer			Dec 1, 2017	151	1085561	1.06
	Transfer			Jan 12, 2018	208391	1293952	1.27
	Transfer			Jan 19, 2018	29935	1323887	1.30
	Transfer			Feb 9, 2018	9000	1332887	1.31
	Transfer			Feb 16, 2018	(22500)	1310387	1.28
	At the end of the year					1310387	1.28

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
7.	UTI - Infrastructure Fund	634140	0.62				
	Transfer			May 19, 2017	(12140)	622000	0.61
	Transfer			Jun 30, 2017	168456	790456	0.77
	Transfer			Jul 21, 2017	210000	1000456	0.98
	Transfer			Jul 28, 2017	150000	1150456	1.13
	Transfer			Sep 1, 2017	(2952)	1147504	1.12
	Transfer			Sep 22, 2017	(5010)	1142494	1.12
	Transfer			Sep 29, 2017	100672	1243166	1.22
	Transfer			Oct 6, 2017	389	1243555	1.22
	Transfer			Nov 3, 2017	(2453)	1241102	1.22
	Transfer			Dec 8, 2017	(158041)	1083061	1.06
	Transfer			Jan 26, 2018	(1188)	1081873	1.06
	Transfer			Feb 2, 2018	(7111)	1074762	1.05
	Transfer			Feb 9, 2018	62428	1137190	1.11
	Transfer			Mar 23, 2018	(27000)	1110190	1.09
	At the end of the year					1110190	1.09
8.	Long Term India Fund	832000	0.82				
	Transfer			Jun 2, 2017	265000	1097000	1.08
	At the end of the year					1097000	1.08
9.	Ashish Kacholia	816110	0.80				
	Transfer			Apr 7, 2017	18346	834456	0.82
	Transfer			May 26, 2017	5618	840074	0.82
	Transfer			Jun 2, 2017	60621	900695	0.88
	Transfer			Jun 23, 2017	20000	920695	0.90
	Transfer			Mar 9, 2018	37750	958445	0.94
	Transfer			Mar 31, 2018	25000	983445	0.96
	At the end of the year					983445	0.96
10.	Bajaj Auto Employees Welfare Fund No. 2	961900	0.95	No change during the year	961900	0.94	10.
11.	Madhulika Agarwal	826824	0.81				
	Transfer			Apr 7, 2017	18150	844974	0.83
	Transfer			May 26, 2017	6010	850984	0.83
	Transfer			Jun 2, 2017	60229	911213	0.89
	At the end of the year					911213	0.89
12.	Lakshmi Capital Investments Limited	761621	0.75				
	Transfer			May 19, 2017	(32000)	729621	0.72
	Transfer			Jun 9, 2017	54000	783621	0.77
	Transfer			Dec 22, 2017	30000	813621	0.80
	Transfer			Mar 23, 2018	(15000)	798621	0.78
	At the end of the year					798621	0.78
13.	HDFC Trustee Company Limited A/c HDFC Retirement Savings Fund - Equity Plan	2819874	2.76				
	Transfer			Jun 2, 2017	(14000)	2805874	2.75
	Transfer			Jun 9, 2017	(199900)	2605974	2.55
	Transfer			Jun 16, 2017	(796755)	1809219	1.77
	Transfer			Jun 23, 2017	(339600)	1469619	1.44
	Transfer			Jun 30, 2017	(233000)	1236619	1.21

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Transfer			Jul 7, 2017	(102500)	1134119	1.11
	Transfer			Jul 14, 2017	(207476)	926643	0.91
	Transfer			Jul 21, 2017	(505500)	421143	0.41
	Transfer			Jul 28, 2017	(184500)	236643	0.23
	Transfer			Aug 18, 2017	(3919)	232724	0.23
	Transfer			Sep 29, 2017	(50000)	182724	0.18
	Transfer			Oct 13, 2017	(67724)	115000	0.11
	Transfer			Dec 1, 2017	(20000)	95000	0.09
	Transfer			Dec 8, 2017	(10000)	85000	0.08
	At the end of the year					85000	0.08

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Anant Bajaj	4531823	4.47				
	Inter-se Transfer			Mar 15, 2018	450000	4981823	4.88
	At the end of the year					4981823	4.88
2.	Madhur Bajaj	2125035	2.10				
	Inter-se Transfer			Dec 27, 2017	770000	2895035	2.84
	Inter-se Transfer			Jan 8, 2018	(2080000)	815035	0.80
	At the end of the year					815035	0.80
3.	Shekhar Bajaj	4680735	4.62				
	Gift Given			Dec 26, 2017	(2180000)	2500735	2.45
	At the end of the year					2500735	2.45
4.	Anant Purandare (CFO)	6846	0.01				
	ESOP			Oct 16, 2017	3500	10346	0.01
	ESOP			Feb 8, 2018	2500	12846	0.01
	At the end of the year					12846	0.01
5.	Mangesh Patil (CS)	2090	0.00				
	ESOP			Jun 19, 2017	6500	8590	0.01
	Transfer			Sep 1, 2017	(523)	8067	0.01
	Transfer			Sep 7, 2017	(3000)	5067	0.00
	Transfer			Sep 12, 2017	(4000)	1067	0.00
	ESOP			Oct 16, 2017	1000	2067	0.00
	ESOP			Dec 8, 2017	3000	5067	0.00
	Transfer			Dec 11, 2017	(600)	4467	0.00
	Transfer			Jan 3, 2018	(2500)	1967	0.00
	At the end of the year					1967	0.00

Note: Shareholding of all the other Directors–Nil.

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
i	Indebtedness at the beginning of the financial year				
	(a) Principal amount	16,475.12	45,949.32	-	62,424.44
	(b) Interest due but not paid	0.02	9.65	-	9.67
	(c) Interest accrued but not due	2,257.33	-	-	2,257.33
	Total [(a) + (b) + (c)]	**18,732.47**	**45,958.97**	**-**	**64,691.44**
ii	Change in Indebtedness during the financial year				
	Addition	16,148.51	170,955.80	-	187,104.31
	Reduction	19,481.20	157,737.13	-	177,218.34
	Net Change	(3,332.69)	13,218.66	-	9,885.97
iii	Indebtedness at the end of the financial year				
	(a) Principal amount	13,142.43	59,167.98	-	72,310.41
	(b) Interest due but not paid	0.17	68.75	-	68.93
	(c) Interest accrued but not due	60.88	14.63	-	75.51
	Total [(a) + (b) + (c)]	**13,203.48**	**59,251.36**	**-**	**72,454.85**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount: ₹ in lakh)

Sr. No.	Particulars of remuneration	Shri Shekhar Bajaj (CMD)	Shri Anant Bajaj (JMD)	Total
1.	Gross salary			
	(a) Salary as per the provisions contained in Section 17(1) of the Income-tax Act, 1961 ("IT Act")	195.04	161.33	356.37
	(b) Value of perquisites under Section 17(2) of IT Act	91.33	92.17	183.50
	(c) Profits in lieu of salary under Section 17(3) of IT Act		-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission provided for FY 2017-18	599.75	299.87	899.62
	as % of profit	2.00	1.00	3.00
5.	Others			
	- Co. Contribution to PF	21.48	17.76	39.24
	- Co. Contribution to Superannuation	26.85	22.20	49.05
	- Gratuity	14.91	12.33	27.24
	Total (A)	949.36	605.66	1,555.02
	Ceiling as per the Act	1,499.37	1,499.37	2,998.74

ii. Remuneration to other Directors

(Amount: ₹ in lakh)

Sr. No.	Name	Fee for attending Board / Committee Meetings	Commission provided for financial year 2017-18	Others, please specify	Total
1.	**Independent Director(s)**				
	a. Shri Harsh Vardhan Goenka	4.50	4.00	-	8.50
	b. Shri Ashok Jalan	15.50	10.00	-	25.50
	c. Dr. Rajendra Prasad Singh	5.50	5.00	-	10.50
	d. Dr. (Smt.) Indu Shahani	11.00	8.00	-	19.00
	e. Shri Anuj Poddar	9.50	8.00	-	17.50
	f. Shri Siddharth Mehta	4.50	4.00	-	8.50
	g. Shri Vishnubhai Haribhakti*	4.50	4.00	-	8.50
	Total (B1)	**55.00**	**43.00**	**-**	**98.00**

Sr. No.	Name	Fee for attending Board / Committee Meetings	Commission provided for financial year 2017-18	Others, please specify	Total
2.	**Other Non-executive Director(s)**				
	a. Shri Madhur Bajaj	5.00	5.00	-	10.00
	Total (B2)	**5.00**	**5.00**	**-**	**10.00**
	Total (B1) + (B2)	**60.00**	**48.00**	**-**	**108.00**
				Overall ceiling as per the Act**	299.87

** Resigned from directorship w.e.f. August 4, 2017.*

*** Being 1% of the net profit of the Company calculated as per Section 198 of the Act. Pursuant to the provisions of Section 197(2) of the Act, the sitting fees paid shall not be considered while computing the said ceiling of 1%.*

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

(Amount: ₹ in lakh)

Sr. No.	Particulars of remuneration	Anant Purandare (CFO)	Mangesh Patil (CS)	Total
1.	Gross salary			
	(a) Salary as per the provisions contained in Section 17(1) of IT Act	80.80	58.15	138.95
	(b) Value of perquisites under Section 17(2) of IT Act	3.19	2.77	5.96
	(c) Profits in lieu of salary under Section 17(3) of IT Act	-	-	-
2.	Stock Option	13.38	11.63	25.01
3.	Sweat Equity	-	-	-
4.	Commission provided for FY 2017-18	-	-	-
	as % of profit	-	-	-
5.	Others			
	- Co. Contribution to PF	2.06	1.86	3.92
	- Co. Contribution to Superannuation	2.58	2.32	4.90
	- Gratuity	0.80	0.73	1.53
	Total (A)	102.81	77.46	180.27
	Ceiling as per the Act	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

During the year 2017-18, there were no penalties/punishment/compounding of offences under the Act.

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Mumbai
May 23, 2018

Annexure VII

Report on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo

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

A) CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

- Unity power factor maintained throughout the year 2017-18 at Ranjangaon Unit 1 (RU1) and Ranjangaon Unit 2 (RU2);
- Installed 28 nos. 80 Watt LED Lights, in place of 150 Watt HPSV lamps, at Proto TLT shop in RU1;
- Installed 80 nos. 200 Watt LED Lights, in place of 400 Watt HPSV lamps, in street lighting area at RU1;
- Existing motor for top side extraction line was removed and its pipeline connected to bottom side extraction pipelines at RU1;
- Existing return pipeline was connected to heat exchanger which removed the motor use completely at RU1;
- Lighting DB - Provide the astrological timer for lighting ON/OFF system. [Energy saving by 1 Hrs daily + auto ON/OFF of lighting in evening];
- Replacement of 200 Nos. 36 watt CFL lighting with 15 Watt LED lights at RU1;

- Installed 13 Nos. 80 Watt LED Lights in place of 150 Watt HPSV lamps in Wing 2 at RU2;
- At Chakan, factory lights and fittings replaced by LED battens, highbays, and bulbs;

(ii) The steps taken by the Company for utilising alternate sources of energy: Nil

(iii) The capital investment on energy conservation equipment:

- 34 Nos. LED Lamp of 150 Watt each is to be provided in place of 250 watt HPSV in New TLT shop at RU1.
- 42 Nos. LED Lamp of 200 Watt each is to be provided at Galvanising in place of 400 watt HPSV at RU1.
- 50 Nos. LED Lamp of 80 Watt each is to be provided at Wing 1 & 2 in place of 150 watt HPSV at RU2.
- 05 Nos. of off-grid solar lighting streetlights to be provided to at RU1.

(iv) Total energy consumption and energy consumption per unit of production: Average Unit per ton (RU1 & RU2) achieved in 2017-18 is 88.72 KWH/MT as compared to 2016-17 is 102.33 KWH/MT.

(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 ₹ 10,72,633/- & ₹ 4,09,621/- for Ranjangaon units, RU1 & RU2 respectively.

- At Chakan:

Sr. No.	Previous Lights & Fittings			New LED Batten & Highbay Fittings			Saving			Investment (₹)
	CFL / Flouroscent (Qty.)	Watts	Power Consum. (Watts)	LED lamp (Qty.)	Watts	Power Consum. (Watts)	KW	KWH	₹/Year	
1.	10	250	2500	60	20	1200	1.3	3965	35,209	2,10,000
2.	10	40	400	10	20	200	0.2	610	5,417	2,000
3.	5	40	200	5	20	100	0.1	305	2,708	1,000
	Total						**1.600**	**4880**	**43,334**	**2,13,000**

B) TECHNOLOGY ABSORPTION:

(i) The efforts made towards technology absorption: Nil

(ii) The 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) The expenditure incurred on Research and Development (R&D):

(a)	Capital	-	₹ 12,87,34,276/-
(b)	Recurring	-	₹ 17,83,55,894/-
(c)	Total	-	₹ 30,70,90,170/-
(d)	Total R&D expenditure as a percentage of turnover	-	0.64%

C) 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)	₹ 55.45
Used (Import purchases)	₹ 375.08

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Mumbai
May 23, 2018

Annexure VIII

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

1. The ratio of the remuneration of each director to the median employees remuneration for the Financial Year:

Name of the Directors	Category	Ratio to median remuneration
Shekhar Bajaj	Executive Directors	124.03 : 1
Anant Bajaj		79.13 : 1
Harsh Vardhan Goenka	Non-Executive Directors*	1.11 : 1
Ashok Jalan		3.33 : 1
Dr. Rajendra Prasad Singh		1.37 : 1
Dr. (Smt.) Indu Shahani		2.48 : 1
Anuj Poddar		2.29 : 1
Siddharth Mehta		1.11 : 1
Madhur Bajaj		1.31 : 1
Vishnubhai Haribhakti**		1.11 : 1

** The remuneration of Non-executive directors covers sitting fee and commission.*

*** Resigned from directorship w.e.f. August 4, 2017.*

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Directors, Chief Financial Officer and Company Secretary	Percentage increase in remuneration*
Shekhar Bajaj (Director & KMP)	44.54
Anant Bajaj	45.53
Harsh Vardhan Goenka	-
Ashok Jalan	(5.56)
Dr. Rajendra Prasad Singh	(16.00)
Dr. (Smt.) Indu Shahani	26.67
Anuj Poddar	66.67
Siddharth Mehta	(32.00)
Madhur Bajaj	(16.67)
Vishnubhai Haribhakti**	(65.31)
Anant Purandare (KMP)	19.77***
Mangesh Patil (KMP)	13.99***

** The Non-Executive Directors of the Company receives remuneration at fixed rate by way of Sitting Fees and Commission. During the year under review, there is no change in the terms of remuneration payable to the Non-Executive Directors.*

*** Resigned from directorship w.e.f. August 4, 2017.*

**** The Perquisite value of ESOP has not been considered.*

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

The percentage increase in the median remuneration of the employees in the financial year was around 2.26%.

4. The number of permanent employees on the rolls of the Company: 3,022

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

The average percentage increase made in the salaries of total employees other than the Managerial Personnel during the FY 2017-18 was around 10.00%, while the average increase in the remuneration of the Managerial Personnel was around 45.04% which is mainly on account of increase in the commission payable which is linked to the net profits of the Company.

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

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Mumbai
May 23, 2018

Report on Corporate Governance

> Business should be pursued with a view to benefit the poor, not just to become a millionaire or billionaire.
>
> - Jamnalal Bajaj

The ethical values is the foundation of Company's governance philosophy which over the past 78 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 (the "Board") is responsible for and committed to sound principles of corporate governance in the Company. The Board 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 the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") is given below:

BOARD

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 Executive Committee of the Company is headed by the Chairman & Managing Director and has some of the 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.

Board Diversity

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. The 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 meets with the above objective.

Under the said Policy, the Nomination and Remuneration Committee while recommending appointment of directors shall keep in view that: 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; and ii) the recommendations shall be purely on merit and no discrimination shall be made based on race, colour, religion or gender.

The Policy is available on the Company's website: www.bajajelectricals.com.

Composition of the Board

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations and also with the provisions of the Companies Act, 2013 (the "Act"). The Chairperson of the Board is an Executive Director and more than half of the Board comprises of Independent Directors.

As on March 31, 2018, the Board comprised of nine Directors. Shri Shekhar Bajaj is the Executive Chairman & Managing Director of the Company. Shri Anant Bajaj is the Joint Managing Director. Shri Madhur Bajaj is a Non-Executive Non-Independent Directors of the Company. Shri Harsh Vardhan Goenka, Shri Ashok Jalan, Dr. Rajendra Prasad Singh, Dr. (Smt.) Indu Shahani, Shri Anuj Poddar and Shri Siddharth Mehta are the Independent Directors of the Company.

During the year under review, Shri Vishnubhai Haribhakti, Independent Director and Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, has stepped down from the directorship of the Company w.e.f. August 4, 2017 due to his advancing age. The Board places on record its appreciation of the contribution made by Shri Vishnubhai Haribhakti as Director of the Company.

The Independent Directors are from diverse fields and bring to the Company a wide range of experience, knowledge and judgement as they draw on their varied proficiencies in general corporate management, finance, law, media, corporate strategy and other allied fields which enable them to contribute effectively to the Company in their capacity as the Directors, while participating in its decision-making process. The terms and conditions of appointment of Independent Directors have been uploaded on the Company's website: www.bajajelectricals.com.

Shri Shekhar Bajaj, Chairman & Managing Director, Shri Anant Bajaj, Joint Managing Director and Shri Madhur Bajaj, Director, as belonging from the same family, are related to each other. Shri Shekhar Bajaj is a father of Shri Anant Bajaj and an elder brother of Shri Madhur Bajaj. Consequently, Shri Anant Bajaj is son of Shri Shekhar Bajaj and nephew of Shri Madhur Bajaj; and Shri Madhur Bajaj is a younger brother of Shri Shekhar Bajaj and an uncle of Shri Anant Bajaj. None of the other Directors of the Company are inter-se related to each other.

Shri Shekhar Bajaj and Shri Anant Bajaj are also the Non-Executive Directors in Hind Lamps Limited, an associate, and Starlite Lighting Limited, a joint venture, of the Company. Apart from the above, and apart from the reimbursement of expenses incurred in discharge of their duties and the remuneration that the Non-Executive Directors, the Chairman & Managing Director and the Joint Managing Director would be entitled to under the Act, none of the Directors have any other pecuniary relationships with the Company, its associate or joint venture or their Promoters, Directors, which in their judgement would affect their independence.

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 Annual General Meeting (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 for Independent Directors from the Board and their appointment and tenure will be governed by the provisions of the Act.

Promotion and Re-designation of Shri Anant Bajaj

With the objective of furthering its strategic goals, the Board of the Company at its meeting held on May 23, 2018 has, on the recommendation of the Nomination & Remuneration Committee, approved the promotion and re-designation of Shri Anant Bajaj, as the Managing Director of the Company, with effect starting from June 1, 2018, for the remainder of his five years term from February 1, 2016 ending on January 31, 2021 and revision in his remuneration, subject to the approval of the shareholders at the AGM.

Members' attention is drawn to a Resolution proposing the promotion and re-designation of Shri Anant Bajaj,

Joint Managing Directors as the Managing Director of the Company which is included at Item No.7 of the Notice of AGM.

Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of the 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.

Board Meetings and Attendance

Five Board Meetings were held during FY 2017-18, on: May 29, 2017, August 3, 2017, November 9, 2017, February 8, 2018 and March 29, 2018. The gap between two meetings did not exceed 120 days. These Meetings were well attended including attendance of the Independent Directors. The Seventy-eighth AGM (78th AGM) of the Company was held on August 3, 2017. The then Chairperson of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee was present at the 78th AGM.

Table 1: Attendance record of Directors at Board Meetings and last AGM

Directors	Number of Board Meetings		Attendance at the 78th AGM
	Held	Attended	
Shekhar Bajaj	5	5	Yes
Anant Bajaj	5	5	Yes
Madhur Bajaj	5	5	Yes
Harsh Vardhan Goenka	5	4	No
Ashok Jalan	5	5	Yes
Dr. Rajendra Prasad Singh	5	5	Yes
Dr. (Smt.) Indu Shahani	5	4	Yes
Anuj Poddar	5	5	Yes
Siddharth Mehta	5	4	Yes
Vishnubhai Haribhakti*	5	2	Yes

** Resigned from directorship w.e.f. August 4, 2017.*

Details of other directorship(s) and committee membership(s) held:

The number of Directorships and Committee positions held by the Directors in the companies at the end of the year under review, are given below. None of the Directors on the Board is a member of more than 10 Committees and/or chairperson of more than 5 Committees across all the companies in which they are Directors. Further, none of the Directors on the Board is an Independent Director in more than seven listed companies. In addition, none of the Whole-Time Director(s) of the Company and a Director(s) who is/are the whole-time director in other listed company, is/are independent director(s) in more than three listed companies.

Table 2: No. of Directorship(s) and Committee Membership(s) held as on March 31, 2018

Directors	Category of Directors	As on March 31, 2018**			
		Indian Listed Companies#	Total Directorship(s)#	Committee Membership(s)^	Committee Chairmanship(s)^
Shekhar Bajaj	Promoter; Non-Independent; Executive	3	7	1	-
Anant Bajaj	Promoter; Non-Independent; Executive	1	3	-	-
Madhur Bajaj	Promoter; Non-Independent; Non-Executive	6	6	-	-
Harsh Vardhan Goenka	Independent; Non-Executive	5	7	-	-

Directors	Category of Directors	As on March 31, 2018**			
		Indian Listed Companies#	Total Directorship(s)#	Committee Membership(s)^	Committee Chairmanship(s)^
Ashok Jalan	Independent; Non-Executive	1	5	1	1
Dr. Rajendra Prasad Singh	Independent; Non-Executive	2	6	3	-
Dr. (Smt.) Indu Shahani	Independent; Non-Executive	5	5	7	-
Anuj Poddar	Independent; Non-Executive	1	1	-	1
Siddharth Mehta	Independent; Non-Executive	2	2	-	-
Vishnubhai Haribhakti*	Independent; Non-Executive	Not applicable			

** Resigned from directorship w.e.f. August 4, 2017.*

*** Excludes private limited companies, foreign companies and companies registered under Section 8 of the Act.*

^ Committees considered are Audit Committee and Stakeholders Relationship Committee, including that of in the Company.

 # Excludes Alternate Directorships but includes Additional Directorships and Directorships in the Company.

Board Procedure

A detailed agenda, setting out the business to be transacted at the meeting supported by detailed notes are sent to each Director at least seven days before the date of the Board and Committee Meetings except for the Unpublished Price Sensitive Information which are circulated separately or placed at the Meetings of the Board and the Committees. To provide web-based solution, a soft copy of the said agenda is also uploaded on the Board Portal which acts as a document repository. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents of the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. To enable the Board to discharge its responsibilities effectively, the Board was appraised at every meeting of the overall performance of the Company. A detailed report on the operations of the Company and quarterly compliance report are also presented at the Board Meetings.

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 minimise 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 Chairperson of

the Board/Committees. The minutes are confirmed by the members of the Board/Committees at the next Board/ Committees meeting.

Shares and Convertible Instruments, if any, held by Directors

Information on shares held by directors in the Company as on March 31, 2018 is provided in the Annexure to the Directors' Report in 'Form MGT–9'. The Company has not issued any convertible instrument to its Directors.

Directors seeking Re-Appointment/Appointment

Shri Anant Bajaj, Joint Managing Director, being longest in the office, retires by rotation at the forthcoming Seventy-Ninth AGM (79th AGM) and being eligible, has offered himself for re-appointment. In pursuance of Regulation 36 of the Listing Regulations, brief resume of Shri Anant Bajaj is annexed to the Notice of the said 79th AGM.

Separate Meeting of Independent Directors

The Company's Independent Directors meet at least once every year without the presence of Executive Directors or management personnel. Such meetings are conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. Further, the Independent Directors also reviews the performance of the Non-Independent Directors, Chairperson (after taking into account the views of Executive and Non-Executive Directors) and the Board as a whole, 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. During the year under review, one meeting of Independent Directors held on March 29, 2018 was attended by all the Independent Directors.

Familiarisation Programmes for Independent Directors

Regulation 25(7) of the Listing Regulations requires a Company to familiarise its Independent Directors through various programmes about the Company, including the nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of Independent Directors and any other relevant information.

In terms of above, the Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The details of familiarisation programmes imparted to the Independent Directors are posted on the Company's website: www.bajajelectricals.com.

Performance Evaluation of the Board

The Act and Listing Regulations stipulate the performance evaluation of the Directors including Chairperson, Board and its Committees. Considering the said provisions, the Company has devised the process and the criteria for the performance evaluation which had been recommended by Nomination & Remuneration Committee. The Nomination & Remuneration Committee of the Board evaluated the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairperson of the Company was also carried out by the Independent Directors taking into account the views of the Executive Directors and Non-Executive Directors. Evaluation of Independent Directors was also carried out by the Board, excluding the Director being evaluated. A structured questionnaire was prepared and circulated amongst the Directors, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committees thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, preparedness on the issues to be discussed, meaningful and constructive contributions, inputs in the meetings, Corporate Governance practices, etc. The criteria for performance evaluation are placed on the Company's website: www.bajajelectricals.com. The Directors expressed their satisfaction with the evaluation process.

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 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.

During the year under review, Shri Vishnubhai Haribhakti, Independent Director and Chairperson of the Audit Committee stepped down from the directorship of the Company w.e.f. August 4, 2017 due to his advancing age. In view of his resignation from the Board and consequential cessation of membership of the Audit

Committee, the Board of the Company, in its meeting held on August 3, 2017, re-constituted the Audit Committee by inducting Shri Anuj Poddar, a Chartered Accountant by education, as a member of the Committee. The members of the re-constituted Audit Committee, in its meeting held on November 9, 2017, elected Shri Anuj Poddar as the Chairperson of the Committee.

As on March 31, 2018, the Audit Committee comprised of 3 Directors: Shri Anuj Poddar as the Chairperson 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 Audit Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Company Secretary acts as the convener 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; and

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 2017-18, the Committee met five time i.e. on: May 29, 2017, August 3, 2017, November 9, 2017, February 8, 2018 and March 29, 2018 and the gap between two meetings did not exceed 120 days.

Table 3: Attendance of members of the Committee at the meetings held during FY 2017-18

Directors	No. of Committee Meetings	
	Held	Attended
Shri Anuj Poddar*	5	3
Shri Ashok Jalan	5	5
Dr. (Smt.) Indu Shahani	5	4
Shri Vishnubhai Haribhakti**	5	2

** Inducted as a member of the Audit Committee w.e.f. August 3, 2017.*

*** Resigned from directorship/membership of the Company/Audit Committee w.e.f. August 4, 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 and the statutory auditors of the Company and those executives who were considered necessary for providing inputs to the Committee.

Shri Vishnubhai Haribhakti, ex-Chairperson of the Audit Committee was present at the 78th AGM of the Company to answer shareholders' queries.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is governed by a Charter. During the year under review, Shri Vishnubhai Haribhakti, Independent Director and Chairperson of the Nomination and Remuneration Committee stepped down from the directorship of the Company w.e.f. August 4, 2017 due to his advancing age. In view of his consequential cessation of membership of the Nomination and Remuneration Committee, the Board of the Company, in its meeting held on August 3, 2017, reconstituted the Nomination and Remuneration Committee by inducting Shri Anuj Poddar, as a member of the Committee. The members of the re-constituted Nomination and Remuneration Committee, in its meeting held on February 8, 2018, elected Shri Anuj Poddar as the Chairperson of the Committee.

As on March 31, 2018, the Nomination and Remuneration Committee consisted of Shri Anuj Poddar as the Chairperson 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; and
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 FY 2017-18, the Committee met three times i.e. on: August 3, 2017, February 8, 2018 and March 29, 2018.

Table 4: Attendance of members of the Committee at the meetings held during FY 2017-18

Directors	No. of Committee Meetings	
	Held	Attended
Shri Anuj Poddar*	3	2
Shri Ashok Jalan	3	3
Dr. (Smt.) Indu Shahani	3	3
Shri Vishnubhai Haribhakti**	3	1

** Inducted as a member of the Nomination and Remuneration Committee w.e.f. August 3, 2017.*

*** Resigned from directorship/membership of the Company/ Nomination and Remuneration Committee w.e.f. August 4, 2017.*

Shri Vishnubhai Haribhakti, ex-Chairperson of the Nomination and Remuneration Committee was present at the 78th AGM of the Company to answer shareholders' queries.

Stakeholders' Relationship Committee

During the year under review, Shri Vishnubhai Haribhakti, Independent Director and Chairperson of the Stakeholders' Relationship Committee conveyed his decision to step down from the directorship of the Company w.e.f. August 4, 2017 due to his advancing age. In view of his resignation from the Board and consequential cessation of membership of the Stakeholders' Relationship Committee, the Board of the Company, in its meeting held on August 3, 2017, reconstituted the Stakeholders' Relationship Committee by inducting Shri Ashok Jalan as a member of the Committee. The members of the re-constituted Stakeholders' Relationship Committee, in its meeting held on March 29, 2018, elected Shri Ashok Jalan as the Chairperson of the Committee.

As on March 31, 2018, the Stakeholders' Relationship Committee comprises of Shri Ashok Jalan as its Chairperson and Dr. (Smt.) Indu Shahani as its member, both Independent Directors. Shri Mangesh Patil, Company Secretary has been designated as Compliance Officer of the Company.

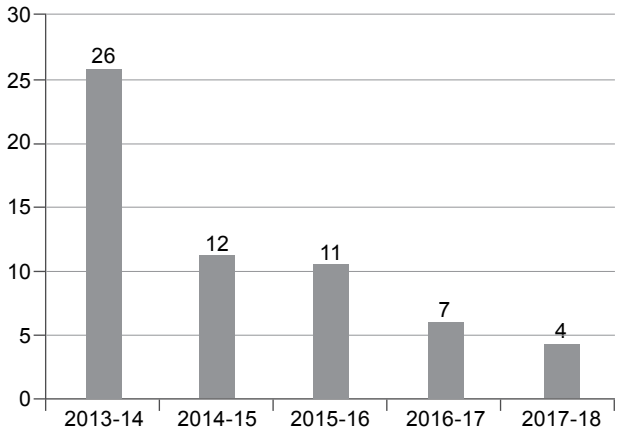
The Committee meets as and when require, to inter-alia, deal with matters relating to its terms of reference which include addressing the shareholders' and investors' complaints, if any, with respect to transfer and transmission of shares, non-receipt of annual report, non-receipt of declared dividend, payment of unclaimed dividends, to facilitate better security holders services and relations, etc. 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.

During FY 2017-18, the Committee met once on March 29, 2018 and both the members of the Committee attended the said meeting.

Table 5: Complaints received, attended & resolved during FY 2017-18

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

Trend of shares related complaints during last 5 years:



Shri Vishnubhai Haribhakti, ex-Chairperson of the Stakeholders' Relationship Committee was present at the 78th AGM of the Company to answer shareholders' queries.

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 Chairperson and Shri Anant Bajaj and Dr. (Smt.) Indu Shahani as its members.

The Committee's responsibilities with regard to CSR 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 FY 2017-18, the Committee met once on March 29, 2018 and it was attended by all the members.

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 as its Chairperson and Shri Anant Bajaj and Shri Ashok Jalan as its members. The Company Secretary acts as the convenor of the Committee.

During FY 2017-18, the Committee met five times i.e. on: June 29, 2017, August 11, 2017, October 16, 2017, December 8, 2017 and February 8, 2018 and these meetings were attaended by all the members of the Committee.

Finance Committee

The Company has Finance Committee comprising of three Directors viz. Shri Shekhar Bajaj as its Chairperson and Shri Anant Bajaj and Shri Ashok Jalan as its members. The Company Secretary acts as the convenor of the Committee.

The Committee, inter-alia, looks into the matters related to the borrowings of the Company, if any, to be made in the form of fund and non-fund based limits for the business and working capital requirements of the Company, review of the Company's insurance program, issues authority to or withdraws the authority given to the officers of the Company to open / operate / close bank accounts, besides the other powers granted to it by the Board from time to time.

During FY 2017-18, the Committee met once on January 30, 2018 to deliberate on various matters referred above and all the members attended the said meeting of the Committee.

INFORMATION TO DIRECTORS

The Board has complete access to the information within the Company, which inter alia, includes items as mentioned under para 'Board Procedure' above. Presentations are made regularly to the Board and its Committees, where Directors get an opportunity to interact with senior managers. Presentations, inter alia, cover business strategies, management structure, HR policy, management development and succession planning, quarterly and annual results, budgets, treasury policy, review of internal audit reports, risk management framework, operations of joint venture and associates, etc.

Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when senior company personnel are asked to make presentations about performance of their Business Unit / function, to the Board. Such interactions also happen when these Directors meet senior management in informal gatherings.

REMUNERATION TO DIRECTORS / REMUNERATION POLICY

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 Remuneration Policy is placed on the Company's website: 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 Committees meetings and Commission as detailed below:

(i) Sitting fees of ₹ 1,00,000/- for each meeting of the Board and Audit Committee, and ₹ 50,000/- for each meeting of other Committees attended by the Director, as approved by the Board within the overall limits prescribed under the Act;

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

(iii) Reimbursement of traveling and other related expenses incurred by the 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 6: 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)**	Total
Madhur Bajaj	5,00,000	6,00,000	11,00,000
Harsh Vardhan Goenka	4,50,000	4,00,000	8,50,000
Ashok Jalan	15,50,000	11,00,000	26,50,000
Dr. Rajendra Prasad Singh	5,50,000	6,00,000	11,50,000
Dr. (Smt.) Indu Shahani	11,00,000	6,00,000	17,00,000
Anuj Poddar	9,50,000	5,00,000	14,50,000
Siddharth Mehta	4,50,000	6,00,000	10,50,000
Vishnubhai Haribhakti*	4,50,000	11,00,000	15,50,000

** Resigned from directorship w.e.f. August 4, 2017.*

*** Commission relates to FY 2016-17 which was paid during the financial year under review. Commission for FY 2017-18 has been provided as payable to NEDs in the accounts for the year ended March 31, 2018, based on the number of meetings of the Board and Audit Committee attended by them.*

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 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 Director 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 2017-18, the Company did not advance any loans to any of the directors.

Details of remuneration paid/payable to directors during FY 2017-18 are provided in the Annexure to the Directors' Report in 'Form MGT–9'.

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

Remuneration of Key Managerial Personnel and other employees 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.

CODE OF BUSINESS CONDUCT & ETHICS

The Board has laid down Code of Business Conduct & Ethics ("Code"), which is applicable to the Members of the Board and to all employees. The Code has been posted on the Company's website: www.bajajelectricals.com. All Board Members and Senior Management personnel of the Company have affirmed compliance with the Code. A declaration signed by Chairman & Managing Director and CEO on the same is given below:

To the Members of Bajaj Electricals Limited

Sub: Compliance with Code of Business Conduct & Ethics

I, Shekhar Bajaj, Chairman & Managing Director and CEO of Bajaj Electricals Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Business Conduct & Ethics for the year ended March 31, 2018.

Shekhar Bajaj
Chairman & Managing Director and CEO
DIN: 00089358

Mumbai
May 23, 2018

CEO AND CFO CERTIFICATION

Certificate issued by Shri Shekhar Bajaj, Chairman & Managing Director and CEO and Shri Anant Purandare, President & Chief Financial Officer of the Company, for the financial year under review, was placed before the Board at its meeting held on May 23, 2018, in terms of Regulation 17(8) of the Listing Regulations and the said certificate is contained in this Annual Report. The Chairman & Managing Director and CEO and Chief Financial Officer also gave quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

COMPLIANCE CERTIFICATE OF THE AUDITORS

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

SUBSIDIARIES

The Company has no subsidiary as on March 31, 2018. 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 in its meeting held on July 31, 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.

RELATED PARTY TRANSACTIONS

During FY 2017-18, there were no materially significant transactions entered into between the Company and its Promoters, Directors or the management, holding company, subsidiaries or relatives that may have potential conflict with the interests of the Company at large. Further, details of related party transactions form part of notes to the standalone accounts of the Annual Report.

The Policy on materiality of and dealing with the related party transactions as approved by the Audit Committee and the Board is available on the website of the Company: 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. In light of these provisions, the Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

DETAILS OF NON-COMPLIANCE RELATING TO CAPITAL MARKETS

The Company has complied with all the requirements of regulatory authorities with respect to capital markets. There were no instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets during the year under review.

CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company has adopted a comprehensive Code of Conduct for prevention of insider trading for its Directors & designated persons. The Code lays down guidelines, through which it advises the designated persons or Directors on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations. In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and '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 and are being adhered to with effect from May 15, 2015.

DIVIDEND DISTRIBUTION POLICY

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

PROCEEDS FROM PUBLIC ISSUES

During the year under review, the Company has not raised any proceeds from public issue, right issue or preferential issue.

UNCLAIMED SHARES

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

Table 7: Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows:

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

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

UNCLAIMED DIVIDENDS

Unclaimed dividends up to 1994-95 have been transferred to the general revenue account of the Central Government. Those who have not encashed their dividend warrants for the period prior to and including 1994-95 are requested to claim the same from Registrar of Companies, Maharashtra, Mumbai.

As per the erstwhile Section 205-C of the Companies Act, 1956, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called the Investor Education and Protection Fund ("Fund/IEPF") set up by the Central Government. Accordingly, the unpaid/unclaimed dividends for the years 1995-96 to 2008-09 were transferred by the Company to the said Fund in the respective years 2003 to 2016.

The Ministry of Corporate Affairs (MCA) notified September 7, 2016 as the commencement date for Section 124 and few sub-sections of Section 125 of the Act and also notified the new Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules, 2016"), outlining the detailed procedure for implementation regarding the Fund and Authority under the Companies Act, 2013. Accordingly, the unpaid/unclaimed dividend for the year 2009-10 was transferred to the Fund in September 2017.

As previously provided under the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 and now under the IEPF Rules, 2016, the Company filed the necessary particulars of all the unclaimed amounts through e-form IEPF-2 with MCA on October 31, 2017 for the financial year ended March 31, 2017 and the details of unpaid and unclaimed dividends for the financial years 2009-10 to 2016-17 were uploaded on the Company's website: www.bajajelectricals.com.

Unpaid/unclaimed dividend for the financial year 2010-11 shall become due for transfer to the Fund in August 2018. Members are requested to verify their records and send their claim, if any, for the financial year 2010-11, before the amount becomes due for transfer to the Fund. Communication has been sent to the members, who have not yet claimed dividend for the financial year 2010-11, requesting them to claim the same as well as unpaid dividends, if any, for the subsequent years.

TRANSFER OF SHARES TO IEPF

As informed in the previous year, under Section 124(6) of the Act, as amended, there has been a further provision that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

Accordingly, in due compliance of the provisions of Rule 6(3) of the IEPF Rules, 2016, the Company sent individual letters through Speed Post to such shareholders, whose dividend for a consecutive period of seven years had remained unpaid / unclaimed, requesting them to claim the amount of unpaid / unclaimed dividend.

Further, as mandated by the Rules aforesaid, Public Notices were also released in the newspapers on December 3, 2016, May 6, 2017 and June 26, 2017 and the particulars of shares liable to be transferred to IEPF Suspense Account, were made available on the website of the Company viz. www.bajajelectricals.com.

MCA vide its notification dated February 28, 2017 amended the IEPF Rules, 2016 called as the Investor

Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 (IEPF Amendment Rules, 2017), prescribing certain modified procedure for the activities under the IEPF Rules, 2016. Further, after a series of other changes, MCA by circular dated October 13, 2017, fixed a fresh due date for transfer of shares whose dividend has remained unpaid or unclaimed for seven consecutive years or more as on October 31, 2017.

In view of the same, during the year under review, the Company transferred 225680 equity shares of ₹2 each in respect of 195 shareholders to the Demat Account of the IEPF Authority held with NSDL and filed necessary e-Form IEPF-4 with MCA on December 18, 2017. Details of such shareholders, whose shares are transferred to IEPF and their unpaid dividends for the subsequent years are available to the concerned shareholders on the website of the Company: www.bajajelectricals.com.

As provided under these Rules, the shareholder shall be allowed to claim such unpaid dividends and shares transferred to the funds by following the required procedure under the said IEPF Rules, 2016 and IEPF Amendment Rules, 2017, which are available on the Company's website: www.bajajelectricals.com.

Shareholders are requested to get in touch with the Company Secretary and Compliance Officer for further details on the subject at legal@bajajelectricals.com.

Table 8: Details of unclaimed dividends as on March 31, 2018 are as under:

FY	Dividend Type	Amount of Dividend (₹)	Dividend Unclaimed (₹)	Unclaimed (₹)	Due date for transfer to IEPF
2010-11	Final	27,88,02,930.00	13,67,326.80	0.49	August 27, 2018
2011-12	Final	27,90,75,454.00	11,97,025.20	0.43	August 25, 2019
2012-13	Final	19,95,10,662.00	8,33,804.00	0.42	September 5, 2020
2013-14	Final	15,04,09,971.00	8,84,665.50	0.59	August 30, 2021
2014-15	Final	15,12,20,994.00	9,77,457.00	0.65	September 5, 2022
2015-16	Interim	28,26,57,132.80	18,55,576.80	0.66	April 9, 2023
2016-17	Final	28,39,49,892.80	17,75,096.40	0.63	September 2, 2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has been attached as a separate chapter and forms part of this Annual Report.

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.

RISK MANAGEMENT FRAMEWORK

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

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM, WHISTLE BLOWER POLICY, ETC.

Please refer to Para 'Whistle Blower Policy & Vigil Mechanism' of the Directors' Report which forms part of this Annual Report.

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 undertakes 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.

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 financial statements for the year under review.

iii. **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 2017-18.

iv. **Compliance of discretionary requirements specified under Regulation 27 of the Listing Regulations**
The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

As regards the discretionary requirements, there is no modified audit opinion in the Company's financial statements. The Company continues to adopt best practices to ensure that its financial statements remained with unmodified audit opinion. Further, the Internal Auditors do report to the Audit Committee of the Board of the Company.

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.bajajelectricals.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 financial 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.bajajelectricals.com contains a separate dedicated section 'Investor Relations' where shareholders information is available.

Amongst others, the Company also uploads 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 the National Stock Exchange of India Limited (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 is a web based application designed by BSE Limited (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.

GENERAL SHAREHOLDER INFORMATION

(a) Company Information

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. 79th AGM:

Day, date, time and venue	Thursday, the August 9, 2018 at 12.00 noon at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021
Last date for receipt of proxy forms	Tuesday, the August 7, 2018 (before 12.00 noon at the Registered Office of the Company)
Book closure dates	Saturday, August 4, 2018 to Thursday, August 9, 2018 (both days inclusive)

ii. Previous three AGMs:

AGM	FY	Day, Date & Time of AGM	Venue of Meeting
76th AGM	2014-15	Thursday, August 6, 2015 at 12.30 p.m.	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021
77th AGM	2015-16	Thursday, August 4, 2016 at 11.00 a.m.	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020
78th AGM	2016-17	Thursday, August 3, 2017 at 11.30 a.m.	

iii. Details of Extraordinary General Meeting (EGM)/ Court Conveyed Meetings held during past three years and Special Resolutions passed:

No EGM/Court or Tribunal Conveyed Meeting was held during past three years.

No special resolution was passed at 76th & 77th AGM.

At 78th AGM, the approval of the shareholders was obtained by way of special resolution for issue of Redeemable Non-Convertible Debentures on private placement basis.

iv. Details of special resolution(s) passed through postal ballot during the year:

During the year under review, no Special Resolution requiring a Postal Ballot was passed. Further, none of the business proposed to be transacted in the 79th AGM require passing a special resolution through postal ballot.

(c) Financial calendar: Financial Year – 1 April to 31 March.

The tentative dates of Board Meetings for consideration of financial results for FY 2018-19 are as follows:

Q1 Results	2nd week of August 2018
Q2 and Half Yearly Results	1st week of November 2018
Q3 Results	2nd week of February 2019
Q4 and Annual Results	Last week of May 2019

The Board Meetings for approval of financial results during the year ended March 31, 2018 were held on the following dates:

Q1 Results	August 3, 2017
Q2 and Half Yearly Results	November 9, 2017
Q3 Results	February 8, 2018
Q4 and Annual Results	May 23, 2018

(d) Dividend, Dividend payment date & mode of payment

i. Dividend:

The Board of the Company has proposed a dividend of ₹ 3.50 per equity share (175 per cent) for FY 2017-18, subject to approval by the shareholders at the 79th AGM. Dividend paid in the previous year was ₹ 2.80 per equity share (140 per cent).

ii. Dividend payment date:

Dividend on equity shares, if declared at the 79th AGM, will be credited/dispatched within 30 days from August 9, 2018:-

a) to all those beneficial owners holding shares in electronic form, as per the ownership data made available to the Company by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, August 3, 2018; and

b) to all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company/Registrar & Share Transfer Agents on or before the close of business hours on Friday, August 3, 2018.

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 ("Share Transfer Agent") 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 Share Transfer Agent/depository participants, as the case may be.

(e) Listing on stock exchanges & stock code

Shares of the Company are currently listed on the following stock exchanges:

Name	Address	Stock Code
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	500031
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 2018-19, the Company has paid annual listing fees to both the stock exchanges and annual custody/issuer fees to both the depositories.

(f) 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.

(g) 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.

(h) Secretarial Audit as per the Act

Pursuant to the provisions of Section 204(1) of the Act, Messrs Anant B. Khamankar & Co., Company Secretaries, conducts the secretarial audit of the compliance of applicable statutory provisions and the adherence of good corporate practices by the Company.

(i) Market Price Data

Table 9: Monthly high and low prices and trading volumes of the Company's equity shares at BSE and NSE during FY 2017-18:

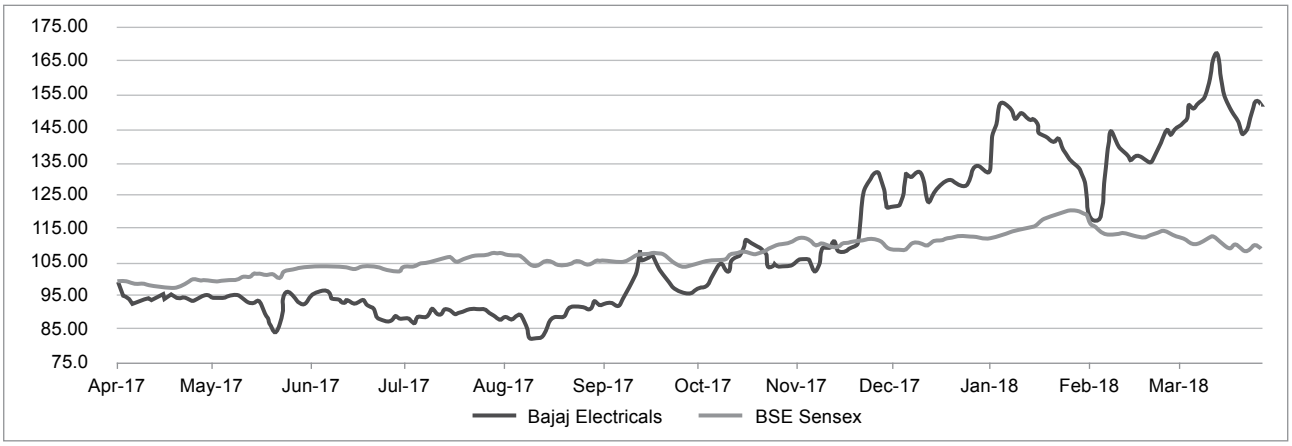
Month	BSE			NSE		
	High (₹)	Low (₹)	No. of shares traded	High (₹)	Low (₹)	No. of shares traded
Apr 2017	387.85	312.80	2118332	387.40	312.00	11803193
May 2017	363.75	296.65	1132054	363.70	297.40	5859850
Jun 2017	367.00	321.00	1321617	367.00	321.10	4119918
Jul 2017	353.75	320.10	1248307	354.00	319.65	3086692
Aug 2017	353.85	294.50	687003	353.90	295.20	4037905
Sep 2017	411.45	339.05	1422685	411.60	337.35	8331279
Oct 2017	428.85	351.70	1194737	428.45	352.50	8523354
Nov 2017	500.80	361.45	1395678	501.50	361.40	10027932
Dec 2017	503.75	442.10	3205623	503.80	442.25	9076524
Jan 2018	584.80	477.00	1097159	584.70	476.20	10013290
Feb 2018	556.55	403.00	1248263	556.65	400.00	10574273
Mar 2018	634.35	514.25	3952590	634.40	513.00	13039917

(Source: BSE and NSE Websites)

Table 10: Performance in comparison to BSE Sensex, NSE Nifty and BSE 500 Index:

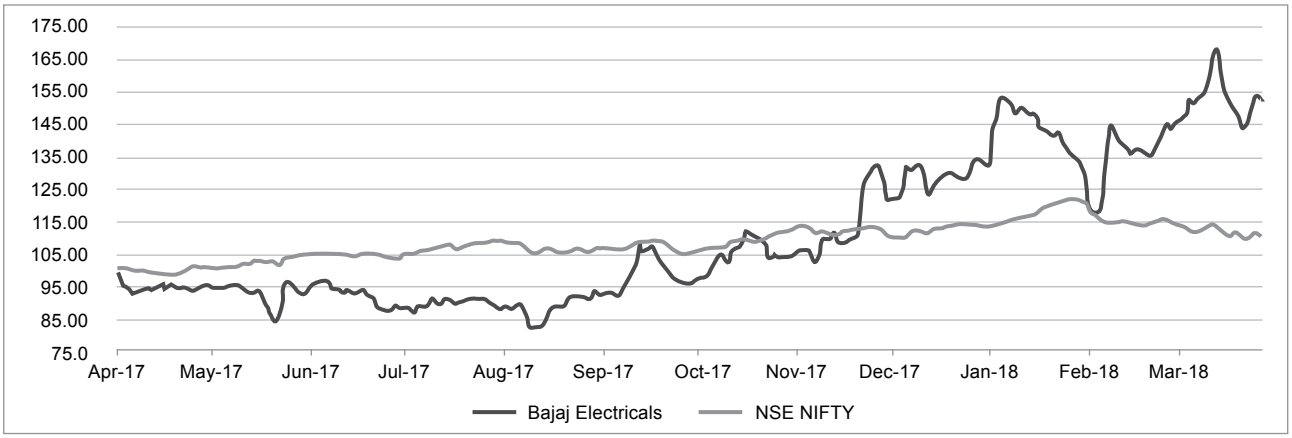
Month	Company's Closing Price on NSE on the last trading day of month (₹)	BSE Sensex at the Close of last trading day of the month (₹)	NSE Nifty at the Close of last trading day of the month (₹)	BSE 500 Index at the Close of last trading day of the month (₹)
Apr 2017	351.80	29,918.40	9,304.05	12,979.20
May 2017	342.05	31,145.80	9,621.25	13,199.20
Jun 2017	326.75	30,921.61	9,520.90	13,178.50
Jul 2017	327.70	32,514.94	10,077.10	13,897.20
Aug 2017	348.10	31,730.49	9,917.90	13,762.10
Sep 2017	353.05	31,283.72	9,788.60	13,610.70
Oct 2017	388.00	33,213.13	10,335.30	14,485.60
Nov 2017	467.00	33,149.35	10,226.55	14,493.60
Dec 2017	497.70	34,056.83	10,530.70	15,002.70
Jan 2018	488.10	35,965.02	11,027.70	15,347.20
Feb 2018	527.55	34,184.04	10,492.85	14,670.50
Mar 2018	564.10	32,968.68	10,113.70	14,125.50

The Company's Share Price Performance versus BSE Sensex:



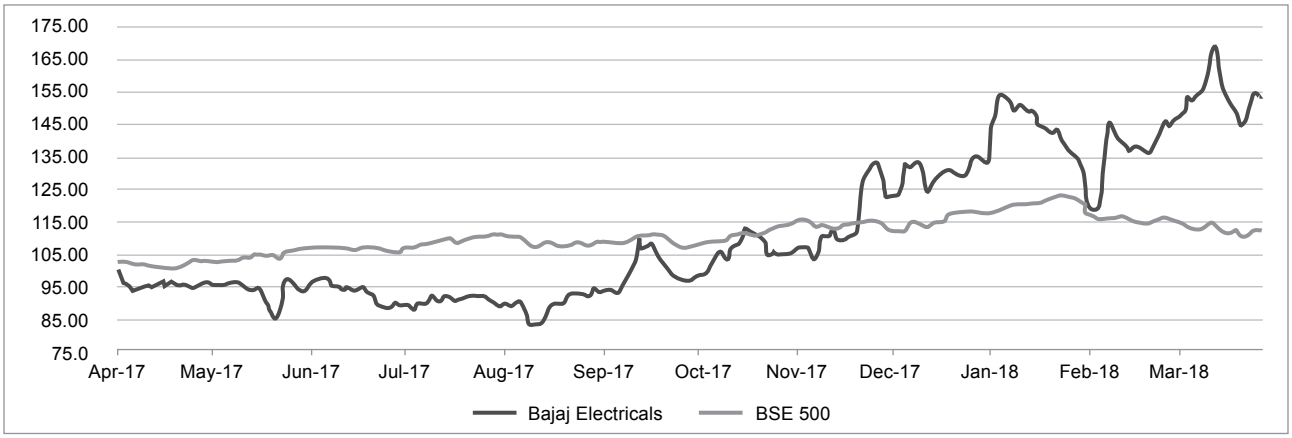
Note: Share price of the Company and BSE Sensex have been indexed to 100 on April 1, 2017.

The Company's Share Price Performance versus NSE Nifty:



Note: Share price of the Company and NSE Nifty have been indexed to 100 on April 1, 2017.

The Company's Share Price Performance versus BSE 500:



Note: Share price of the Company and BSE 500 have been indexed to 100 on April 1, 2017.

(j) Distribution of shareholding

Table 11: Distribution of shareholding across categories:

Categories	March 31, 2018		March 31, 2017	
	No. of shares	% of total capital	No. of shares	% of total capital
Promoters	64218485	62.94	64218485	63.40
Individuals (including HUF)	15074132	14.77	16129769	15.93
Foreign Institutional Investors	9919647	9.72	7646921	7.55
Mutual Funds	5476013	5.37	6829057	6.74
Indian Bodies Corporates	3814257	3.74	3099246	3.06
Trusts	1896718	1.86	1895505	1.87
NRIs and OCBs	952943	0.93	980582	0.97
Central Govt.	225680	0.22	-	-
Clearing Members	185307	0.18	385641	0.38
Alternate Investment Funds	180000	0.18	-	-
Nationalised and other banks and Financial Institutions	51719	0.05	62370	0.06
Foreign Nationals	42600	0.04	42600	0.04
Total	**102037501**	**100.00**	**101290176**	**100.00**

Table 12: Distribution of shareholding according to size category as on March 31, 2018:

Categories	No. of folios	% to total shareholders	No. of shares	% to total shares
1 to 500	27497	88.47	2335012	2.29
501 to 1000	1365	4.39	1066801	1.05
1001 to 2000	829	2.67	1254427	1.23
2001 to 3000	398	1.28	1015484	1.00
3001 to 4000	211	0.68	759638	0.74
4001 to 5000	139	0.45	647782	0.63
5001 to 10000	272	0.87	1998945	1.96
10001 and above	370	1.19	92959412	91.10
Total	**31081**	**100.00**	**102037501**	**100.00**

(k) Dematerialisation of shares and liquidity

As on March 31, 2018, 99953845 (97.96%) equity shares of the Company were held in dematerialised form, compared to 98923975 (97.86%) equity shares as on March 31, 2017. Shares held in physical and electronic mode as on March 31, 2018 are given in Table 13 herein below.

Table 13: Shares held in physical and electronic mode:

	Position as on March 31, 2018		Position as on March 31, 2017		Net change during FY 2017-18	
	No. of shares	% of total shareholding	No. of shares	% of total shareholding	No. of shares	% of total shareholding
Physical (A)	**2083656**	**2.04**	**2366201**	**2.34**	**(282545)**	**(0.30)**
Demat (B)	**99953845**	**97.96**	**98923975**	**97.86**	**1029870**	**0.10**
NSDL	97124680	95.19	96069742	94.84	1054938	0.35
CDSL	2829165	2.77	2854233	2.82	(25068)	(0.05)
Total (A) + (B)	**102037501**	**100.00**	**101290176**	**100.00**	**747325**	**-**

(l) Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

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

(n) Investor Grievances: The Company has designated an e-mail id viz. legal@bajajelectricals.com to enable investors to register their complaints, if any. The Company strives to reply to the complaints within a period of 3 working days.

(o) Listing of Debt Securities: Please refer to Para 'Non-Convertible Debentures' Report which forms part of this Annual Report.

(p) 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
Website: www.axistrustee.com

(q) 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

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

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

1. The accompanying Corporate Governance Report prepared by Bajaj Electricals Limited (hereinafter the 'Company'), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include
   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Directors Register as on March 31, 2018 and verified that at least one women director was on the Board during the year;
   iv. Obtained and read the minutes of the following committee meetings held from April 1, 2017 to March 31, 2018:
      (a) Board of Directors meetings;
      (b) Audit committee meetings;
      (c) Annual General meeting;
      (d) Nomination and Remuneration Committee meetings;

(e) Stakeholders Relationship Committee meetings;

(f) Independent directors meeting; and

(g) Corporate Social Responsibility committee meetings

v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

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

OPINION

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

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

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

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 CEO; and CFO 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 March 31, 2018 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 Senior Management Personnel have confirmed compliance with the Company's Code of Business Conduct & Ethics for the year covered by this report.

	Shekhar Bajaj	Anant Purandare
Mumbai, May 23, 2018	Chairman & Managing Director and CEO	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 the financial year (FY) 2017-18, financial statements of which have been prepared in compliance with 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

The year 2017 witnessed remarkable rebound in global trade led by investment recovery in advanced economies, continued strong growth in emerging Asia, upswing in emerging Europe, and signs of recovery in several commodity exporters. All these factors together led to 3.8% growth in world output, the strongest since 2011.

Advanced Economies (AE) grew 2.3% in 2017 versus 1.7% in 2016 primarily driven by strong pick up in investment spending. Led by strengthening private investment, United States (US) witnessed 2.3% growth in 2017 versus 1.5% in 2016. The Euro area witnessed 2.3% growth in 2017 versus 1.8% in 2016, aided by policy stimulus and strengthening global demand.

Emerging Market and Developing Economies (EMDE) grew 4.8% in 2017 as against 4.4% in 2016 primarily from acceleration in private consumption. Growth in net exports led to robust growth in China. India's growth was led by strong private consumption. Argentina, Brazil, Nigeria and the Russian Federation saw cyclical improvements.

World economic output

	2016	2017E	2018P	2019P
World output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
EMDEs	4.4	4.7	4.9	5.0

(Source: IMF)

As per IMF, global growth is expected to pick upto 3.9% both in 2018 and 2019. The pick-up in growth is likely to be aided by strong momentum, favourable market sentiment, accommodative financial conditions, and expansionary fiscal policy in US. The expansionary fiscal policy is expected to drive the US economy above full employment. Growth in EMDEs is expected to continue on strong footing led by emerging Asia and Europe and a modest upswing in commodity exporters.

Though the risks to growth predictions are broadly balanced, some risks that hover growth include increasing US unilateralism in trade, high inflation in US, geopolitical strains, debate on Eurozone reforms, political discord, and climate shocks. A few geopolitical risks include containment of a nuclear North Korea, deepening collaboration between Russia and China, a hard-line US policy against Iran, US-North Korea summit and persistent populism in Latin America.

(Source: IMF World Economic Outlook, April 2018)

On the domestic front, despite the prevailing after effects of demonetisation and the implementation of Goods & Services Tax (GST), India continued to be the fastest growing economy. In FY 2017-18, India's GDP at constant prices is expected to grow by 6.6% as compared to 7.1% in the previous year, as per second advanced estimates issued by the Central Statistics Organisation (CSO). Acceleration in manufacturing, rising corporate sales growth, a pick-up in capacity utilisation, strong activity in the services sector and a record agricultural harvest helped to boost growth.

In the long term, GST is expected to benefit economic activity and fiscal sustainability by reducing the cost of complying with multiple state tax systems, drawing informal activity into the formal sector, and expanding the tax base. The Insolvency and Bankruptcy Code aims at achieving insolvency resolution in a time bound manner. The recent recapitalisation package for public sector banks is aimed at supporting banks to tackle balance sheet related issues, support credit to the private sector, and boost overall investments.

India's Current Account Deficit (CAD) in third quarter of FY 2017-18 grew to 2% of GDP versus 0.7% seen in FY 2016-17.

India's GDP growth rate in % at Constant (FY12) prices

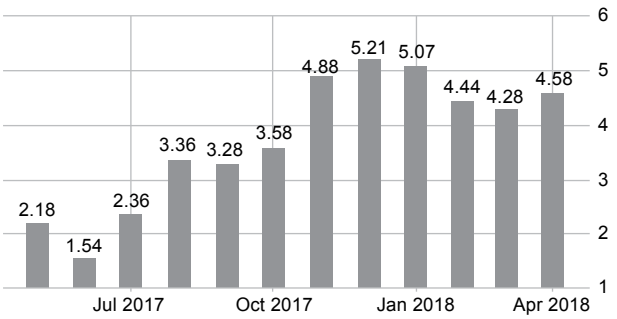
2012-13	5.4
2013-14	6.1
2014-15 (3rd RE)	7.2
2015-16 (2nd RE)	8.1
2016-17 (1st RE)	7.1
2017-18 (2nd AE)	6.4
2018-19*	7.4
2019-20*	7.8

*RE: Revised Estimates; AE Advanced Estimates; * Projections (Source: Central Statistics Office, IMF)*

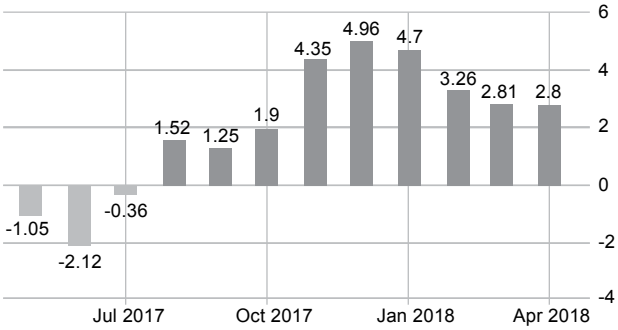
India's Current Account Deficit (CAD) in the third quarter of FY 2017-18 grew to 2% of GDP versus 0.7% seen in FY 2016-17. The rise in CAD is attributable to more than 2x increase in crude oil prices in first half of 2018 from around US$30 per barrel in early 2016. Going ahead, CAD is estimated to remain modest and financed by robust foreign direct investment (FDI) inflows as India remains among the top investment destinations due to its sheer market size and rapid economic growth. Inward FDI flows already increased to a record high of an estimated US$ 45 billion in 2017. Japan, US, UK, and Singapore consistently serve as large sources of FDI for India.

The month of March 2018 witnessed the drop of retail inflation to a five-month low of 4.28%, though it was still above Reserve Bank of India's (RBI) medium-term target. Barring a cut of 25 basis points in August 2017, rates were largely maintained throughout FY 2017-18. A jump in global crude oil prices, India's costliest import, over estimated Government expenditure and a sharp weakening in the rupee are keeping inflation above RBI's target of below 4%.

India Inflation Rate



India Food Inflation



(Source: https://tradingeconomics.com/india)

Indian Banks are grappling with the issue of rising Non-Performing Assets (NPAs). As on March 2018, Indian banks' total gross NPAs stood at ₹9 lakh crore of which, over 90% was with state-run banks. While the RBI is tightening the strap over banks, the newly-adopted Insolvency and Bankruptcy (Code) is expected to be an effective tool in dealing with these NPAs.

India's massive leap in the Ease of Doing Business rankings from 130th rank in 2017 to 100th in 2018 reflects the country's commitment to long-term reforms and its stronghold on the global front. The economy could receive boost in terms of job creation and investment revival, due to large-scale government driven infrastructure programmes spanning sectors such as real estate, ports, roads and power.

In its Union Budget 2018-19, the government allocated ₹5.97 lakh crore for the development of infrastructure facilities. Initiatives such as 'Housing for all', 'Atal Mission for Rejuvenation and Urban Transformation' and 'Smart Cities' mission are likely to play a vital role in transforming India's urban and rural infrastructure. The government is focussing on achieving 175 GW renewable energy and further improving the power scenario in rural areas through its 'Deendayal Upadhyaya Gram Jyoti Yojana' (DDUGJY). In the field of digitisation, India connected 100,000 gram panchayats through high speed optical fibre network under phase-I of the Bharat Net project and enabled broadband access to over 20 crore Indians living in about 250,000 villages.

As per IMF, India is poised to remain as the fastest growing economy in the world, with 7.4% growth in 2018 and 7.8% in 2019. Indian GDP is expected to reach US$5 trillion

by 2025 as the economic reforms adopted in the last few years start to bear fruits. The World Bank expects Indian economic recovery to lift growth in South Asia region making it the world's fastest growing region.

Goods and Service Tax

The Goods and Service Tax which came into effect on July 1, 2017, is a significant reform in the history of indirect taxation in India. GST is expected to be a modern, transparent and technology-driven indirect tax system to sharpen the competitive edge of the economy which was earlier bogged down by internal trade barriers and a raft of central, state and local taxes. GST subsumed 17 central, state and local taxes in line with the "one nation, one market, one tax" concept on which it was based. The new regime had tax slabs for goods and services—5%, 12%, 18% and 28%. The GST had different impacts on different sectors and companies based on the taxes that they were earlier paying. However, GST is expected to formalise the economy as it encourages the informal players to get integrated into the formal one by way of tax rebates to registered assessees.

The consumer durables sector was earlier attracting tax rate in the 7-28% range depending on rebates the specific players earned. Under GST it was placed under the 28% bracket having an almost neutral to slightly negative impact. GST is expected to benefit companies by narrowing the price gap between organised & unorganised players and reducing logistics costs. These, in turn, GST will improve the operational profitability of large organised players. For the Company, GST led to some positive impact on profitability of Consumer Products division on account of the inventory due to which it earned certain amount of credit. Overall the end consumer price is not expected to be impacted due to GST implementation for the Company. On the EPC division, the Company had to make certain provision on account of GST which impacted margins by 4% in the second quarter of FY 2017-18.

COMPANY OVERVIEW

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 luminaires business.

To achieve higher economies of scale, improve synergies and expand its reach, the Company had in the last financial year merged its four erstwhile consumer facing businesses—Kitchen Appliances, Domestic Appliances, Fans and Lighting into one.

The Company recorded steady performance in FY 2017-18 despite some challenges faced due to demonetisation effect, fall in demand of CFL and adjustments as per Ind AS. Though there was some drop in sales, margin growth was better led by effective procurement and increased sales realisation.

The year was marked as the second consecutive year of good monsoons, healthy farm produce and higher MSPs, these factors led to improved sentiments in rural India. A slew of Government initiatives like rural electrification, Make in India, continued farm loan waiver, reliable power supply and Skill India have helped increase disposable incomes which led to robust demand in rural and semi-urban areas. Robust performance on GDP with sustained low inflation levels have helped keep demand of consumer durables high with shorter replacement cycles.

The year under review continued to be bogged down by challenging business environment led by confusion caused by GST implementation especially in fixed price contracts and subdued private investment. The Company's Engineering, Procurement and Construction (EPC) business witnessed robust growth in its order book and scheduled execution of projects owing to strong foothold in certain spheres and strong management team.

Overview of the Company's financial performance

In FY 2017-18, the Company saw successful implementation of its renewed strategy with its dealer inventory programme rollout moving towards completion. Though the top-line performance was slightly tamed in both the business segments, the future looks promising with strong order book in EPC segment and strong plans of SKU ramp up in Consumer Products segment. Bottom-line was slightly impacted due to Ind AS adjustments in EPC segment.

Profit & Loss Statement Analysis

- Revenue from operations increased to ₹4,716.39 crore from ₹4,298.26 crore, up 9.73% YoY for FY 2017-18, on account of increase in EPC sales from ₹1,983.33 crore to ₹2,487.56 crore, up 25.42% YoY.
- EBITDA increased to ₹346.64 crore from ₹278.35 crore, up 24.53% YoY for FY 2017-18. EBITDA margin increased to 7.35% of net sales from 6.48%, up 87

basis points YoY. The margin increase is on account of improved sales and robust cost containment measures.

- Depreciation and amortisation expense came at ₹33.94 crore from ₹29.87 crore, up 13.64% YoY for FY 2017-18.
- Finance Cost decreased to ₹58.86 crore in FY 2017-18 from ₹80.44 crore in the previous year. Finance Costs to Net Sales ratio decreased to 1.25% as against 1.87% in FY 2016-17.
- PBT (before exceptional items) came at ₹253.83 crore for FY 2017-18, from ₹168.04 crore in the previous year, marking an increase of 51.05%.
- Net Profit came at ₹83.62 crore for FY 2017-18, from ₹107.66 crore in the previous year, marking a decrease of 22.33%.
- Earnings per share (Basic) came at ₹8.23 for FY 2017-18, from ₹10.65 in FY 2016-17.

Balance Sheet Analysis

- Net Worth increased to ₹944.75 crore in FY 2017-18 from ₹871.50 crore in FY 2016-17. Equity Share Capital increased to ₹20.41 crore in FY 2017-18 from ₹20.26 crore in FY 2016-17, whereas, Reserves and Surplus increased to ₹924.13 crore in FY 2017-18 from ₹851.24 crore in FY 2016-17.
- Book Value per share increased to ₹92.59 in FY 2017-18, from ₹86.04 in FY 2016-17.
- Borrowings increased to ₹723.10 crore in FY 2017-18 from ₹646.56 crore in FY 2016-17. Debt-Equity ratio stood at 0.76 times.
- Fixed Assets increased to ₹322.17 crore in FY 2017-18 from ₹317.91 crore in FY 2016-17.
- Return on Equity came at 9.28% in FY 2017-18 as compared to 12.09% in FY 2016-17.

Outlook

Monsoon revival and end of the global food price deflation have ushered stability in rural India. Stabilisation of GST coupled with signs of improvement in broad consumer sentiment, availability of more employment, rollout of initiatives like Phased Manufacturing Program, formalisation of the economy, expectations of a good monsoon, steps to double farm income by 2022 provide a strong ground for revival of growth in Consumer Products segment. With the transition from the Push driven to the Pull driven distribution model nearing completion, the Company is ready for the next leg of growth strategy which encompasses launch of new products and capacity expansion leveraging its dealer inventory program.

Industrial activity has been aggregating for some time. Backed by support from core sector growth and higher Government spends, EPC segment performance is likely to look up given a strong order book in place and possibility of expanding footprint in newer regions with strong market discipline.

OPERATIONS

CUSTOMER FACING BUSINESSES

Industry Overview

Demand for consumer durables in India has been growing on the back of rising rural incomes, increasing urbanisation, a growing middle class and changing lifestyles. Boost in discretionary income and easy financing schemes have led to shortened product replacement cycles and evolving life styles where durables which were earlier considered luxury have now become utility. Growing awareness and easier accessibility have driven the market growth especially in rural and semi-urban areas.

Consumer durables market in India reached US$ 15.45 billion in 2017 and expected to reach US$ 20.6 billion by 2020. By 2025, India is expected to up its ante in the consumer durables market in the world from 12th to 5th largest position. Demand growth is likely to accelerate with rising disposable incomes, easy access to credit, Government's strong thrust on electrification of rural areas and wide usability of online sales.

(Source: IBEF)

Consumer durable market is chiefly divided into 2 categories

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 & Camcorders	Electric Fans and Cleaning Equipment
Electronic Accessories	Microwave Ovens and Other Domestic Appliances

Consumer Appliances

Over the past few years, structural reforms and economic policies have resulted in a favourable business environment

Net Profit came at ₹ 83.62 crore for FY 2017-18, from ₹ 107.66 crore in the previous year, marking a decrease of 22.33%

giving a significant boost to domestic manufacturing. India's recent jump to 100th rank from 130th on the World Bank's Ease of Doing Business index highlights the government's concerted efforts.

The consumer appliances market was one of the fastest growing categories in India and experienced healthy growth in 2017. The majority of the demand for consumer appliances in India comes from urban India. A large booming market, increasing disposable income, easier access to financing options and improved rural electrification have supported growth in the sector. In FY 2017-18, growth was fuelled partly by the low base following demonetisation, a good monsoon, improving market sentiment after the implementation of GST, newer launches and increased consumer promotions.

While other growing economies have an ageing population, India's young population offers a large consumer market and a skilled global workforce. Due to rising labour costs in alternative markets such as China and large domestic demand, global companies are turning their attention towards India as the next manufacturing destination.
(Source: PWC)

Business Overview

The Company plays in the Indian consumer durables space in the kitchen and domestic appliances, fans and lighting solutions. The Company offers a wide spectrum of products under each category with unique price proposition and superior quality. With evolving consumer preferences the Company is working to create product differentiation leveraging its stronghold on technological advancement.

FY 2017-18 witnessed the successful roll out of Range and Reach Expansion Program (RREP) in 80% of the country. This translates to serving nearly 500 districts, 400 distributors catering to more than 144,000 retailers. Though this impacted the top-line growth to some extent, it will enable strengthening of distribution network and thereby sales in the coming years. RREP is also likely to reduce operating costs and help boost margins. With this success, the Company is well poised for steady growth in the coming years, as it continues to launch new products and invest in marketing channels of the future to connect with millennial.

The strengthening of distribution already showed positive results in the last quarter of FY 2017-18 with categories like irons, water heaters, fans, induction cookers, mixers and LED registering high double digit growth as compared to same period during last year. In domestic appliances, the Company gained market share through new product initiatives with wider and deeper distribution. In fans, the Company retained its significant position in both premium and economy categories.

The Company launched several offers based on the seasonality of the sub categories increasing end consumer purchase consideration. Within kitchen appliances, the Company maintained leadership in mixer grinders and its dominant place in juicer mixer grinders and food processors sub segments. In gas stoves, there was substantial value growth driven by a demand for high end offerings.

Catering to the premium segment through Morphy Richards

Morphy Richards of the UK is a leading premium home & kitchen appliances brand, present in India since 2002 through the Company, with its range of products available in over 22 categories.

The complete range of Morphy Richards products are available through a wide network of distributors and retailers across the country. These products are also available online. Morphy Richards offers free home service across the country to its customers and has a well-established Pan-India service network.

In FY 2017-18, Morphy Richards India consolidated its position by launching new products in Dry Iron, a new series in Oven Toaster Grillers, Microwave Oven and a refreshing color range hand blenders with DC motors. It also launched its stylish, premium luxury and cutting edge global products in the Indian market namely, 'Redefine', `Prism' and `Total Control'.

The business witnessed double digit growth during the year and there was robust traction through general trade and online channels.

Alternate Sales channels

In order to have market penetration, the Company caters to Model Format Retail (MFR) stores, institutions, Canteen Stores Department (CSD) and Central Police Canteens (CPC). The Company is also undertaking E-Commerce business through its website, and external portals like Amazon, Flipkart and Paytm.

Efficient After sales Services – Commitment to customers

The Company expanded its network of 418 authorised service centres in 298 cities, to 489 centres in 341 cities. All these centres provide timely service to consumers at their doorstep, even in remote and rural areas. The gamut

of after-sales service includes installation of products and demonstration besides repairs of products. The centres have 2,200 service engineers trained by the Company.

To ensure speedy response, the Company has provided a mobile application to all service engineers to attend consumer service requests online, at any time. All the information to measure their performance and effectiveness is collected to gauge the response time. Post call resolution, the Company takes feedback from consumers to continuously update the processes and enhance the quality of service delivery.

The Consumer Products segment reported the revenue of ₹2,228.46 crore in FY 2017-18 as against ₹2,314.21 crore in the previous financial year. The segment has recorded 3.71% de-growth this fiscal.

Opportunities

Rising demand for automation in household chores: With growing prevalence of working women and nuclear families the need for automation in household chores is on a speedy growth. With higher disposable incomes due to dual incomes, concept of modular kitchen and use of modern appliance is gaining traction. ACs, refrigerators, microwaves etc., are no longer the luxuries but have become necessity tools of survival for the modern day consumer.

Growing prevalence of social media: Having a lavish home is essential for the modern consumer to maintain social media status. Also with growing internet penetration, awareness on use of appliances and availability is gaining popularity. This has led to upgradation in the way modern households operate.

Housing for all: India's urban population as a percentage of total population was around 32.7% in 2015 and is expected to rise to 40% by 2030. Under the "Housing For All" scheme, 60 million houses are to be built which include 40 million in rural areas and 20 million in urban area by 2022. Government's plan to build 100 smart cities will further the cause of rural development. These factors bode well for the Company's consumer products segment.

Rising income levels: India's per capita income, a gauge for measuring living standard is expected to grow to ₹1,11,782 in FY 2017-18, up 8% as compared to the previous year. Disposable income in rural India has increased due to the direct cash transfer scheme. Total rural income, which is currently at around US$ 572 billion, is projected to reach US$ 1.8 trillion by FY 2020-21. India's rural per capita disposable income is estimated to increase at a CAGR of 4.4% to US$ 631 by 2020. As income levels rise there is an uptrend in share of domestic appliance market.

Growing demand for electronic appliances: By 2020, the electronics market in India is expected to increase to US$ 100 billion from US$ 28 billion in FY 2016-17. The production is expected to reach to US$ 104 billion by 2020.

With all these factors working in favour of the domestic appliances market, the Company is well positioned to tap on this growth. There is also growing prevalence of premium products led by growing middle class segment. This bodes well for the Company as it enjoys trademark user license agreement with Morphy Richards which enables it to sell the global range of consumer appliances in India. With growing exposure of consumers to the foreign world, the consumer's demand for similar products is on the rise and the Company can cater to this demand with products similar to those available in the European markets. The Company is also exploring opportunities to be able to export its Morphy Richards branded products.

Threats

Commodity price fluctuation: Volatility in price of raw materials can have a direct bearing on the Company's margin as the buyers are price sensitive and may react to price fluctuations. Thereby the Company closely monitors commodity price movements and plans procurement accordingly. It not only negotiates on the vendor end but also initiates price increases on the consumer end. Sometime, the Company absorbs price fluctuations to introduce premium variants which could generate better margins, these products compensates for bearing on low margin products.

Rising competitive intensity: Given the lucrative growth potential the consumer appliance segment portends, the sector attracts attention of new players coupled with rising intensity from existing players. Irrational pricing can sometimes play the spoilt in the industry margins. The Company tries to keep competition at bay by offering superior quality products at competitive prices. The Company also doles out attractive reward programmes for trade partners making it the brand of choice. Use of alternate sales channel catering to institution and malls, e-commerce and defence, and police canteens, enables the Company to fortify its position across channels.

Outlook

The Consumer Products segment is expected to foresee robust growth in the coming years reinforced by surging

rural consumption, reducing replacement cycles, increasing penetration of lifestyle appliances, availability of multiple brands at various price points and rapid rise in e-commerce. Rapidly shrinking replacement cycles sustain demand in urban areas while low penetration rates and increasing availability and usage of consumer durables have fuelled demand in rural areas. Income level disparity will lead to growth in the entire spectrum of product range. High Income groups will opt for advanced features, whereas, middle and low income groups which are price sensitive will continue to replenish older equipments.

ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC)

Power Sector

India's total installed power generation capacity at the end of FY 2017-18 was 344 GW. Thermal power capacity forms the lion's share at 64.8%, followed by renewable, hydro and nuclear constituting 20.1%, 13.2% and 2% respectively. Transmission lines of 23,119 Circuit Kilometres (ckms) were commissioned in FY 2017-18, over achieving the target of 23,086 ckms set for the year. In FY 2017-18, the transformation capacity was improved by 86,193 MVA, over achieving the target of 53,978 MVA set for the year. This translated to 5.35% increase in transmission capacity over the previous year.

(Source: Ministry of Power)

The government's push for structural reforms in the power sector will help to unbundle the vertically integrated state utilities. The focus is on improving the reliability and efficiency of the existing network, by investing in higher voltages such as 400 kV and 765 kV. The Government is also looking to expand the transmission network. The Government's investment of US$ 3.5 billion in the green energy corridor by FY 2021-22 and the proposed implementation of general network access would boost the prospects of the sector. However, slow state-level planning and right-of-way issues could drag down growth.

Falling costs have made renewable sources increasingly competitive with fossil fuels. India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, on the back of Government's strong focus on promoting renewable energy and timely implementation of projects. The government is supporting the use of renewable sources with a major thrust on solar energy. In FY 2017-18, India had a grid connected solar capacity of 21.65 GW. Having over-achieved the target of setting up solar power plants of 20 GW four years in advance, the Government scaled up the target to 100 GW to be achieved by 2022. This bodes well for companies operating in the transmission lines network. Also the Government is targeting all Indian Railways trains to become electric by 2022 creating further opportunities.

Lighting & Energy Efficiency Sector

The government is laying strong thrust on new energy efficiency measures to meet the unprecedented demand for electricity and to ensure energy security for sustainable economic growth. The World Bank has pegged India's energy efficiency market at ₹1.6 trillion by considering end-use energy efficiency opportunities, against the backdrop of the success of the Government's UJALA scheme and street light national programme. Since its inception in January 2015, more than 28 crore LED bulbs have been sold across the country resulting in energy savings of 36,545 million units (MUs) and avoiding peak demand of 7,317 MW.

The government's push promoting investments in energy efficient lighting technologies have expanded the applications of LED lights across various industrial, commercial and residential sectors. According to IMARC Group, the Indian LED Lighting market was worth US$ 1.5 billion in 2017, achieving a growth of 5% CAGR during 2010–2017. Due to their numerous advantages over conventional lighting technology, they have swiftly gained prominence in the Indian lighting market.

A rapidly growing automotive industry, increasing infrastructural investments, rapid growth of street lighting systems, decline in average prices of LEDs and various government and upcoming smart building projects are expected to drive the demand of LED lights in India.

Business Overview

a. **Transmission Line Towers (TLT)**

The division delivers EPC services in transmission lines upto 765 kV, EHV substations upto 220 kV & monopole-based transmission lines upto 400 kV. Hot-dip galvanised lattice towers & monopole structures are manufactured at the Company's own unit at Ranjangaon, near Pune.

The division provides the above mentioned services in all parts of the country. During FY 2017-18, transmission line & sub-station work was carried out at more than 25 sites in 14 states of India.

During the fiscal year, TLT division recorded a sale of ₹515 crore against the target of ₹600 crore, 86% achievement. The overall sales comprise ₹325 crore in material supply and ₹190 crore of site execution services.

Major achievements of TLT division:

- Successfully commissioned & handed-over 11 out of 15 lines in BSPTCL project. This contributed significantly to improving the power situation in Bihar.
- Successfully commissioned & handed-over 765 kV D/C Jabalpur Orai 02 & 03 line of PGCIL by resolving all bottlenecks such as severe ROW & other operational issues. This will help strengthen the national grid by inter-regional connection from Western Region to Northern Region.
- Successfully commissioned three 132 kV stations of MPPTCL along with associated lines. This will help strengthen the local distribution network.
- Successfully commissioned three 132 kV stations of OPPTCL along with associated lines. This will help strengthen the local irrigation system.
- Successfully commissioned first 220 kV substation along with associated transmission line for solar evacuation at Suwasra, Madhya Pradesh. This project will give a major boost to providing grid connectivity for a mega solar power project in that state.
- Received first 132 kV GIS order from West Bengal State Electricity Board.
- Bagged the first 132 kV export order for monopoles in Zambia.

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 the sub-transmission sector, i.e., 400 kV or below. Moreover, the transmission industry has an over-capacity and hence margins shall be under stress in that atmosphere. Therefore opportunities have to be sought in non-conventional areas such as transmission network laying associated with wind, solar power, etc. and also in new geographical areas which are now becoming good markets such as the North-eastern states.

The government is also encouraging private sector participation in the transmission sector through the TBCB (Tariff Based Competitive Bidding) route. Progressively, the working atmosphere may undergo considerable changes. There will be a shift from the government sector to the private sector which may be a risk for contracting agencies.

The division is also aggressively pursuing opportunities in monopoles and is executing the first order in the country of a 400 kV dedicated monopole line. Efforts are gradually fructifying into orders and it is expected that monopole-based transmission lines will become a rapidly growing sustainable business.

The division is strategically positioning itself to be an end-to-end solution provider in the power transmission sector including transmission lines on lattice structures, on monopole structures, EHV substations and EHV cabling.

Opportunities

Thrust on renewable sources: The government's recent drive to increase use of non-conventional renewable energy resources is opening up significant occasions for companies engaged in transmission line network. The Company finds itself in a sweet spot to bank on this opportunity given its immaculate performance in this segment.

Increasing private player participation: The Company is exploiting the Government's push to encourage private sector participation in transmission sector through TBCB route. The Company is bidding in monopoles, which it expects to grow substantially in the near future.

Risks

Overcapacity: Since the Government is over achieving its target of installing transmission lines it poses a risk of overcapacity which can impact profitability. The Company is on constant lookout for opportunities in underserved markets with a strong focus on renewable sources which is new and upcoming. The Company's strong track record of timely execution at competitive costs puts it in a strong competitive place.

b. Illumination EPC

The Company supplies high masts, street lighting poles and FRP decorative poles under its Illumination EPC division. Also special lighting projects such as power plants, stadiums and architectural lighting, etc. are undertaken by the Company. It undertakes end to end turnkey projects in lighting including conceptualising, designing, manufacturing, installing and commissioning.

Highmast lighting systems and lighting poles are the forte of the Company wherein it is the nationwide leader. The Company is ISO: 9001 certified for all activities of this division. Hot-dip galvanised

highmasts, poles and monopole structures are manufactured at the Company's Ranjangaon facility, near Pune (Maharashtra).

Through the Illumination EPC division, the Company also caters to international geographies. The highmast systems are exported to over 15 countries across Africa, Europe, Middle East Asia and South East Asia regions.

The Company has a strong order book of close to ₹189 crore for Illumination projects. In FY 2017-18, the Illumination EPC division sales came at ₹226.28 crore as against ₹240.32 crore in FY 2016-17 amidst challenging business environment.

Opportunities

Boost for infrastructure development: The Government is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport. In the Union Budget 2018-19 the Government allocated ₹5.97 lakh crore for the development of infrastructure with the highest ever budgetary allocation of ₹1.48 lakh crore for railways. Government's focus on smart city development and replacement of conventional systems with more energy savings options offers tremendous opportunities for the Company.

Push for industrial growth: Under its Make in India initiative, the government has been encouraging investment by both foreign and domestic manufacturers to set up bases in India. Recovery in capex cycle will create substantial demand for Illumination solutions. These factors will propel growth for the Company's Illumination division basis its strong business relationship with some India's leading business houses.

Threats

Unorganised sector competition: Backed by manufacturers of highmasts and poles, small time contractors qualify in tenders. This unorganised competition poses risk to Company's project order book since they quote significantly lower prices. The Company's high quality of product and services are its unique selling point giving it an edge over competition. Formalisation of the economy led by implementation of GST stands to help the organised players. Additionally, poor track record of small players who fail to execute orders on time and provide poor quality solutions prove disadvantageous for them.

Pricing risk: Lucrative growth of the sector has led to high competition with players operating on low margin to get business. By expanding its reach and maintaining high quality standards, the Company commands a premium amidst a highly competitive market. Robust order book provides some insulation from pricing pressure.

c. Luminaires

The Company undertakes designing and marketing of solutions for commercial lighting, industrial lighting, street lighting, area lighting, IBMS and renewable energy, under the Luminaires division. The Company has ISO 9000 certification for this division. Majority of the products under this division are manufactured in plants which are ISO 9000:2000 certified. Select plants are ISO 14001 certified which sets out the criteria for environmental management.

In FY 2017-18, the Luminaires division sales was at ₹420.55 crore as against ₹466.52 crore in FY 2016-17 led by strong demand. The Company won the "Smart Green Building Initiative Award 2017" and "FSAI Awards 2017 for Best Integrated Project India."

Opportunities

Strong Government push for energy efficient lighting solutions has led to increased demand for LED Luminaires with bright future prospects. The Company's significant position in the space puts it in an advantageous position to tap on the potential growth. Additional demand is likely to be driven by the Government's smart city initiative. To strengthen its position in bagging the smart city orders, for smart outdoor lighting solutions, the Company has tied up with CISCO and for IoT enabled lighting systems the Company has tied up with Gooee of UK.

The significant transition of a number of private businesses from conventional lighting to LED and automation provides additional growth opportunities for the Company. The Company's foray into lighting solutions with special features of dimming and controls puts it in a sweet spot.

Threats

The division faces intense competition and pricing pressures like most other businesses. The Company's strong brand equity coupled with proven execution track record gives it an edge over competition. Also the Company's relentless focus on delivering futuristic solutions further strengthens its position.

d. Power Distribution

The Power Distribution division of the Company has a strong order book to the magnitude of ₹2,782 crore. The Company is working with the Government under DDUGJY (Deendayal Updahyaya Gram Jyoti Yojana) and IPDS (Integrated Power Distribution Scheme). The focus for FY 2017-18 was to complete the projects.

There have been a slew of initiatives by the government to undertake distribution reforms with strong focus on upgrading system, reducing losses, controlling theft, orientation towards consumer service and supplying quality power. In addition, the Government is emphasising on development of smart grids. These initiatives work in favour of the Company's power distribution division.

The Company is working harder to ensure on timely project execution, efficient working capital management and safety of management sites. This persistent focus is likely to improve its profitability in the division.

Outlook for EPC division

The Company has successfully cleaned long lasting legacy issues in EPC business. The Company is currently well placed to tap the opportunities arising from the upcoming energy efficiency market and the renewable energy segment. The huge Government investments in infrastructure development are expected to give a boost to the sector.

A strong order book in the pipeline backed by an excellent product portfolio and a talented pool of engineers suggests that the Company is future ready to clock robust growth in EPC in FY 2018-19.

EXPORTS

FY 2017-18 was a challenging one, with international turmoil across the globe. The challenge for the Exports division came in the form of currency de/re-valuation, election and political instability in some countries. The division however, has achieved a growth of 36% with a CAGR of 21% clocking a turnover of ₹58 crore for the current financial year.

Some of the countries where the division has expanded its presence in both B2B and B2C are: Kenya, Indonesia, Mauritius, Jordan, Gambia, Zambia, Mozambique, Togo, Ethiopia, Qatar, Djibouti, Mauritania and Uganda.

The division has bagged some prestigious projects including:

- Last Mile Connectivity Project with Kenya Power Lighting Company (KPLC) in Kenya for Power Distribution.
- Transmission Line Project with ZESCO, Zambia for monopoles.
- Rural Electrification Project with Compagnie Energie Electrique du Togo (CEET), Togo.
- Supply of poles to Qatar General Electricity & Water Corporation (KAHRAMAA), Qatar.

The total value of the above projects put together is around US$ 27 million (around ₹175 crore) with the completion period between 18-24 months.

To strengthen the GCC Market, i.e. Gulf Co-operation Council, whose member states include The United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait and Yemen, the division has received G Mark Certification for a few of its products.

The division also participated in exhibitions and conferences across the globe, namely FIEE 2017 in Sao Paulo, Brazil, IFA 2017 at Messe Berlin, Germany, Trade Fair in Canton, China, WAPIC Conference and Exhibition, Lagos, Nigeria, Light + Building, Messe Frankfurt, Germany. It also conducted an LED lighting launch in Dubai and hosted dealers in Sri Lanka with an incentive trip to Kerala.

GREEN ENERGY- WIND ENERGY

FY 2017-18 witnessed an addition of 1,762 MW of wind power installation, the lowest in the preceding five years. This is attributable to transition from the Feed-in-Tariff (FiT) to the competitive bidding regime, multiple policy issues, and flat power demand. Currently the total wind energy capacity in India is 34,042 MW. This puts the industry in a comfortable position to achieve the government's 60 GW capacity target by 2022. The industry has a healthy order pipeline in view with 10-12 GW secured even before the start of FY 2018-19.

(Source: https://economictimes.indiatimes.com/industry/energy/power/india-to-achieve-60-gw-wind-capacity-before-2022-say-manufacturers/articleshow/63601220.cms, https://qz.com/1245556/indias-wind-power-sector-had-a-terrible-year-in-2017-can-it-turn-around/)

During FY 2017-18, the Company's 2.8 MW wind farm at Vankusawade village, in Satara district of Maharashtra, generated 17,10,304 electrical units as compared to 33,37,281 electrical units in the previous year.

SUPPLY CHAIN

Supply Chain Management (SCM) is an important and integrated function at the Company aimed to bring a competitive edge to the business. SCM covers all business verticals and is considered an end-to-end function with core competence. Ensuring superior availability at competitive costs is the focus point of SCM's strategy. SCM is basically aimed at standardising the processes, deriving benefits of aggregation across all the businesses and ensuring consistent quality management. Depending on the nature of the business, SCM adopts customised strategies aimed at improving customer service while keeping inventories fresh and at a manageable level. On account of effective cost management and ensuring availability, SCM helps in improving the Company's profitability.

RESEARCH & DEVELOPMENT

To remain at the forefront and evolve products that suit the modern customers' requirements in the digital age, the Company set up a modern R&D centre at Navi Mumbai in Maharashtra in the last financial year. This Centre combines all aspects of research, design, development and testing capabilities under a single roof. From developing products that are eco-friendly to designing technological-advanced and smart and intelligent products, the Centre will be the bedrock and primary source of all future products and technologies.

MARKETING & BRANDING

Demographics have become increasingly important in marketing, especially with the growth of better segmenting algorithms and plenty of big data to draw on that can help mould effective communication strategies. The group most important in the country is the 'Indian Millennials', in fact, millennials have changed the way marketers look at customers.

Indian Millennials: Facts and Figures

- Those under 35 represent a large proportion (65%) of the Indian population.
- They are undoubtedly better educated and more tech savvy than their predecessors.
- They are more likely to engage and shop online.
- And they have a clear set of characteristics that define how marketing companies and brands should engage with them.

With an emphasis to cater to this faction, the Company's broad communication strategy for FY 2017-18 stayed focused on positioning the Company to be known for its innovative solutions and technological expertise. With an aim to achieve and drive this communication objective, the Company formulated strategies that were driven through the traditional (TV, radio & print media), digital and on-ground media.

The Company launched its first B2B corporate campaign called "Magic of Light" showcasing its capabilities around Street lights, Transmission Line Towers, Power Distribution & Illumination and to create awareness about some of its successfully designed and commissioned complex landmark infrastructure projects. Notably, this campaign showcased the Company's role in the infrastructure building for the country. The campaign was very well received and high on visibility across media.

The Company continued its association with major youth events in the city to promote sports, arts and culture. One of the most watched indigenous sports in India, 'Pro-Kabaddi 2017' (also the most watched sport after cricket in India) was sponsored for the fourth time. The Company was also lighting partner with youth icon "Justin Bieber's Purpose World Tour" on his maiden concert in Mumbai.

The Company was also the lead sponsor for The International Federation of Sport Climbing (IFSC) tournament in Mumbai and inspiring partner for Pinkathon 2017. It also partnered with festivals promoting arts and culture like Kala Ghoda Arts Festival 2018, in Mumbai and World Orange Festival 2017 in Nagpur with Lokmat Group. These strategic partnerships with the leading events helped reinforce the Company's brand ethos and drove home a strong message of its support to the youth.

Media consumption across the globe is increasingly happening in digital formats. The increase in the number of devices capable of supporting digital media has provided consumers with an option to access the media content of his choice anytime. To reach out to the targeted segments across globe, the Company has efficiently utilised this medium with impactful content. Whether it was launching a television show "Food Memoirs with Hemant Oberoi" on a premium lifestyle channel or launching the "Magic of Light" campaign (delivered 234mn impressions) creating awareness about landmark infrastructure projects carried out, the Company has presented exceptional content utilising digital media at its best. It is among the first Indian companies to go digital and have its own website. On August 15, 2017, its website celebrated the completion of 20 years, making it a milestone.

To support RREP and to ensure on-ground visibility, more than 13000 stores were branded across India. The Company also embarked on a Digital Transformation

journey with a focus on enhancing the customer experience in B2B and B2C space through an initiative - 'Project Evolve'. The Company has built a state-of-art digital centre at its office in Mumbai, for extensive social media listening and monitoring, to understand the pulse of the industry and brand health vis-à-vis its competition. It will help the Company utilise social media data strategically to understand consumer sentiments and map the consumer journey, enabling the organisation to make informed decisions.

The Company's consumer business segment which witnessed successful product launches was the focused for the year. The Company's partner Morphy Richards on August 22, 2017, launched its global range in India to capture the interest of Indian audience through smart technology and innovative designs. Taking a step forward, the Company also launched India's first of its kind IOT air-cooler to improve customer experience and make the cooling process easy.

With the aim of showcasing its diverse range of technologically advanced solutions in home automation, connected lighting solutions and engineering projects to the globe, the Company participated in the world's leading trade fair in the field of light and building automation, "Light + Building 2018", at Frankfurt in Germany, promoting its key theme of 'Smart Indoors and Connected Outdoors'.

The Company was appreciated with some prestigious awards like:

- "POOGI Award" at TOCICO International Conference 2017, Berlin, Germany.
- Leadership in Energy and Environmental Design (LEED) Platinum Certificate, by the United States Green Building Council (USGBC) to Bajaj Electricals R&D Centre - 'AB SQUARE' Navi Mumbai, India.
- The SEAD Global Efficiency Medal for Outdoor Lighting 2017, Paris, France.

INFORMATION TECHNOLOGY

The Company continues to invest in Information Technology for automating various business processes, being productive and also aligning all business units towards Theory of Constraint (TOC) way of working. Keeping lights on for ERP, CRM, BI and Intranet for all its employees and extranet portal for all stakeholders is one of the primary requirements for running all business functions in an automated manner.

The Company also focused on Consumer Centric Digital Transformation Project where the following initiatives were completed:

- Launched IoT-enabled Smart Lighting Solutions.
- Launched IoT-based Room Cooler.
- Launched Digital Engagement Centre for Social Media Listening and Analytics, ORM.
- Digital Experience Centre for IoT product development.
- Launched several mobile apps for Sales team, Distributors' Sales Team and Retailers and lifestyle mobile app for end consumers.
- Relaunched corporate website.
- Launched Chatbot for customer care.

As more and more business processes are getting automated and dependency on IT systems is increasing for all business units, there is a continuous focus on IT security and reliable disaster recovery management processes to ensure all critical systems are always available, periodically reviewed, upgraded and tested for efficacy, security & reliability.

The Company received following recognitions from various media agencies for its IT/Digital Projects:

- CIO Power List Digital ICON – 2017 and IDC Digital ICON Award 2017 for Digital Transformation Project.
- Digital Transformation of Department award from C-Change 2017 and IMC Digital Technology Award – 2017 for after-sales service, consumer care application with mobile app, call center and service franchises.

CORPORATE SOCIAL RESPONSIBILITY

The four pillars that guide the Company's CSR activity are Sustainability, Diversity Inclusion, Employee Volunteering and Community Outreach. The Company strives hard to benefit the communities where it operates. The Company plans and executes all its community outreach programmes keeping in mind the following:

- Ensuring environmental sustainability & promoting its education;
- Education, employment, enhancing vocational skills and livelihoods;
- Promoting preventive health care; and
- Promotion of arts & culture.

CSR Statutory Projects

The cause of environment conservation for today and future generations is at the heart of the Company's operations,

as it acknowledges the importance of environmental sustainability in ensuring business continuity.

Ensuring Environmental sustainability & promoting its education

The Company undertakes initiatives such as tree plantation through employee volunteers and partners/NGOs across India under its community outreach programme. The programme is centred around the concept of ensuring environmental sustainability. The Company planted about 55322 and conducted awareness sessions amongst school/college students and citizens for emphasising the importance of restoring and protecting mangroves in the wetlands of Mumbai city, in partnership with a Mumbai-based organisation. The Company also works towards promoting long-term sustainable organic farming model as a part of its CSR initiative. Further, the Company distributed tree saplings to farmers for planting in their waste-lands. Such initiatives are directed towards creating livelihood options with sustainable source of income for the poor tribal families. It also helps to further the cause of improving the ecological balance in the areas and to increase the forest cover which in turn will result in adequate rainfall.

The Company is working towards zero-waste initiatives within the organisation so as to further the cause of a cleaner and greener India, through waste segregation and disposal. The Company also works for solid waste management in association with the NGO. The municipal solid waste is successfully converted into near zero-waste by working on waste segregation, composting and safe disposal. For this, the Company works with local bodies at ward level, through 75 identified educational institutes, housing societies, hotels and hospitals.

Promotion of Art & Culture

Preservation of Indian Art and Culture is another interest area of the Company. In order to promote this, the Company has reached out to about 300 schools, involving 32000 students through an Art Foundation. About 93 scholarships shall be awarded for FY 2017-18.

Promotion of Preventive Health Care

The Company intends to assist in eradication of tobacco consumption from the society and for that purpose has initiated “Yes to Life, No to Tobacco” campaign. The Company conducts tobacco awareness and cessation programs with the support of various NGO partners and employee volunteering programs. The Company has identified and implemented district level tobacco control programme in schools of Yavatmal and Wardha districts through its partner organisation. Street plays and workshops were conducted to sensitise about 400000 children and more than 10000 teachers in Yavatmal and Wardha districts.

Promoting Education

The Company runs Shiksha-Vikas programme which is a three-year school and community development model in association with an identified NGO partner and employee volunteer programmes. Under this programme, the Company works to bridge the gap between the availability of resources and the deprived communities. Demonstrative models used in this programme are designed so as to be emulated by others in the regions of Maharashtra and across India. The programme aims to improve the lives of socio-economically disadvantaged children across the rural, urban schools in and around Mumbai. In the first phase, the programme was conducted in Mumbai region with a focus on 23 government aided and non-aided schools.

Employee Volunteering

The employees of the Company are constantly motivated to participate in CSR activities. The Company culture itself encourages employees to volunteer and contribute their time and resources for CSR activities on a continuous basis.

- In FY 2017-18, about 1374 activities were undertaken by the employees which included tree plantation, cleanliness drives, waste management activities, participation in running events and anti-tobacco awareness sessions on Pan India basis.
- With a total of 4518 volunteering days the Company achieved an average of 2.03 volunteering days per employee.
- Out of total 55322 trees planted by the Company, about 37451 trees were planted through employee volunteering.
- To sensitise different stakeholders such as students, retailers, vendors and communities, Tobacco Awareness Sessions were conducted across India
- About 642 employees participated in various running events to promote health and environment. The running events included Tata Mumbai Marathon, Airtel Delhi Half Marathon, Tata Steel 25K Kolkata, Pinkathon, Let’s Run Raipur, TCS 10K Bengaluru and Wipro Chennai Marathon.

The Company won of the Silver Olive Crown Award for ‘Creative Excellence in Communicating Sustainability’ of the International Advertising Association (IAA) – India Chapter.

RISK & ADEQUACY OF INTERNAL CONTROLS

Risk Management

The Company has a Comprehensive Risk Management Policy and Framework in place to identify, evaluate and mitigate business risks to protect interests of its stakeholders. The Company's Risk Management framework focuses on ensuring that risks are identified on a timely basis and reasonably addressed.

The key business risks identified by the Company 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, offer value proposition to the customers and develop and further grow in consumer facing business.

ELCOMA has reduced warranty of LED products from 2 years to 1 year in October 2017, resulting in fluctuation in sales as retailers were pushing sales of old inventory with 2 years' warranty. Stock of LED with manufacturing dates prior to October 2017 is almost sold out and sales of LED have stabilised.

Reducing prices of LED continues to have impact on sales and profitability. The Company has initiated LED bulb manufacturing at Chakan plant to reduce procurement cost.

(b) GST

GST impact on sales of June and July 2017 was noticed due to approach of retail network to maintain lower stock at the time of switch-over to GST. Further, excise portion of tax, which was earlier part of cost and sales for most SKUs, has now become part of GST resulting in erosion of sales value by 8% to 10% of those SKUs. Order book for TLT was weak in Q1 and Q2 of FY 2017-18 as bid inquiry in market were weak due to inadequate clarity on GST. Sales and order book stabilised in Q3 and Q4 of FY 2017-18.

(c) E-Waste

Mercury content in CFL warrants adherence to e-waste rules. The Company will focus more on LED manufacturing and sales, CFL bulbs will be purchased from e-waste compliant manufacturers.

(c) 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 good talent. There is an 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, and quarterly/half yearly/annual recognitions, development programmes to retain and grow talent.

(d) 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. Various training programmes have been conducted at the plants and project sites such as behaviour-based safety training programme, safety leadership program, logistics safety program, etc.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Commensurate with the size, scale and complexity of its operations, the Company has well defined and adequate internal controls. Throughout the year, the internal controls were operating effectively. To test the robustness of these controls and to cover all business units, offices, factories and key areas of business, the Company had appointed an external consultant as an Internal Auditor. External consultant (Internal Auditor) and the statutory auditor, evaluate the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company. The controls are designed in such a manner that they are broadly in accordance with the criteria established under the Companies Act, 2013 and Guidance Note issued by the Institute of Chartered Accountants of India.

The Company has documented Standard Operating Procedures (SOP) and risk registers, encompassing process flow, key risks and key controls for all business units and functions. SOP and risk registers in turn are evaluated and appropriate amendments are made by business depending on the changes in process workflow and controls. The external consultant (Internal Auditor) on review of the internal financial controls did not identify any

significant control weakness. All the non-significant control weaknesses identified have been discussed with process owner. Remedial action has been taken or agreed upon, to eliminate the weaknesses in a time bound manner. Adequate manual controls have been deployed where control weaknesses have been identified due to system limitation in IT application.

The external consultant (Internal Auditor) conducts internal audits for the areas that are agreed with the Management and Audit Committee. The Audit Committee finalises the scope of internal audit. The audits executed by external consultant (Internal Auditor) are monitored by the Internal Audit function. It is ensured that internal audit and IFC reviews are conducted objectively. Also, it is ensured that reviews evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems and procedures, accounting procedures and policies of the Company. The internal audit function reports to the Chairman & Managing Director of the Company and the Chairman of the Audit Committee of the Board so as to maintain its objectivity and independence.

The process owners undertake corrective action in their respective areas within agreed timelines for significant risks identified in the reports issued by Internal Auditors. This helps to improvise and strengthen the controls. On a quarterly basis, significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

HUMAN RESOURCES

The Company believes that human resources are the most critical element responsible for the growth of the Company. Employee satisfaction being the Company's top priority, it strives relentlessly to attract right talent and nurture them to deliver superior performance.

Through continuous infusion of young talent with bright ideas into its workforce, the Company has managed to stay young even with eight decades of rich experience. Innovation is one of its core values. Online Assessment has enabled the Company to further strengthen its Campus Hiring Programme. The Company also undertakes lateral hires, including niche profiles. The Company introduced the Buddy Programme to enhance effectiveness of its induction programmes. This initiative helped the new hires to deliver their best in their respective roles at a very early stage.

The Company revamped its Performance Management Process with the introduction of quarterly feedback mechanism. This has enabled timely course corrections in case of any deviations. The periodic and frequent feedbacks have improved the timeliness of deliverables and efficiency at work.

The Company initiated a variety of programmes like 'Sukarak', 'Pygmalion', 'Pragyan' in the year under review to further the cause of learning & development which is an integral part of its work culture. 'Sukarak' program is aimed at developing in-house trainers who in turn are enabled to deliver various behavioral training programmes to employees across locations. This initiative reinforces the culture of learning and knowledge-sharing among the employees.

Based on the training needs captured in the Performance Management System employees are nominated for various internal and external training programmes.

Based on rigorous assessment of employees within the Company's Competency Framework, the second batch of the 'Pygmalion' programme was launched. It mainly focused at creating learning interventions for selected high-potential individuals to motivate them. The programme infused aspiration in other employees to be a part of this elite group in the organisation.

The Company endeavours to recognise and reward its loyal employees who persistently contribute to the organisation over the years. During the year under review, as a part of the Long Service Awards Program, the Company rewarded employees who completed 5 and 10 years in the organisation.

The Company consistently upgrades its internal processes and policies with changing times to make them more employee-friendly. This is amply reflected in the fact that the Company has revised several policies such as Domestic Travel Policy, Recognise & Reward Policy, Notice Period Policy, Working Hours & Leave Policy and Maternity Leave Policy as per the amendment in Maternity Benefit Act. The Company has also undertaken a host of initiatives to make the workplace more comfortable for its women employees.

The Company has constituted Internal Complaints Committee to prevent, prohibit and ensure redressal of sexual harassment of women at workplace. This Committee ensures strict adherence of law and does quarterly review of the same. FY 2017-18 did not witness any sexual harassment complaints.

The Company continues to strive to facilitate employee & organisation development and aims to leverage these initiatives in the coming financial year.

As on March 31, 2018, the Company had 3022 permanent the employees on its rolls. The Board places on record its sincere appreciation for the valuable contribution made by employees across all levels. The Company attributes its success to the enthusiasm, team efforts, devotion and sense of belonging displayed by its talent pool.

CORPORATE SECURITY & ADMINISTRATION

To compete at global level and inspire confidence in the organisation, the Company needs to provide a secure and safe working environment to its employees, which are the contributing factors to its organisational growth. The CSA department was formed in 2017-18, to herald a cultural change in terms of inculcating discipline, process implementation and to plug leakages in security cum administration by streamlining process like access control, asset protection, risk mitigation, disaster management, fire and electrical safety, surveillance grid, loss prevention, travel management, space management, employee engagement etc.

The Company has established Global Surveillance Operational Centre, which has integrated physical security with technology, increasing overall efficacy and reduced risk. The Company's security and administration was also brought under one umbrella, thereby relieving operations to focus on their core business activity. This enabled recruiting and leveraging CSA SMEs for effective end-to-end security and administration across India — in HO, Branches, Warehouses and at Project sites.

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 of 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.

Independent Auditor's Report

To the Members of Bajaj Electricals Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Bajaj Electricals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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. 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

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 29, 2017.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;

(g) With respect to the other matters to be 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:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 40 to the standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 41 to the standalone Ind AS financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Bajaj Electricals Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company. There are no loans in respect of which provisions of section 185 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, excise duty, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, excise duty, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

(₹ In lakh)

Matter	Year	Forum where dispute is pending				
		Dy. Commissioner / Commissioner / Jt. Commissioner Appeals	Appellate / Revision	Tribunal	High Court	Total
Entry Tax	2010-13	1.15	-	-	165.55	166.70
	2013-15	86.16	-	24.87	89.69	200.73
	2015-16	3.26	-	-	24.96	28.22
Sales Tax	1999-2003	-	-	-	14.31	14.31
	2003-06	9.30	-	5.16	41.51	55.97
	2006-08	24.33	-	9.38	26.65	60.36
	2008-09	8.16	-	1.82	20.94	30.92
	2009-10	578.01	-	-	22.43	600.45
	2010-12	200.73	-	-	13.30	214.03
	2012-13	352.12	216.48	34.54	309.80	912.94
	2013-15	1,577.09	-	866.35	12.80	2,456.24
	2015-16	143.72	-	-	1.38	145.10
	2016-17	1.05	-	-	1.94	2.99
Grand Total		**2,985.08**	**216.48**	**942.13**	**745.27**	**4,888.96**

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. The Company did not have any outstanding loans or borrowing dues to government during the year.

(ix) In our opinion and according to the information and explanation given by the management, the Company has not raised any money by way of initial public offer/ further public offer (including debt instruments) and term loans hence, reporting under clause (ix) of the Order is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BAJAJ ELECTRICALS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Bajaj Electricals Limited ("the Company") as of March 31, 2018 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

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. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2018, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

Balance Sheet

as at March 31, 2018

(₹ in lakh)

	Notes	As at 31-Mar-18	As at 31-Mar-17
ASSETS			
Non -Current Assets			
Property, plant and equipment	2	31,254.99	31,003.80
Capital work in progress		350.20	785.21
Intangible assets	3	327.98	2.39
Intangible assets under development		283.52	-
Investments in associates and joint ventures	4.1	684.53	1,751.86
Financial Assets			
i) Investments	4.2	764.92	6,282.37
ii) Trade receivables	5	26,338.62	30,438.80
iii) Loans	6	6.17	290.29
iv) Other financial assets	7	1,906.05	5,612.65
Deferred tax assets (net)	8	7,353.18	5,594.95
Income tax assets (net)		828.12	4,486.51
Other non-current assets	9	9,530.49	9,903.83
Total Non-Current Assets		**79,628.77**	**96,152.66**
Current Assets			
Inventories	10	57,916.06	57,119.60
Financial Assets			
i) Trade receivables	5	174,875.13	134,226.12
ii) Cash and cash equivalents	11	2,181.97	2,508.23
iii) Bank balances other than (ii) above	11	392.20	4,018.29
iv) Loans	6	4.97	7.29
v) Other current financial assets	12	255.24	24.49
Other current assets	13	31,796.51	14,361.50
Assets classified as held for sale	14	219.41	253.57
Total Current Assets		**267,641.49**	**212,519.09**
Total Assets		**347,270.26**	**308,671.75**
EQUITY & LIABILITIES			
Equity			
Equity share capital	15	2,040.75	2,025.80
Other Equity	16	92,412.82	85,123.92
Share application money pending allotment		21.45	-
Total Equity		**94,475.02**	**87,149.72**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i) Borrowings	17	1,147.14	1,695.08
ii) Trade payables	21	14.47	16.60
iii) Other financial liabilities	18	372.12	221.27
Provisions	19	1,130.24	1,339.11
Employee benefit obligations	20	6,372.50	7,264.58
Total Non-Current Liabilities		**9,036.47**	**10,536.64**
Current Liabilities			
Financial Liabilities			
i) Borrowings	17	70,615.33	52,858.40
ii) Trade payables	21	85,442.36	63,574.38
iii) Other current financial liabilities	18	30,477.63	25,914.24
Provisions	19	6,468.13	6,552.65
Employee benefit obligations	20	8,111.86	7,103.25
Current tax liabilities (net)		2,292.90	1,329.96
Other current liabilities	22	40,350.56	53,652.51
Total Current Liabilities		**243,758.77**	**210,985.39**
Total Liabilities		**252,795.24**	**221,522.03**
Total Equity & Liabilities		**347,270.26**	**308,671.75**
Summary of significant accounting policies followed by the Company	1B		
The accompanying notes are an integral part of the Financial Statements			

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Statement of Profit and Loss

for the year ended March 31, 2018

(₹ In lakh)

	Notes	31-Mar-18	31-Mar-17
Income:			
Revenue from operations	23	471,638.99	429,825.90
Other income	24	5,319.38	3,558.63
Total Income		**476,958.37**	**433,384.53**
Expenses:			
Cost of raw materials consumed	25	32,712.84	19,546.06
Purchases of traded goods		277,723.11	257,692.78
Changes in inventories of work-in-progress, finished goods, traded goods	25	10.89	(1,512.06)
Erection & subcontracting expenses	26	31,042.67	29,378.77
Excise duty	27	894.05	3,654.68
Employee benefit expenses	28	31,787.90	32,889.96
Depreciation and amortisation expense	29	3,394.49	2,987.14
Other expenses	30	68,123.02	63,899.49
Finance cost	31	5,886.47	8,043.77
Total Expenses		**451,575.44**	**416,580.59**
Profit before exceptional items and tax		**25,382.93**	**16,803.94**
Exceptional Items	43	8,936.26	-
Profit before tax		**16,446.67**	**16,803.94**
Income tax expense:			
Current tax	32	10,060.00	6,600.00
Deferred tax	8	(1,977.47)	(562.15)
Adjustment of tax relating to earlier periods	32	1.98	-
Total tax expenses		**8,084.51**	**6,037.85**
Profit for the year		**8,362.16**	**10,766.09**
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent periods	20		
Remeasurement (gains)/losses on defined benefit plans		(627.39)	334.53
Tax impacts on above		219.24	(105.01)
Other comprehensive income, net of tax		**(408.15)**	**229.52**
Total Comprehensive Income, net of tax		**8,770.31**	**10,536.57**
Earnings per equity share before exceptional items (face value per share ₹ 2)	39		
Basic		16.17	10.65
Diluted		16.09	10.63
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic		8.23	10.65
Diluted		8.19	10.63
Summary of significant accounting policies followed by the Company	1B		
The accompanying notes are an integral part of the Financial Statements			

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

Anuj Poddar
Chairman - Audit Committee

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Statement of changes in equity

for the year ended March 31, 2018

A. Equity share capital (Note 15)

(₹ In lakh)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
At the beginning of the year	2,025.80	2,018.98
Issue of equity share capital during the year	14.95	6.82
At the end of the year	**2,040.75**	2,025.80

B. Other equity (Note 16)

(₹ In lakh)

	Reserves and surplus						Other Reserves		
Particulars	**Securities premium reserve**	**Debenture Redemption Reserve**	**Shares Option Outstanding**	**General Reserve**	**Retained earnings**	**Total**	**Capital Redemption Reserve**	**Capital Reserve**	**Total**
Balance at March 31, 2016	**21,344.29**	**2,500.00**	**967.81**	**45,101.43**	**3,555.45**	**73,468.98**	**135.71**	**10.00**	**73,614.69**
Profit for the year	-	-	-	-	10,766.09	10,766.09	-	-	10,766.09
Other comprehensive income	-	-	-	-	(229.52)	(229.52)	-	-	(229.52)
Total comprehensive income for the year	**21,344.29**	**2,500.00**	**967.81**	**45,101.43**	**14,092.02**	**84,005.55**	**135.71**	**10.00**	**84,151.26**
Exercise of options - proceeds received	582.48	-		-	-	582.48	-	-	582.48
Exercise of options - transferred from shares options outstanding account	102.39	-	(102.39)	-	-	-	-	-	-
Employee stock option expense	-	-	390.18	-	-	390.18	-	-	390.18
Transferred to General reserve for vested cancelled options	-	-	(56.60)	56.60	-	-	-	-	-
Balance as at March 31, 2017	**22,029.16**	**2,500.00**	**1,199.00**	**45,158.03**	**14,092.02**	**84,978.21**	**135.71**	**10.00**	**85,123.92**

Statement of changes in equity

for the year ended March 31, 2018

B. Other equity (Note 16)

(₹ In lakh)

	Reserves and surplus						Other Reserves		
Particulars	**Securities premium reserve**	**Debenture Redemption Reserve**	**Shares Option Outstanding**	**General Reserve**	**Retained earnings**	**Total**	**Capital Redemption Reserve**	**Capital Reserve**	**Total**
Balance as at March 31, 2017	**22,029.16**	**2,500.00**	**1,199.00**	**45,158.03**	**14,092.02**	**84,978.21**	**135.71**	**10.00**	**85,123.92**
Profit for the year	-	-	-	-	8,362.16	8,362.16	-	-	8,362.16
Other comprehensive income	-	-	-	-	408.15	408.15	-	-	408.15
Total comprehensive income for the year	**22,029.16**	**2,500.00**	**1,199.00**	**45,158.03**	**22,862.33**	**93,748.52**	**135.71**	**10.00**	**93,894.23**
Exercise of options - proceeds received	1,650.33	-	-	-	-	1,650.33	-	-	1,650.33
Exercise of options - transferred from shares options outstanding account	459.60	-	(459.60)	-	-	-	-	-	-
Employee stock option expense	-	-	285.88	-	-	285.88	-	-	285.88
Transferred to General reserve for vested cancelled options	-	-	(67.13)	67.13	-	-	-	-	-
Dividend on equity shares	-	-	-	-	(2,839.50)	(2,839.50)	-	-	(2,839.50)
Dividend distribution tax	-	-	-	-	(578.12)	(578.12)	-	-	(578.12)
Transfer from Debenture redemption reserve to General Reserve	-	(2,500.00)	-	2,500.00	-	-	-	-	-
Balance as at March 31, 2018	**24,139.09**	**-**	**958.15**	**47,725.16**	**19,444.71**	**92,267.11**	**135.71**	**10.00**	**92,412.82**

Summary of significant accounting policies followed by the Company (note 1B)
The accompanying notes are an integral part of the Financial Statements

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

Anuj Poddar
Chairman - Audit Committee

Cash Flow Statement

for the year ended March 31, 2018

(₹ in lakh)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	**16,446.67**	**16,803.94**
Adjustments for:		
Depreciation and amortisation expense	3,394.49	2,987.14
Employee share-based payment expense	285.88	390.19
(Gain)/Loss on disposal of property, plant and equipment	(135.74)	(156.47)
Measurement of financial assets held at fair value through Profit or Loss	2,128.66	6.24
Measurement of financial assets and liabilities held at amortised cost	2,961.89	(179.29)
Measurement of provisions at fair value	(60.00)	(232.97)
Impairment of investment in joint venture	1,637.18	-
Income from financial guarantee contracts	(239.42)	(136.47)
Finance costs	5,886.47	8,043.76
Interest income	(2,466.79)	(281.67)
Impairment allowance for doubtful debts & advances (net of write back)	4,369.17	2,086.22
Bad debts and other irrecoverable debit balances written off	2,492.78	358.17
	36,701.24	**29,688.79**
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables (current & non-current)	(39,963.61)	(510.91)
(Increase)/decrease in financial and other assets (current & non-current)	(15,086.90)	(4,227.30)
(Increase)/decrease in inventories	(796.46)	(6,451.86)
Increase/(decrease) in trade payables, provisions, employee benefit obligations, other financial liabilities and other liabilities (current & non-current)	14,299.34	29,569.50
Cash generated from / (used in) operations	**(4,846.39)**	**48,068.22**
Income taxes paid	(5,440.64)	(4,372.95)
Net cash inflow / (outflow) from operating activities	**(10,287.03)**	**43,695.27**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work in progress and capital advances	(3,152.04)	(5,623.69)
Purchase of intangible assets including intangible assets under development	(653.40)	-
Proceeds from sale of property, plant and equipment including advances received	257.67	907.61
Proceeds from sale of non current assets held for sale	34.16	118.18
Loans and advances (given) / repaid by Associates and Joint Ventures	(44.49)	(1,456.57)
Increase in investment in Joint Venture	(3.50)	-
(Increase)/decrease in Bank Deposits	6,100.91	(3,261.25)
Interest received	1,069.32	265.23
Net cash inflow / (outflow) from investing activities	**3,608.63**	**(9,050.49)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issues of shares	1,665.28	589.30
Share application money received pending allotment	21.45	-
Proceeds from borrowings	34,480.77	25,443.40
Repayment of borrowings	(18,775.40)	(55,158.35)
Interest paid	(7,628.32)	(7,659.29)
Dividends paid to company's shareholders	(2,833.52)	(9.55)
Tax on dividend paid	(578.12)	-
Net cash inflow / (outflow) from financing activities	**6,352.14**	**(36,794.49)**
Net increase (decrease) in cash and cash equivalents	**(326.26)**	**(2,149.71)**
Cash and cash equivalents at the beginning of the financial year	**2,508.23**	**4,657.94**
Cash and cash equivalents at end of the year	**2,181.97**	**2,508.23**
Change in liability arising from financing activities		
Borrowings as on April 01, 2017	**55,902.82**	
Proceeds from borrowings	34,480.77	
Repayment of borrowings	(18,775.40)	
Foreign exchange movement	154.28	
Borrowings as on March 31, 2018	**71,762.47**	

Summary of significant accounting policies followed by the Company (note 1B). The accompanying notes are an integral part of the Financial Statements
As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Notes to financial statements

for the year ended March 31, 2018

NOTE : 1

1A GENERAL INFORMATION.

Bajaj Electricals Limited ('the Company') is an existing public limited company incorporated on July 14, 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 deals in Consumer Segments (CP) (which includes appliances, fan and consumer lighting products). The Company also deals in Engineering and projects (EPC) (which includes supply and erection of transmission line towers, telecommunication towers, high masts, poles,special projects including rural electrification projects and luminaires. 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 (₹).

The financial statements are approved for issue by the Company's Board of Directors on May 23, 2018

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.

1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The financial statements are prepared under the historical cost convention 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, judgements 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, judgements and assumptions are presented 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. The Company has identified twelve months as its operating cycle.

2 Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received

by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

(1) Sale of products:

(a) Domestic sales are recognised when significant risks and rewards of ownership of goods are transferred to the buyer, usually on delivery of goods.

(b) Export sales are recognised when significant risks and rewards of ownership of the goods are transferred to the buyer, usually on the date of ship on board.

Revenue from sale of goods is measured net of returns and allowances, trade discounts and volume rebates.

(2) 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.

Contract revenue earned in excess of billing has been reflected as 'Amounts due from customers for contract work' under 'Other current assets' and billings in excess of contract revenue earned is reflected as 'Gross amount due to customer for contract work' under 'Other current liabilities'.

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) Others:

The Company recognises other income (including rent, income from sale of power generated, income from scrap sales, income from claims received, etc.) on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty.

4 Property, plant and equipment :

A) 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 (including capital work in progress) are stated at historical cost less accumulated depreciation and impairment losses, if any. 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 and impairment losses if any.

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 the statement of 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.

B) 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 property, plant and equipment 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 asset, the component is depreciated over it's estimated useful life.

iv) The Company, based on internal technical assessments and management estimates, depreciates certain items of property, plant & equipment over the estimated useful lives and considering residual value which are different from the one prescribed in Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

v) Useful life of asset is as given below:

Asset block	Useful Lives (in years)
Leasehold Land	Over the period of the lease
Building - Office	5 to 70
Building - Factory	2 to 30
Ownership Premises	60
Plant & Machinery	2 to 20
Furniture & Fixtures	1 to 15
Electric Installations	6 to 8
Office Equipment	2 to 10
Vehicles	8 to 10
Dies & Jigs	1 to 10
Leasehold Improvements	2 to 10
Roads & Borewell	3 to 21
IT hardware	2 to 10
Laboratory equipments	5 to 10

vi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

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 ona straight-line basis, from the date that they are available for use.

Asset class & depreciation:

Computer softwares / licenses are carried at historical cost. They have an expected 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.

Trademarks are carried at historical cost. They have an registered finite useful life of 10 years and are carried at cost less accumulated amortisation and impairment losses.

6 Impairment of non-financial 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 Statement of Profit and 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 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial Assets

A) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  - The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  - The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Company decides to classify an equity instrument as at FVTOCI, then

all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

C) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

D) Impairment of financial assets

The Company 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, the Company 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.

II. Financial Liabilities

A) *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

- <u>Financial liabilities at fair value through profit or loss</u>

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless

they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- Loans and Borrowings

  This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Financial guarantee contracts

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

  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.

C) *De-recognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

IV. Offsetting of 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 Company or the counterparty.

V. Derivatives and hedging activities

The company enters derivatives like forward contracts 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.

8. Fair value measurements:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

9. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet and for the purpose of the statement of cash flows, 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. Inventories:

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.

11. Foreign currency transactions:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.

a) On initial recognition, all foreign currency transactions are recorded at the functional currency spot rate at the date the transaction first qualifies for recognition.

b) Monetary assets and liabilities in foreign currency outstanding at the close of reporting date are translated at the functional currency spot rates of exchange at the reporting date.

c) Exchange differences arising on settlement of translation of monetary items are recognised in the Statement of Profit and Loss.

12. 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, 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. The Company 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.

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.

13. Operating leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to the ownership to the Company are classified as a finance lease. 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 not substantially transferred 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 are they are incurred.

14. 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.

15. Provisions, contingent liabilities and contingent assets

A. Provisions

A provision is recognised if

- the Company 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.

Provision for warranty related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The estimate of warranty related costs is revised annually.

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.

16. 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 the same period in which the employees renders the related service and are measured at the amounts expected to be paid when the liabilities are settled.

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.

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 :

The liability or asset recognised in the balance sheet in respect of defined benefit 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, the Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company 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 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.

17. Segment reporting

An operating segment is a component of the Company 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 the Company into a single operating segment if aggregation is consistent with the core principle of Ind AS 108, the segments have similar economic characteristics, and the segments are similar in aspects as defined by Ind AS.

The Company reports 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 the Company 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

18. 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.

19. 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 of 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.

20. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh (upto two decimals) as per the requirement of Schedule III, unless otherwise stated

1C ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Issue of Ind AS 115 - Revenue from Contracts with Customers

Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28, 2018, which has notified the following new Ind AS 115 – Revenue from Contracts with Customers accounting standard and is applicable for accounting periods commencing on or after April 01, 2018

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018.

The Company is in the process of evaluating the impact of the same on the financial statements.

Amendments to Ind AS 112 - Disclosure of Interests in Other Entities

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

The requirements of the amendment have no impact on the financial statements as there are no subsidiary, joint venture or an associate that has been classified as held for sale.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018. These amendments are not expected to have any material impact on the Company.

Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after April 01, 2018. The Company does not have any investment property. Accodingly there is no impact.

Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised;

(b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from April 01, 2018. These amendments are not applicable to the Company.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018. However, the Company does not expect any significant effect on its financial statements.

1D SUMMARY OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

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 Warranty provision

The Company generally offers 1 to 2 year warranties for its consumer products. Based on the evaluation of the past warranty trends, management has estimated that warranty costs for 25% of sales arises in the year of sale itself, warranty costs for 50% of the sales in Year 1 and the balance 25% in Year 2. Based on the same, the related provision for future warranty claims has been determined. The assumptions made in relation to serviceable sales and related warranty provision estimation for the current period are consistent with those in the prior years.

2 Impairment allowance for trade receivables

The Company makes allowances for doubtful accounts receivable using a simplified approach which is a dual policy of an ageing based provision and historical / anticipated customer experience. Management believes that this simplified model closely represents the expected credit loss model to be applied on financial assets as per Ind AS 109.

3 Project revenue and costs

Revenue from construction contracts is recognised based on the stage of completion determined with reference to the actual costs incurred up to reporting date on the construction contract and the estimated cost to complete the project. The percentage-of-completion method places considerable importance on accurate estimates to the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements

include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments. Refer Note 34 of financial statements for the fair value disclosures.

5 Employee benefits

The cost of the defined benefit gratuity plan and other post-employment leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

6 For judgements relating to contingent liabilities, refer note 40(a).

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(₹ in lakh)

Particulars	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
Gross block as at April 01, 2016	**2,098.22**	**2,822.49**	**2,016.84**	**11,235.76**	**5,588.21**	**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
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 March 31, 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**
Additions	-	-	246.02	-	846.20	246.87	183.37	576.11	235.81	275.81	-	25.83	16.93	1,070.37	3,723.32
Disposals	-	-	-	-	(62.71)	(0.64)	-	(0.81)	(116.58)	-	-	-	-	(79.03)	(259.77)
Adjustment *	-	-	(20.81)	-	-	(45.21)	-	50.29	-	-	-	-	15.73	-	-
Closing gross carrying amount as at March 31, 2018	**2,098.22**	**2,822.49**	**4,166.88**	**11,228.42**	**7,560.16**	**1,660.66**	**571.04**	**1,261.36**	**622.33**	**2,120.87**	**194.02**	**106.25**	**123.77**	**5,538.17**	**40,074.64**
Opening accumulated depreciation as at April 01, 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)
Closing accumulated depreciation as at March 31, 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**
Depreciation charge during the year	-	37.38	153.30	201.07	912.82	186.98	53.77	191.70	65.44	395.24	37.58	25.83	9.01	1,080.07	3,350.20
Disposals	-	-	-	-	(28.31)	(0.08)	-	(0.61)	(33.77)	-	-	-	-	(75.07)	(137.84)
Adjustment *	-	-	(46.02)	46.02	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2018	**-**	**129.06**	**353.86**	**641.13**	**2,523.87**	**509.16**	**126.02**	**415.20**	**144.13**	**1,054.50**	**123.44**	**106.25**	**36.33**	**2,656.70**	**8,819.65**
Closing Net carrying amount as at March 31, 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**
Closing Net carrying amount as at March 31, 2018	**2,098.22**	**2,693.43**	**3,813.02**	**10,587.29**	**5,036.29**	**1,151.50**	**445.02**	**846.16**	**478.20**	**1,066.37**	**70.58**	**-**	**87.44**	**2,881.47**	**31,254.99**

* Adjustment represents transfer between block of assets as per fixed asset register.

(i) Leased assets

The Company has given the following assets on operating lease to third parties, the gross block, accumulated depreciation and net book value is as mentioned below:

(₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
Plant and Machinery		
Cost / Deemed cost	637.91	637.91
Accumulated depreciation	159.81	106.54
Net carrying amount	**478.10**	**531.37**

(ii) Property, plant and equipment pledged as security

Refer to note 42 for information on property, plant and equipment pledged as security by the Company.

(iii) Contractual obligations

Refer to note 40(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of IT Hardware amounting to ₹ 248.04 lakh, pending for installation

NOTE 3: OTHER INTANGIBLE ASSETS

(₹ in lakh)

Particulars	Trade Marks	Computer Software	Total
Opening gross block as at April 01, 2016	**0.51**	**7.51**	**8.02**
Additions	-	-	-
Closing gross carrying amount as at March 31, 2017	**0.51**	**7.51**	**8.02**
Additions	-	369.88	369.88
Closing gross carrying amount as at March 31, 2018	**0.51**	**377.39**	**377.90**
Opening accumulated depreciation as at April 01, 2016	**0.05**	**2.94**	**2.99**
Amortisation charge for the year	0.05	2.59	2.64
Closing accumulated depreciation as at March 31, 2017	**0.10**	**5.53**	**5.63**
Amortisation charge for the year	0.05	44.24	44.29
Closing accumulated depreciation as at March 31, 2018	**0.15**	**49.77**	**49.92**
Closing Net carrying amount as at March 31, 2017	**0.41**	**1.98**	**2.39**
Closing Net carrying amount as at March 31, 2018	**0.36**	**327.62**	**327.98**

Notes

(i) Intangible assets under development mainly comprises of IT softwares amounting to ₹ 283.52 lakh.

NOTE 4.1 : INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in equity instruments of associate & joint venture (fully paid up)		
Unquoted		
Non-current equity investments (unquoted) in Hind Lamps Limited.		
- 1,140,000 (March 31, 2017 - 1,140,000) equity shares of ₹ 25 each **	1,684.53	1,684.53
Accumulated impairment allowance in value of investments in Hind Lamps Limited	(1,000.00)	(1,000.00)
	684.53	**684.53**
Non-current equity investments (unquoted) in Starlite Lighting Ltd.		
- 5,875,000 (March 31, 2017 - 2,375,000) equity shares of ₹ 10 each	1,637.19	1,067.33
Accumulated impairment allowance in value of investments in Starlite Lighting Ltd (refer note 43)	(1,637.19)	-
	-	**1,067.33**
Total investments in associate & joint venture	**684.53**	**1,751.86**

NOTE 4.2 : FINANCIAL ASSETS (INVESTMENTS)

4.2 (a) Investment in equity instruments

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in equity shares		
Unquoted		
Measured at fair value through profit and loss		
Non-current equity investments (unquoted) in M. P. Lamps Limited *	-	-
- 48,000 (March 31, 2017 - 48,000) equity shares of ₹ 10 each; (Partly paid shares - ₹ 2.50 Per share paid up, Called up ₹ 5 per share)		
- 95,997 (March 31, 2017 - 95,997) equity shares of ₹ 10 each; (Partly paid shares - ₹ 1.25 Per share paid up, Called up ₹ 5 per share).		
Non-current equity investments (unquoted) in Mayank Electro Ltd.	0.10	0.10
- 100 (March 31, 2017 - 100) equity shares of ₹ 100 each.		
Total equity instruments	**0.10**	**0.10**

4.2 (b) Investment in debt instruments

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in preference shares (fully paid up)		
Unquoted		
Measured at fair value through profit and loss		
10,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable on June 30, 2024	950.83	1,606.84
Accumulated Impairment Allowance on Preference Shares (refer note 43)	(950.83)	-
	-	**1,606.84**
5,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable on June 30, 2025 (refer note 43)	406.79	521.83
Accumulated Impairment Allowance on Preference Shares (refer note 43)	(406.79)	-
	-	**521.83**
Measured at amortised cost		
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 December 26, 2012)**	764.82	692.14
30,000,000 - 0% reedemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable in 3 equal tranches at an yield of 10% on June 30, 2026, June 30, 2027 and June 30, 2028 respectively	4,294.18	3,993.02
Accumulated Impairment allowance on Preference Shares (refer note 43)	(4,294.18)	(531.56)
	-	**3,461.46**
Total debt instruments	**764.82**	**6,282.27**
Total non-current investments	**764.92**	**6,282.37**

* 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 impaired and accordingly carried at ₹ NIL.

** The board of directors of the Company on November 23, 2015 have approved the proposed scheme of demerger of the manufacturing business of Hind Lamps Limited (Demerged undertaking) into the Company. The scheme of arranagement is drawn up pursuant to the provisions of section 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. The Company is in the process of filing the scheme with the National Company Law Tribunal. The board of directors in the meeting held on November 09, 2017 further approved the revised swap ratio of equity shares for the proposed demerger pursuant to the SEBI regulations and the directions of the stock exchanges.

The Company is in the process of filing the scheme with the National Company Law Tribunal.

NOTE 5 : TRADE RECEIVABLES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current	174,875.13	134,226.12
Non-current	26,338.62	30,438.80
	201,213.75	**164,664.92**
Unsecured, considered good	201,213.75	164,664.92
Unsecured, considered doubtful	16,733.95	15,223.16
Total	**217,947.70**	**179,888.08**
Impairment allowance (allowance for bad and doubtful debts)	(16,733.95)	(15,223.16)
Total trade recievables	**201,213.75**	**164,664.92**
Receivables from related parties included above (refer note 38)	**55.43**	**43.32**

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-18	31-Mar-17
Transferred receivables	**30,510.60**	**13,950.82**
Unsecured borrowing (Note 17)	4,952.78	745.77
Other financial liabilities (Note 18)	25,557.82	13,205.05

Trade receivable are non-interest bearing and are generally on term of 30-90 days from the time they are contractually due.

NOTE 6 : LOANS

(Unsecured, considered good unless otherwise stated)

(₹ in lakh)

	31-Mar-18	31-Mar-17
Non Current		
Loan to Joint venture - Starlight Lighting Ltd, considered doubtful	280.00	280.00
Impairment allowance (refer note 43)	(280.00)	-
	-	**280.00**
Loan to employees	6.17	10.29
Total Non-current loans	**6.17**	**290.29**

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current		
Loan to employees	4.97	7.29
Total current loans	**4.97**	**7.29**

NOTE 7 : OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated) (₹ in lakh)

	31-Mar-18	31-Mar-17
Security deposits, considered good	1,881.04	3,110.55
Security deposits, considered doubtful	692.28	284.25
Impairment allowance for doubtful security deposits	(692.28)	(284.25)
	1,881.04	**3,110.55**
Fixed deposit under lien	22.25	2,497.08
Interest accrued on fixed deposits	2.76	5.02
Total non-current other financial assets	**1,906.05**	**5,612.65**

For breakup of financial assets carried at amortised cost, refer note 34.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. For trade and other receivables due from firms or private companies in which any director is a partner, a director or a member, refer note 38

NOTE 8 : DEFERRED TAX ASSETS (NET)

(₹ in lakh)

	31-Mar-18	31-Mar-17
Deferred tax assets	10,508.55	8,863.14
Deferred tax liabilities	(3,155.37)	(3,268.19)
Total deferred tax assets	**7,353.18**	**5,594.95**

Deferred tax assets comprise of the following:

(₹ in lakh)

	31-Mar-18	31-Mar-17
Employee benefit obligations (gratuity)	-	143.26
Employee benefit obligations (leave obligations)	1,307.72	1,636.74
Impairment allowance (allowance for doubtful debts and advances)	7,133.18	5,898.59
Financial assets measured at amortised cost	267.94	395.15
Assets held for sale	485.10	-
Others	1,314.61	789.40
Total deferred tax assets	**10,508.55**	**8,863.14**

Movement in deferred tax assets

(₹ in lakh)

	Employee benefit obligations (gratuity)	Employee benefit obligations (leave obligations)	Impairment allowance (allowance for doubtful debts and advances)	Financial assets measured at amortised cost	Assets held for sale	Others	Total
As at March 31, 2016	**189.52**	**1,100.36**	**5,176.59**	**428.22**	**-**	**361.07**	**7,255.76**
(Charged) / Credited :							
to statement of profit and loss	(151.27)	536.39	721.99	(33.07)	-	428.33	1,502.37
to other comprehensive income	105.01	-	-	-	-	-	105.01
As at March 31, 2017	**143.26**	**1,636.75**	**5,898.58**	**395.15**	**-**	**789.40**	**8,863.14**
(Charged) / Credited :							
to statement of profit and loss	(143.26)	(329.03)	1,234.59	(127.21)	485.09	514.15	1,634.33
to other comprehensive income	-	-	-	-	-	11.08	11.08
As at March 31, 2018	**-**	**1,307.72**	**7,133.17**	**267.94**	**485.09**	**1,314.63**	**10,508.55**

The Company has not recognised deferred tax assets of ₹ 2,847.31 lakh on the impairment allowance made on financial assets / investments of Starlite Lighting Limited and Hind Lamps Limited since it is not probable that the long term capital gains will be available against which such deferred tax assets can be utilised.

Deferred tax liabilities comprise of the following:

(₹ in lakh)

	31-Mar-18	31-Mar-17
Property, plant and equipment	2,977.33	2,965.71
Financial Assets measured at amortised cost	79.77	192.42
Financial Liabilities measured at amortised cost	66.54	82.49
Employee benefit obligations (gratuity)	31.73	-
Others	-	27.57
Total deferred tax liabilities	**3,155.37**	**3,268.19**

Movement in deferred tax liabilities (₹ in lakh)

	Property, plant and equipment	Financial Assets measured at Amortised Cost	Financial Liabilities measured at Amortised Cost	Employee benefit obligations (gratuity)	Others	Total
As at March 31, 2016	**1,951.82**	**219.65**	**136.07**	**-**	**20.43**	**2,327.97**
Charged / (credited) :						
to Statement of Profit or Loss	1,013.89	(27.23)	(53.58)	-	7.14	940.22
As at March 31, 2017	**2,965.71**	**192.42**	**82.49**	**-**	**27.57**	**3,268.19**
Charged / (credited) :						
to Statement of Profit or Loss	11.64	(112.66)	(15.96)	(198.59)	(27.57)	(343.14)
to other comprehensive income	-	-	-	230.32	-	230.32
As at March 31, 2018	**2,977.35**	**79.76**	**66.53**	**31.73**	**-**	**3,155.37**

NOTE 9 : OTHER NON-CURRENT ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Capital advances	295.81	526.91
Sales tax recoverables	4,590.58	3,016.32
Balances with government authorities	15.00	15.00
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	3,282.82	3,000.60
Advance to joint venture Starlite Lighting Limited	2,200.00	2,200.00
Others *	1,853.18	1,681.55
	12,237.39	**10,440.38**
Impairment allowance for doubtful advances	(506.90)	(536.55)
Impairment allowance for advances to Starlite Lighting Limited (refer note 43)	(2,200.00)	-
Total other non-current assets	**9,530.49**	**9,903.83**

*Others include prepaid expenses of ₹ 663.97 lakh (March 31, 2017 ₹ 1,594.47 lakh) and advances to suppliers of ₹ 1,189.98 lakh (March 31, 2017 ₹ 86.05 lakh)

NOTE 10 : INVENTORIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Raw material	9,447.80	8,533.71
Work-in-progress	1,195.61	726.54
Finished goods	7,006.62	5,445.94
Traded goods	38,165.81	38,961.47
Material in Transit (traded goods)	1,898.32	3,143.29
Stores and spares	201.90	307.26
Others	-	1.39
Total Inventories	**57,916.06**	**57,119.60**

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to ₹ 711.75 lakh (March 31, 2017 - ₹ 800.69 lakh) was recognised as an expense during the year.

NOTE 11 : CASH AND CASH EQUIVALENTS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Balances with banks		
in current accounts	1,490.14	892.04
in cash credit accounts	280.73	193.56
in EEFC accounts	-	23.53
Cheques in Hand	310.52	1,304.98
Cash on hand	100.58	94.12
Total cash and cash equivalents	**2,181.97**	**2,508.23**

NOTE 11 : BANK BALANCES OTHER THAN (II) ABOVE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Unpaid Dividend Accounts	88.91	82.93
Deposits with maturity of more than three months & less than twelve months	303.29	3,935.36
Total other bank balances	**392.20**	**4,018.29**

NOTE 12 : OTHER CURRENT FINANCIAL ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest accrued on fixed deposits	8.36	24.49
Security deposits	227.23	-
Derivative Asset	19.65	-
Total other current financial assets	**255.24**	**24.49**

NOTE 13 : OTHER CURRENT ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Amount due from customers for contract work	7,634.20	1,451.31
Advance to Associate - Hind Lamps Ltd	797.96	753.47
Export benefits	88.45	27.22
Advance to Joint venture - Starlight Lighting Limited	5,354.82	1,716.66
Balances with government authorities	11,486.87	1,747.14
Contract work in progress	289.45	2,361.83
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	1,383.51	1,328.60
Others*	4,761.25	4,975.27
Total other current assets	**31,796.51**	**14,361.50**

*Others mainly includes prepaid expenses of ₹ 1,604.90 lakh (March 31, 2017 ₹ NIL) and advances to suppliers of ₹ 2,465.74 lakh (March 31, 2017 ₹ 4,430.41 lakh)

NOTE 14 : ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Building	219.41	219.41
Ownership premises	-	34.16
Total assets classified as held for sale	**219.41**	**253.57**

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 March 23, 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. The purchaser and the Company are committed for the transaction to sail through. The asset held for sale are not attached to any reported business segment but part of other unallocable assets. The Company has received an amount of ₹ 800 lakh pertains to the advances received from the party in relation to this sale. The same is shown as a liability under other current liabilities.

Further, on March 29, 2017, the Board of Directors of the Company had approved the sale of Company owned residential premises to unlock the investment therein as the usage thereof was minimum. The sale of this residential premises was completed in this financial year.

NOTE 15 : EQUITY SHARE CAPITAL

(₹ in lakh)

	31-Mar-18 Amount	31-Mar-17 Amount
Authorised		
Equity share 20,00,00,000 (March 31, 2017 - 20,00,00,000) of ₹ 2 each	4,000.00	4,000.00

i) Movement in Issued Equity Share Capital

	No. of Shares	Amount
As at March 31, 2016	**100,948,976**	**2,018.98**
Exercise of Options under employee stock option scheme	341,200	6.82
As at March 31, 2017	**101,290,176**	**2,025.80**
Exercise of Options under employee stock option scheme	747,325	14.95
As at March 31, 2018	**102,037,501**	**2,040.75**

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 March 31, 2018		As at March 31, 2017	
	Nos.	% Holding	Nos.	% Holding
Jamnalal Sons Private Limited	19,872,830	19.48	19,872,830	19.62
Bajaj Holdings & Investment Limited	16,697,840	16.36	16,697,840	16.49
Kiran Bajaj	5,252,819	5.15	-	-

iv) Share reserved for issue under employee stock option scheme

For details of shares reserved for issue under the employee share based payment plan of the Company, please refer Note 33

NOTE 16 : OTHER EQUITY

(₹ in lakh)

		31-Mar-18 Amount	31-Mar-17 Amount
i)	Securities premium reserve	24,139.09	22,029.16
ii)	Debenture redemption reserve	-	2,500.00
iii)	General reserve	47,725.16	45,158.03
iv)	Share options outstanding account	958.15	1,199.00
v)	Retained earnings	19,444.71	14,092.02
vi)	Capital reserve	10.00	10.00
vii)	Capital redemption reserve	135.71	135.71
Total reserves and suplus		**92,412.82**	**85,123.92**

i) Securities premium reserve (₹ In lakh)

	31-Mar-18	31-Mar-17
Opening Balance	22,029.16	21,344.29
Exercise of options - proceeds received	1,650.33	582.48
Exercise of options - transferred from shares options outstanding account	459.60	102.39
Closing Balance	**24,139.09**	**22,029.16**

ii) Debenture redemption reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	2,500.00	2,500.00
Less: Transferred to General Reserve	(2,500.00)	-
Closing Balance	**-**	**2,500.00**

iii) General Reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	45,158.03	45,101.43
Add : Transferred from debenture redemption reserve	2,500.00	-
Add : Transferred from stock options reserve for vested cancelled options	67.13	56.60
Closing Balance	**47,725.16**	**45,158.03**

iv) Shares options outstanding account (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	1,199.00	967.81
Add : Employee stock option expense	285.88	390.18
Less : Transferred to general reserve for vested cancelled options	(67.13)	(56.60)
Less : Transferred to securities premium for exercise of options	(459.60)	(102.39)
Closing Balance	**958.15**	**1,199.00**

v) Retained earnings (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	14,092.02	3,555.45
Net profit for the period	8,362.16	10,766.09
Other comprehensive income (net of tax)	408.15	(229.52)
Less: Dividend on equity shares	(2,839.50)	-
Less: Dividend distribution tax	(578.12)	-
Closing Balance	**19,444.71**	**14,092.02**

vi) Capital reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	10.00	10.00
Closing Balance	**10.00**	**10.00**

vii) Capital redemption reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	135.71	135.71
Closing Balance	**135.71**	**135.71**

Dividends paid and proposed

Particulars	31-Mar-18	31-Mar-17
Cash dividends on equity shares declared and paid:		
Final dividend paid for the year ended March 31, 2017 of ₹ 2.8 per share (March 31, 2016 - ₹ Nil)	2,839.50	Nil
Dividend distribution tax on final dividend	578.12	Nil
Dividend not recognised at the end of the reporting period (*)		
Proposed dividend of ₹ 1.4 per share for the year ended March 31, 2018 (March 31, 2017 - 2.80 per share).	1,428.53	2,836.12
Dividend distribution tax on proposed dividend	290.85	577.43

* The proposed dividend on equity shares is subject to the approval of shareholders in the ensuing annual general meeting and hence is not recognised as a liability (including DDT thereon) at the end of the reporting period.

NOTE 17 : BORROWINGS

(₹ in lakh)

	Note No.	31-Mar-18	31-Mar-17
Non-current			
Unsecured			
Sales tax deferral liability	Note a	1,147.14	1,695.08
Total non-current borrowings		**1,147.14**	**1,695.08**
Current			
Secured			
Cash credits	Note b	2,923.31	4,870.26
Packing credit rupee loan	Note c	1,000.00	-
Buyer's credit (foreign currency loan)	Note d	9,219.12	4,256.02
Total secured current borrowings		**13,142.43**	**9,126.28**
Unsecured			
Short term borrowings	Note e	2,500.00	-
Sales bills discounting	Note h	4,952.78	745.77
Commercial papers	Note f	7,398.16	22,329.33
Packing credit rupee loan	Note c	8,230.92	-
Packing Credit (foreign currency loan)	Note g	2,786.32	-
Buyer's credit (foreign currency loan)	Note d	2,531.44	-
Hundi acceptances	Note h	29,073.28	20,657.02
Total unsecured current borrowings		**57,472.90**	**43,732.12**
Total current borrowings		**70,615.33**	**52,858.40**

Refer Note I for security details. There are no financial covenants as per the terms of agreements with the lenders.

Note a:

Sales tax deferral liability is interest free and repayable over predefined instalments from the initial date of deferment of liability, as per the respective schemes as given below:

(₹ in lakh)

	31-Mar-18
Non-current	
FY 2019-20	466.42
FY 2020-21	327.93
FY 2021-22	228.51
FY 2022-23	107.63
FY 2023-24	16.65
	1,147.14
Current	
FY 2018-19	547.94
	1,695.08

Note b:

Cash credits are unsecured, repayable on demand and bear interest in the range of 8.6% to 13%.

Note c: Packing credit (rupee loan) is as per the following terms

Lending Bank	Maturity Date	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
ICICI Bank Ltd	23-Aug-18	8.15	1,000.00
			1,000.00
Deutsche Bank AG	12-Sep-18	7.25	3,730.51
Deutsche Bank AG	19-Sep-18	7.59	4,500.41
			8,230.92

Note d: Buyer's credit (foreign currency loan) is as per the following terms

Lending Bank	Maturity Date	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Yes Bank Ltd	Repayable from April 2018 to August 2018	LIBOR Linked	9,219.12
			9,219.12
RBL Bank Ltd.	Repayable from May 2018 to August 2018	LIBOR Linked	2,531.44
			2,531.44

Note e: Short term borrowings is as per the following terms

Name of the Subscriber	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
IDFC Bank Ltd	12-Apr-18	8.05	2,500.00
			2,500.00

Note f: Commercial Papers is as per the following terms

Name of the Subscriber	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Invesco Mutual Fund	18-Jun-18	7.45	4,921.85
HSBC Mutual Fund	18-May-18	7.45	2,476.31
			7,398.16

Note g: Packing Credit (Foreign Currency loan) is as per the following terms

Name of the Bank	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Standard Chartered Bank	14-Apr-18	2.19	1,401.26
Standard Chartered Bank	16-Jun-18	2.92	1,385.06
			2,786.32

Note h: Sales bill discounting and Hundi acceptances

The Company has arrangements with HSBC Bank, Kotak Mahindra Bank and BNP Paribas Bank for sales bill discounting. These loans are unsecured and carry interest in the range of 7.5% to 8.7% and for a period of 45 to 60 days.

The Company also has arrangement with various banks for purchase bill discounting. These are also unsecured and carry an interest in the range of 6.9% to 8% and for a period of 90 days.

Note I : Charge on secured borrowings is as given below

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 - 400071

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 - 412210;

ii) Chakan Unit : Village Mahalunge, Chakan Talegaon Road, Khed, Pune - 410501;

iii Wind Farm : Village Vankusawade, Tal. Patan, Dist. Satara, Maharashtra 415206;

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 -110015

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 281403.

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 ₹ 155,799.05 lakh (Previous year ₹ 156,469.16 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

The Company has not defaulted on any loans payable during the year.

NOTE 18 : OTHER FINANCIAL LIABILITIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Non Current		
Deposits received	6.05	6.05
Financial gurarantee contracts	366.07	215.22
Total other non-current financial liabilities	**372.12**	**221.27**
Current		
Current maturities of Non Convertible Debenture (NCD)	-	5,999.50
Current maturities of foreign currency loan	-	1,349.34
Accrued interest on Non Convertible Debenture but not due	-	2,231.94
Current maturities of sales tax defferal liability (refer note 17)	547.94	522.12
Capital creditors	624.60	6.11
Unpaid dividends	88.91	82.93
Trade deposits (dealers, vendors etc.)	937.08	901.58
Interest (payable) accrued and not due	75.51	25.39
Interest accrued and due on borrowings	68.93	9.67
Channel financing liability (refer note 5)	25,557.83	13,205.05
Financial gurarantee contracts	309.93	133.85
Derivative liability	18.79	213.88
Other payables	2,248.11	1,232.88
Total other current financial liabilities	**30,477.63**	**25,914.24**

All the above financial liabilities are carried at amortised cost except for derivative liabilities (forward exchange contracts) which are fair valued through profit and loss and financial guarantee contracts which are initially recognised at fair value.

NOTE 19 : PROVISIONS

(₹ in lakh)

	31-Mar-18			31-Mar-17		
	Current	Non Current	Total	Current	Non Current	Total
Service warranties	4,592.96	1,130.24	5,723.20	5,427.27	1,339.11	6,766.38
Legal claims	525.17	-	525.17	473.38	-	473.38
Other matters**	1,350.00	-	1,350.00	652.00	-	652.00
Total Provisions	**6,468.13**	**1,130.24**	**7,598.37**	**6,552.65**	**1,339.11**	**7,891.76**

Movement in provisions is as given below:

Particulars	Service Warranties*	Legal Claims	Other Matters
Opening balance as on 1st April, 2016	**7,492.59**	**275.04**	**355.07**
Arising during the year	3,347.79	198.34	535.93
Unwinding of discount (finance cost)	18.99	-	-
Utilised during the year	(4,092.99)	-	(239.00)
Opening balance as on April 01, 2017	**6,766.38**	**473.38**	**652.00**
Arising during the year	2,970.47	70.29	698.00
Unwinding of discount (finance cost)	97.94	-	-
Utilised during the year	(4,111.59)	(18.50)	-
Closing balance as on March 31, 2018	**5,723.20**	**525.17**	**1,350.00**

* Refer note 1D(1)

** The Company has made provisions for litigation cases and pending assessments in respect of taxes, the outflow of which would depend on the cessation of the respective events.

NOTE 20 : EMPLOYEE BENEFIT OBLIGATIONS

(₹ in lakh)

Particulars	31-Mar-18			31-Mar-17		
	Current	Non-Current	Total	Current	Non-Current	Total
Leave obligations	1,087.46	2,654.86	3,742.32	1,392.58	3,336.79	4,729.37
Interest rate guarantee on provident fund	-	204.49	204.49	-	172.73	172.73
Gratuity	1,062.37	3,513.15	4,575.52	988.09	3,755.06	4,743.15
Employee benefit liabilities	5,962.03	-	5,962.03	4,722.58	-	4,722.58
Total employee benefit obligations	**8,111.86**	**6,372.50**	**14,484.36**	**7,103.25**	**7,264.58**	**14,367.83**

Disclosure of defined benefit plans are as given below :

A. Gratuity :

The Company has a defined benefit gratuity plan in India (Funded) for its employees, which requires contribution to be made to a separately administered fund.

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 :

Benefits as per the Payment of Gratuity Act, 1972	
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 * GS * SER
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	₹ 2,000,000

(ii) The Company's gratuity scheme :

Benefits as per the Company's Gratuity Scheme for HO Employees (Category S - Staff)	
Salary for calculation of Gratuity (GS)	Basic Salary + Special Pay + Personal Pay + Variable Dearness Allowance + Fixed Dearness Allowance
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 * GS * SER
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

Benefits as per the Company's Gratuity Scheme for HO – Category E - Executives & Category PSG - Project Services Group and Category Factory Staff - Chakan & Ranjangaon Employees		
Salary for calculation of Gratuity (GS)	HO Category E & PSG: 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	**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	**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 E & PSG: 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.

Changes in the Present Value of Obligation are as given below :

Particulars	**For the year ended**	
	31-Mar-18	**31-Mar-17**
Present Value of Obligation as at the beginning	**508,365,669**	**425,579,954**
Current Service Cost	65,694,967	52,042,111
Interest Expense or Cost	34,036,423	33,171,652
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	1,834,288	-
- change in financial assumptions	(56,393,379)	45,157,287
- experience variance (i.e. Actual experience vs assumptions)	(11,015,587)	(6,563,150)
Benefits Paid	(52,957,437)	(41,022,185)
Present Value of Obligation as at the end	**489,564,944**	**508,365,669**

Changes in the Fair Value of Plan Assets is as given below :

Particulars	**For the year ended**	
	31-Mar-18	**31-Mar-17**
Fair Value of Plan Assets as at the beginning	**34,051,747**	**69,392,962**
Investment Income	2,279,854	5,408,806
Employer's Contribution	3,132,567	19,111
Benefits Paid	(7,571,382)	(39,927,414)
Return on plan assets, excluding amount recognised in interest (expense)/income	222,036	(841,718)
Fair Value of Plan Assets as at the end	**32,114,822**	**34,051,747**

Changes in the Fair Value of Reimbursement Right is as given below * :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Fair Value of Reimbursement Right as at the beginning	**432,920,189**	**301,427,263**
Investment Income	28,985,149	23,494,622
Employer's Contribution	50,000,000	100,000,000
Benefits Paid	(45,386,055)	(1,094,771)
Return on plan assets, excluding amount recognised in interest (expense)/income	113,969	9,093,075
Fair Value of Reimbursement Right as at the end	**466,633,252**	**432,920,189**

* Reimbursement right is a non-qualifying insurance policy under Ind AS 19 as it is with Bajaj Allianz Life Insurance Co. Ltd. (a related party of Bajaj Electricals Limited). The same has been dislcosed in note 9 and note 13 of the financials statements

Amount recognised in balance sheet is as given below:

Particulars	As on	
	31-Mar-18	31-Mar-17
Present Value of Obligation	489,564,945	508,365,670
Fair Value of Plan Assets	32,114,822	34,051,747
Surplus / (Deficit)	**(457,450,123)**	**(474,313,923)**
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**(457,450,123)**	**(474,313,923)**

Amount recognised in statement of profit and loss and other comprehensive income is as given below:

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Costs charged to statement of profit and loss :		
Current Service Cost	65,694,967	52,042,111
Interest Expense or Cost	34,036,423	33,171,652
Investment Income	(31,265,003)	(28,903,428)
Expense recognised in statement of profit and loss	**68,466,387**	**56,310,335**
Re-measurement (or Actuarial) (gain) / loss arising from:		
Change in demographic assumptions	1,834,288	-
Change in financial assumptions	(56,393,379)	45,157,287
Experience variance (i.e. Actual experience vs assumptions)	(11,015,587)	(6,563,150)
Return on plan assets, excluding amount recognised in interest expense/(income)	(336,005)	(8,251,357)
(Income) / Expense recognised in Other Comprehensive Income	**(65,910,683)**	**30,342,780**
Total Expense Recognised during the year	**2,555,704**	**86,653,115**

Amount recognised in the balance sheet and statement of profit and loss shown above excludes the defined benefit obligations relating to certain employees in branch offices outside India where the liability is valued on an actual basis.

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-18	31-Mar-17
Funds managed by Insurer	100%	100%
Total	**100%**	100%

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-18	31-Mar-17
Discount rate (per annum)	7.60%	6.70%
Salary growth rate (per annum)	8.50%	10.00%

Demographic Assumptions

Particulars	As on	
	31-Mar-18	31-Mar-17
Mortality Rate (% of IALM 06-08)	100.00%	100.00%
Withdrawal rates, based on age: (per annum) :		
Up to 30 years	16.00%	15.00%
31 - 44 years	14.00%	15.00%
Above 44 years	12.00%	12.00%

Summary of Membership Status

Particulars	As on	
	31-Mar-18	31-Mar-17
Number of employees	3,047	2,783
Total monthly salary (₹)	77,488,075	70,566,263
Average past service (years)	5.29	5.40
Average age (years)	35.20	35.36
Average remaining working life (years)	22.80	22.65
Number of completed years valued	16,127	15,022
Decrement adjusted remaining working life (years)	6.16	5.92
Normal retirement age	58 years *	58 years *

* The standard retirement date for executive employees is June 30 and the April 1st for the staff employees. In case of employees with age above the normal retirement age indicated above, the retirement is assumed to happen immediately and valuation is done accordingly.

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31-Mar-18	31-Mar-17
Defined Benefit Obligation (Base)	489,564,945	508,365,670

Particulars	31-Mar-18		31-Mar-17	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	513,538,080	468,102,725	534,913,159	484,710,365
(% change compared to base due to sensitivity)	4.9%	-4.4%	5.2%	-4.7%
Salary Growth Rate (- / + 1%)	469,554,223	511,442,138	486,738,955	532,069,433
(% change compared to base due to sensitivity)	-4.1%	4.5%	-4.3%	4.7%
Attrition Rate (- / + 50% of attrition rates)	529,205,058	467,759,189	581,257,609	471,460,482
(% change compared to base due to sensitivity)	8.1%	-4.5%	14.3%	-7.3%
Mortality Rate (- / + 10% of mortality rates)	489,418,953	489,710,420	508,349,415	508,381,836
(% 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-18	31-Mar-17
The Company's best estimate of Contribution during the next year	42,299,064	96,212,335

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-18	31-Mar-17
Weighted average duration (based on discounted cashflows)	5 years	5 years

Expected cash flows over the next (valued on undiscounted basis):	31-Mar-18	31-Mar-17
1 year	138,351,451	132,860,127
More than 1 and upto 2 years	57,454,545	63,085,641
More than 2 and upto 5 years	145,079,275	147,523,407
More than 5 and upto 10 years	177,708,215	171,114,629
More than 10 years	255,997,803	258,212,747

d) Asset Liability Matching Strategies

For gratuity, the Company has purchased insurance policy, 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 terms, 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)

B. Provident Fund (Defined Benefit Plan) :

Bajaj Electricals Limited operates in two schemes for the compliance of provident fund statute - (i) Bajaj Electricals Limited Employees' Provident Fund Trust & Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (defined benefit plan) and (ii) RPFC Contributions for provident fund (defined contribution plan).

For exempt provident fund, the defined benefit obligation of the Company arises from the possibility that during anytime in the future, the scheme may earn insufficient investment income to meet the gauranteed interest rate declared by government / EPFO / relevant authorities.

The net defined benefit obligation as at the valuation date represents the excess of accumlated fund value (determined on actuarial basis) plus interest rate guaranteed liability over the fair value of plan assets or vice-a-versa

The benefit valued under PF obligation are summarised below:

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

* The standard retirement date for executive employees is June 30th of every year and the same is April 1st of every year for the staff employees.

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 below

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 of trusts are as given below :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Present Value of Obligation as at the beginning	**1,107,106,009**	**948,569,921**
Interest Cost	90,550,479	81,900,357
Current Service Cost (employer's contribution)	58,644,008	55,559,003
Employee's Contributions	127,547,774	121,558,659
Transfer In / (out) of the liability	40,173,708	33,371,819
Benefits Paid	(173,126,987)	(136,963,553)
Re-measurement (or Actuarial) (gain) / loss arising from:		
- experience variance (i.e. Actual experience vs assumptions), loss if positive	3,171,338	3,109,803
Present Value of Obligation as at the end	**1,254,066,329**	**1,107,106,009**

Changes in the Fair Value of Plan Assets of trusts is as given below :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Fair Value of Plan Assets as at the beginning	**1,131,585,274**	**977,924,463**
Investment Income	75,816,213	74,811,221
Employer's Contributions	58,644,008	55,559,003
Employee's Contributions	127,547,774	121,558,659
Transfers In	40,173,708	33,371,819
Benefits Paid	(173,126,987)	(136,963,553)
Return on plan assets, excluding amount recognised in interest (expense)/income	22,567,585	5,323,662
Fair Value of Plan Assets as at the end	**1,283,207,575**	**1,131,585,274**

Amount recognised in balance sheet of trusts is as given below:

Particulars	As on	
	31-Mar-18	31-Mar-17
Present Value of Obligation	1,254,066,329	1,107,106,009
Fair Value of Plan Assets	1,283,207,575	1,131,585,274
Surplus / (Deficit)	**29,141,246**	**24,479,265**
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**29,141,246**	**24,479,265**

The present value of obligation of provident fund of trusts represents the aggregate of accumulated fund value of ₹ 1,233,622,385 (As on March 31, 2017 - ₹ 1,089,833,403) and interest rate guarantee ₹ 20,443,944 (As on March 31, 2017 - ₹ 17,272,606). 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

Amount recognised in statement of profit and loss and other comprehensive income of trusts is as given below:

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Costs charged to statement of profit and loss :		
Current Service Cost	58,644,008	55,559,003
Interest Expense or Cost	90,550,479	81,900,357
Investment Income	(75,816,213)	(74,811,221)
Expense recognised in statement of profit and loss	**73,378,274**	**62,648,139**
Re-measurement (or Actuarial) (gain) / loss arising from:		
Experience variance (i.e. Actual experience vs assumptions)	3,171,338	3,109,803
Return on plan assets, excluding amount recognised in interest expense/(income)	(22,567,585)	(5,323,662)
Expense recognised in Other Comprehensive Income	**(19,396,247)**	**(2,213,859)**
Total Expense Recognised during the year	**53,982,027**	**60,434,280**

The significant actuarial assumptions are as follows :

Financial and Demographic Assumptions

Particulars	As on			
	31-Mar-18		31-Mar-17	
	HO Unit	Chakan Unit	HO Unit	Chakan Unit
Discount rate (per annum)	7.60%	7.60%	6.70%	6.70%
Interest rate guarantee (per annum)	8.55%	8.55%	8.65%	8.65%
Discount Rate for the Remaining Term to Maturity of the Investment (p.a.)	7.60%	7.60%	6.70%	6.70%
Average Historic Yield on the Investment (p.a.)	8.45%	8.45%	8.70%	8.70%
Effective short fall in the interest earnings on the fund (per annum)	0.40%	0.40%	0.40%	0.40%
Mortality Rate (% of IALM 2006-08)	100.00%	100.00%	100.00%	100.00%
Attrition Rate	22.00%	22.00%	22.00%	22.00%

Summary of Membership Status

Particulars	As on	
	31-Mar-18	31-Mar-17
Dormant/Inoperative Employees	3,488	3,381
Live Number of employees	1,971	1,868
Total Number of employees	**5,459**	**5,249**
Average age (years)	37.08	37.10

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-18	31-Mar-17
Government of India securities	9.0%	4.8%
State Government securities	21.6%	29.1%
High quality corporate bonds	48.1%	46.1%
Equity shares of listed companies	1.0%	0.0%
Public Sector Bonds	0.0%	0.0%
Special Deposit Scheme	15.6%	13.5%
Funds managed by Insurer	4.1%	0.0%
Bank balance	0.3%	0.5%
Other Investments	0.3%	6.0%
Total	**100%**	**100%**

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31-Mar-18	31-Mar-17
Defined Benefit Obligation (Base)	1,254,066,329	1,107,106,009

Particulars	31-Mar-18		31-Mar-17	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	1,275,039,906	1,237,201,962	1,131,250,924	1,093,412,980
(% change compared to base due to sensitivity)	1.7%	-1.3%	2.2%	-1.2%
Interest rate guarantee (- / + 1%)	1,229,947,211	1,192,892,629	1,086,158,229	1,049,103,647
(% change compared to base due to sensitivity)	-1.9%	-4.9%	-1.9%	-5.2%

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 and Matchwel Electricals (India) Ltd Employees' Provident Fund Trust. The investments for the same are managed by Trustees as per advice and recommendations of a professional consultant 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 Trusts is funded by the Company. The provident fund for certain employees is a defined contribution plans covered under RPFC Contributions

b) Expected Contribution during the next annual reporting period

Particulars	31-Mar-18	31-Mar-17
The trusts' best estimate of Contribution during the next year	61,576,208	58,336,953

This has been calculated assuming that the employer's contribution next year shall increase by 5%.

c) Asset Liability Matching Strategies

For PF Trust Investments, the same are managed by Trustees as per advice and recommendations of a professional consultant. 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%

C. Expenses Recognised during the year (Defined Contribution Plan) :

Particulars	Provident Fund		Superannuation		Pension	
	For the year ended		For the year ended		For the year ended	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Expense recognised in the statement of Profit & Loss	10,315,339	7,956,603	28,129,974	31,225,090	40,529,958	37,804,048

The Leave Encashment Schemes, superannuation and pension schemes are managed on unfunded basis, hence Asset Liability Matching Strategies are not applicable

NOTE 21 : TRADE PAYABLES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current		
Trade payable	81,432.42	61,528.60
Dues to micro, small and medium enterprises (refer note below)	2,689.49	1,529.09
Acceptances	1,111.09	516.69
Trade payable to related parties	209.36	-
Total current trade payables	**85,442.36**	**63,574.38**
Non-Current		
Retention payable to contractor	14.47	16.60
Total non-current trade payables	**14.47**	**16.60**

Trade payables are non-interest bearing and are normally settled within 60 days from the time they are contractually due.

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.

Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:

(₹ in lakh)

		31-Mar-18	31-Mar-17
Principal		2,667.51	1,488.21
Interest		21.98	40.88
i)	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.	40.88	20.03
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.	-	-
iii)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	21.98	40.88
iv)	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.	0.44	-

NOTE 22 : OTHER CURRENT LIABILITIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Gross amount due to customer for contract work	20,678.13	30,009.42
Statutory liabilities payable	3,740.13	4,506.56
Deferred revenue *	3,241.20	-
Advance received from customer	11,245.50	17,424.84
Temporary overdraft as per books	-	2.65
Others	1,445.60	1,709.04
Total other current liabilities	**40,350.56**	**53,652.51**

* Deferred revenue pertains to accrual of points under the Retailer Bonding Program. Refer note 1D(5).

NOTE 23 : REVENUE FROM OPERATIONS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) *	281,776.85	290,834.50
Contract Revenue	187,819.42	137,393.09
Other operating revenue **	2,042.72	1,598.31
Total revenue from operations	**471,638.99**	**429,825.90**

* Sale of products includes excise duty collected from customers of ₹ 894.05 lakh (March 31, 2017 - ₹ 3,654.68 lakh). Sale of goods net of excise duty is ₹ 280,882.80 lakh (March 31, 2017 - ₹ 287,179.82 lakh). Revenue from operations for periods upto June 30, 2017 includes excise duty. From July 01, 2017 onwards, the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in revenue from operations. In view of the aforesaid change in indirect taxes, revenue from operations for the year ended March 31, 2018 is not comparable to March 31, 2017.

** Other operating revenue mainly comprises of scrap sales amounting to ₹ 1,097.77 lakh (March 31, 2017 - ₹ 725.43 lakh)

NOTE 24 : OTHER INCOME

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest income on bank deposits and others	1,518.24	1,456.62
Interest income from financial assets at amortised cost	1,744.03	1,241.24
Interest on income tax refund	947.31	-
Income on financial guarantees issued	239.42	136.47
Rental income	182.59	217.50
Net gain / (losses) on disposal of property, plant & equipment	135.74	156.47
Others	552.06	350.33
Total other income	**5,319.38**	**3,558.63**

NOTE 25 : COST OF RAW MATERIALS CONSUMED

(₹ in lakh)

	31-Mar-18	31-Mar-17
Raw materials at the beginning of the year	8,533.71	3,284.34
Add : Purchases	33,626.93	24,795.43
Less : Raw materials at the end of the year	9,447.80	8,533.71
Total cost of raw material consumed	**32,712.84**	**19,546.06**

NOTE 25 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS, TRADED GOODS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Opening balance		
Work in progress	726.54	505.78
Finished Goods	5,445.94	3,095.55
Traded goods	42,104.77	43,163.86
Total opening balance	**48,277.25**	**46,765.19**
Closing balance		
Work in progress	1,195.61	726.54
Finished Goods	7,006.62	5,445.94
Traded goods	40,064.13	42,104.77
Total Closing balance	**48,266.36**	**48,277.25**
Total Changes in inventories of work in progress, traded goods and finished goods	**10.89**	**(1,512.06)**

NOTE 26 : ERECTION & SUBCONTRACTING EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Erection and subcontracting expense	31,042.67	29,378.77
Total Erection & subcontracting expense	**31,042.67**	**29,378.77**

NOTE 27 : EXCISE DUTY

(₹ in lakh)

	31-Mar-18	31-Mar-17
Excise Duty	894.05	3,654.68
Total Excise Duty	**894.05**	**3,654.68**

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Salaries, wages and bonus	28,893.12	30,110.67
Contribution to Providend and other funds	1,531.88	1,451.39
Employees share based payment expense	285.88	390.18
Gratuity (refer note 20)	686.73	584.66
Staff welfare expenses	390.29	353.06
Total employee benefit expense	**31,787.90**	**32,889.96**

NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Depreciation of property, plant and equipment	3,350.20	2,983.79
Depreciation of assets classified as held for sale	-	0.71
Amortisation of intangible assets	44.29	2.64
Total depreciation and amortisation expense	**3,394.49**	**2,987.14**

NOTE 30 : OTHER EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Consumption of stores & spares	1,046.52	1,038.15
Packing material consumed	864.83	702.65
Excise duty on increase/(Decrease) in stocks of finished goods	(0.01)	389.06
Power and fuel	1,068.25	1,173.64
Rent	4,377.81	4,167.45
Repairs and maintenance		
Plant and machinery	895.12	653.84
Buildings	12.95	8.18
Others	324.13	238.56
Telephone and communication charges	1,117.45	1,201.41
Rates and taxes	90.27	93.20
Lease rent	211.86	231.66
Travel and conveyance	7,049.35	6,534.38
Insurance	1,172.21	855.11
Printing and stationery	271.33	346.96
Directors fees & travelling expenses	63.04	79.53
Non executive directors commission	42.23	60.77
Advertisement & publicity	10,455.92	7,849.99
Freight & forwarding	7,396.01	7,117.05
Product promotion & service charges	8,038.89	10,319.62
Sales commission	2,509.52	3,234.06
Provisions		
Service warranties	(1,139.51)	(871.47)
Impairment allowance for doubtful debts and advances	1,889.17	2,086.22
Bad debts and other irrecoverable debit balances Written off	2,492.78	358.17
Payments to auditors (refer note 30(a))	130.04	142.93
Corporate social responsibility expenditure (refer note 30(b))	271.00	163.44
Impairment allowance of financial assets at amortised cost (refer note 43)	301.16	531.56
Fair value loss on financial instruments at fair value through profit and loss	771.05	-
Consultation charges	4,304.45	3,712.38
Site support charges - EPC	2,421.60	2,171.92
Sales tax expenses	1,091.35	775.20
Security service charges	1,426.39	1,233.73
Miscellaneous expenses	7,155.86	7,300.14
Total other expenses	**68,123.02**	**63,899.49**

NOTE 30(A) : DETAILS OF PAYMENT TO AUDITORS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Payment to Auditors		
As Auditor		
Audit Fee	85.50	104.65
Tax Audit Fee	5.00	11.50
Limited Review Fees	26.50	22.43
In other capacities		
Certification fees	8.03	7.18
Re-imbursement of expenses	5.01	2.98
Total payment to auditors	**130.04**	**148.74**

NOTE 30(B) : CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Amount required to be spent as per Section 135 of Companies Act, 2013	266.70	156.87
Amount spent during the year on		
(i) Construction/Acquisition of an Asset	-	-
(ii) on Purposes other than (i) above (refer note 44)	195.30	108.48

NOTE 31 : FINANCE COST

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest expense on borrowings	4,583.45	6,570.69
Interest expense on mobilisation advances	783.60	958.43
Unwinding of discount on provisions	182.96	173.07
Exchange differences regarded as an adjustment to borrowing costs	127.51	203.87
Other borrowing costs	208.95	293.46
Total	**5,886.47**	**8,199.52**
Finance cost capitalised	-	(155.75)
Finance cost expensed in profit and loss	**5,886.47**	**8,043.77**

NOTE 32 : INCOME TAX EXPENSE

(a) Income Tax Expense

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current Tax		
Current income tax charge	10,060.00	6,600.00
Adjustments of tax relating to earlier periods	1.98	-
Total Current tax expense	**10,061.98**	**6,600.00**
Deferred Tax (refer note 8)		
Decrease / (increase) in deferred tax assets	(1,634.33)	(1,502.37)
(Decrease) / increase in deferred tax liabilities	(343.14)	940.22
Total deferred tax expense / (benefit)	**(1,977.47)**	**(562.15)**
Income tax expense in the statement of profit and loss	**8,084.51**	**6,037.85**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(₹ in lakh)

	31-Mar-18	31-Mar-17
Profit / (Loss) from continuing operations before income tax expense	16,446.67	16,803.94
Income Tax @ standard tax rate of 34.608%	5,691.86	5,815.51
Tax effect of amounts which are not deductible in calculating taxable income :		
- Corporate Social responsibility Expenditure	98.87	56.62
- Estimated expenditure to earn tax exempt Income	3.46	34.71
- Employee Share based payment expense	98.94	135.03
- Impairment Allowance / Fair Value Loss on Financial Asset and Investment of Starlite Lighting Limited*	2,501.25	-
Other items affecting effective tax rate:		
- Reversal of Defered Tax Asset on Impairment allowance on Investment in Hind Lamps Limited	346.08	-
- Effects of changes in statutory tax rate	(66.18)	-
- Deferred Tax Asset recognised on Asset held for Sale	(485.10)	-
- Others	(104.67)	(4.02)
Income Tax Expense reported in statement of profit and loss	8,084.51	6,037.85

*The Company has not recognised deferred tax assets since it is not probable that long term capital gains will be available against which such deferred tax assets can be utilised.

NOTE 33 : EMPLOYEE STOCK OPTIONS :

A. Summary of Status of ESOPs Granted :

The position of the existing schemes 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 July 26, 2007 and revised in AGM held on July 28, 2010		Postal Ballot dated January 21, 2016
2	Total Number of Options approved	Bajaj Growth 2007 Scheme approved 4,321,440 shares of face value ₹ 2 each (erstwhile 864,288 shares of ₹ 10 each prior to share-split) equivalent to 5% of paid up equity shares i.e. 86,428,800 shares as at the date of the announcement of scheme. The ESOP 2011 being the modified ESOP 2007 Scheme approved aggregate of 78,03,560 shares of face value ₹ 2 each equivalent to 8% of paid up equity shares i.e. 97,544,495 as at the date of the announcement of scheme.		30,27,073 shares of face value ₹ 2 each equivalent to 3% of paid up equity i.e. 100,902,426 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 anytime upto 3 years from date of vesting. Options granted under the plan carry no dividend or voting rights till the options are excercised and duly allotted to the employees. When exercisable, each option is convertible into one equity share.		
4	The Pricing Formula	Closing price on the stock exchange where there is highest traded 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 ESOPs	Nil	Nil	Nil
9	Equity Shares reserved for issue under Employee Stock Options Outstanding as at March 31, 2018	The Company had reserved for issuance of 10,830,633 Equity Shares of ₹ 2 each to eligible employees of the Company under Employees Stock Option Pool, of which number of stock options not yet granted are 1,069,792, number of stock options vested & exercisable are 409,075, number of stock options unvested are 981,500, number of stock options cancelled under ESOP 2015 Scheme are 163,500 and number of stock options lapsed under ESOP 2015 Scheme are Nil. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2018 are 2,623,867.		

II. Option Movement during the year ended March 31, 2018

		BAJAJ GROWTH 2007		ESOP 2011		ESOP 2015	
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	120,000	313.95	1,399,550	245.37	569,000	244.89
2	Options Granted during the year	-	-	-	-	377,500	423.48
3	Options Forfeited / Surrendered during the year	4,000	313.95	130,000	278.39	108,500	233.86
4	Options Expired (Lapsed) during the year	57,500	313.95	28,150	192.03	-	-
5	Options Exercised during the year	58,500	313.95	638,075	213.55	50,750	234.50
6	Number of Options Outstanding at the end of the year	-	-	603,325	274.41	787,250	332.72
7	Number of Options Exercisable at the end of the year	-	-	348,325	268.87	60,750	237.87

Option Movement during the year ended March 31, 2017

		BAJAJ GROWTH 2007		ESOP 2011		ESOP 2015	
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	307,450	280.57	2,008,550	230.81	115,000	177.85
2	Options Granted during the year	-	-	-	-	507,500	258.04
3	Options Forfeited / Surrendered during the year	29,500	247.22	246,500	228.16	52,500	226.50
4	Options Expired (Lapsed) during the year	120,950	288.38	59,300	195.54	-	-
5	Options Exercised during the year	37,000	173.35	303,200	172.62	1,000	177.85
6	Number of Options Outstanding at the end of the year	120,000	313.95	1,399,550	245.37	569,000	244.89
7	Number of Options Exercisable at the end of the year	120,000	313.95	843,300	226.31	18,000	177.85

III. Weighted Average remaining contractual life

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
Range of Exercise Price	Weighted average contractual life (years) as on March 31, 2018		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	1.33	3.85
No. of Options Outstanding	Nil	89,375	50,000
201 to 300	Nil	3.05	4.32
No. of Options Outstanding	Nil	310,150	337,250
301 to 400	Nil	2.02	4.95
No. of Options Outstanding	Nil	203,800	177,500
401 to 500	Nil	Nil	5.90
No. of Options Outstanding	Nil	Nil	222,500

Range of Exercise Price	Weighted average contractual life (years) as on March 31, 2017		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	1.71	4.54
No. of Options Outstanding	Nil	467,050	94,000
201 to 300	Nil	3.23	5.14
No. of Options Outstanding	Nil	617,500	452,500
301 to 400	0.58	2.78	5.65
No. of Options Outstanding	120,000	315,000	22,500

IV Weighted Average Fair Value of Options Granted during the year ended March 31, 2018 whose

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	159.71
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil

Weighted Average Fair Value of Options Granted during the year ended March 31, 2017 whose

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	92.92
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil

V The weighted average market price of options exercised :

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
During the year ended March 31, 2018	360.32	405.77	436.58
During the year ended March 31, 2017	272.38	253.73	308.40

VI Method and Assumptions used to estimate the Fair Value of Options Granted during the year ended March 31, 2018 :

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
Variables		Weighted Average	Weighted Average	Weighted Average
1.	Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.89%
2.	Expected Life (in years)			4.15
3.	Expected Volatility			37.22%
4.	Dividend Yield			0.68%
5.	Exercise Price (₹)			423.48
6.	Price of the underlying share in market at the time of the option grant. (₹)			423.48

Method and Assumptions used to estimate the Fair Value of Options Granted during the year ended March 31, 2017 :

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
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

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), 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 and Loss for the year :

Particulars	31-Mar-18	31-Mar-17
1 Employee Stock Option Plan Expense	28,587,834	39,018,554
2 Total ESOP Reserve at the end of the year	95,814,741	119,899,461

NOTE 34 : FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows

Particulars	31-Mar-18	31-Mar-17
A. Financial assets		
I. Measured at amortised cost		
Investments	764.82	4,153.60
Trade Receivables	201,213.75	164,664.92
Loans	11.14	297.58
Cash and Cash Equivalents	2,181.97	2,508.23
Bank Balances other than above	392.20	4,018.29
Other Financial Assets	2,141.64	5,637.14
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Assets (Derivative Assets)	19.65	-
Investments	0.10	2,128.77
	206,725.27	**183,408.53**
B. Financial liabilities		
I. Measured at amortised cost		
Borrowings	71,762.47	54,553.48
Trade Payables	85,456.83	63,590.98
Other Financial Liabilities	30,830.96	25,921.63
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Liabilities (Derivative Liability)	18.79	213.88
	188,069.05	**144,279.97**

(ii) Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

Particulars	Valuation Techniques	Carrying values	Fair Values	Fair Values Measurement using		
				Level 1	Level 2	Level 3
As at March 31, 2018						
Other Financial Assets (Derivative Assets)	Mark to Market	19.65	19.65		19.65	
Investments	Discounted Cash Flow*	0.10	1,357.62			1,357.62
Other Financial Liabilities (Derivative Liability)	Mark to Market	18.79	18.79		18.79	
		38.54	**1,396.06**	**-**	**38.44**	**1,357.62**
As at March 31, 2017						
Investments	Discounted Cash Flow	2,128.77	2,128.77			2,128.77
Other Financial Liabilities (Derivative Liability)	Mark to Market	213.88	213.88		213.88	
		2,342.65	**2,342.65**	**-**	**213.88**	**2,128.77**

There have been no transfers between Level 1 and Level 2 during the period.

* Based on independent valuation performed by an external valuer, the equity value (enterprise value minus external debt) is negative. Accordingly, the investment has been fully impaired. Refer below for assumptions used

Significant unobservable inputs used in Level 3 fair values as at March 31, 2018

Particulars	Significant Unobservable Inputs	Sensitivity
Investments (Preference shares of Starlite Lighting Limited)	Discount rate - Scenario 1 – 12% - Scenario 2 – 16% - Scenario 3 – 20% Average of scenario 1-3 is considered for valuation	The Company has reduced the fair value of investments in preference shares in Starlite Lighting Limited and impaired fully the equity instruments since the enterprise value less external debt is negative.
Invesments (Equity shares of Starlite Lighting Limited)	Discount rate – 18.16% Terminal value growth rate – 3%	1% increase in discount rate will decrease fair value by ₹ 753.00 lakh. 1% decrease in discount rate will increase the fair value by ₹ 853.80 lakh. 1% increase in terminal value growth rate will increase fair value by ₹ 191.80 lakh. 1% decrease in terminal value growth rate will decrease the fair value by ₹ 168.00 lakh.

All other current financial assets and current financial liabilities have fair values that approximate to their carrying amounts due to their short term nature. Further all other non-current financial assets and non-current financial liabilities have fair values that approximates to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

NOTE 35 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of borrowings, trade and other payables, channel financing liability and financial guarantee contracts. The main purpose of these financial liabilities is to finance the entity's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also holds investments (measured at FVTPL and amortised cost) and enters into derivative transactions (other than for speculative purposes).

The risk management committee of the Company lays down appropriate policies and procedures to ensure that financial risks are identified, measured and managed in accordance with the entity's policies and risk objectives.

The Company is exposed to credit risk, liquidity risk and market risk, which are explained in detail below :

(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. The Company is exposed to credit risk from its operating activities mainly in relation to trade and other receivables and bank deposits. Further, the Company is also exposed to credit risk arising from its loans, advances and investment in preference shares of its affiliate companies.

Trade and other receivables

Trade and other receivables of the Company are typically unsecured and credit risk is managed through credit approvals and periodical monitoring of the creditworthiness of customers to which the Company grants credit terms. In respect of trade receivables, the Company typically operates in two segments:

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. In case of government sector, the credit risk is 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 and other 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 and other receivables. In respect of trade receivables the Company has a provisioning policy 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 March 31, 2018 and March 31, 2017 is the carrying value of such trade and other receivables as shown in note 5, 7 and 12 of the financials.

Reconciliation of impairment allowance on trade and other receivables (₹ in lakh)

Particulars	Amount
Impairment allowance on March 31, 2017	**15,507.41**
Created during the year	5,318.76
Reversed during the year	(3,399.95)
Impairment allowance on March 31, 2018	**17,466.22**

Bank deposits

The company maintains its cash and bank balances 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 March 31, 2018 and March 31, 2017 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). Further, the Company also has made strategic investments (equity and preference investments) in these entities. All such loans / advances / investments and their respective terms and conditions are duly approved by the Board of Directors of the Company. These entities also act as a strategic source of product supply to the Company.

The exposure on these loans / advances / investments are reviewed on regular basis for their recoverability on the basis of their business plan, future profitability, cash flow projections, market value of the assets, etc. Such assessment is performed by the management through an independent external valuer based on which any expected credit losses are provided for in the books.

As on the date of reporting, the Company does not have any expected credit loss on its loans / advances / investments in Hind Lamps Limited except for those provided in the books, based on the asset valuation done by the external valuer. In respect of Starlite Lighting Limited, the Company has fully impaired its exposure as at March 31, 2018 in its financial statements (Refer Note 43).

(B) Liquidity risk

The company has a central treasury department, 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 business units 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.

(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-18	31-Mar-17
Floating / Fixed Rate		
- Expiring within One year (Bank overdraft and other facilities)	237,581	212,894

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.

(ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in lakh)

Particulars	Carrying value as at March 31, 2018	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	71,762.47	70,615.33	466.42	664.06	16.65	71,762.46
Trade payables	85,456.83	85,476.12	14.47	-	-	85,490.59
Other financial liabilities	30,849.75	30,766.05	141.60	159.30	-	31,066.95
Total	**188,069.05**	**186,857.50**	**622.49**	**823.36**	**16.65**	**188,320.00**

Particulars	Carrying value as at March 31, 2017	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	54,553.48	53,529.08	547.94	1,022.86	124.28	55,224.16
Trade payables	63,590.98	63,044.60	18.97	-	0.27	63,063.84
Other financial liabilities	26,135.51	25,799.61	118.67	96.55	6.05	26,020.88
Total	**144,279.97**	**142,373.29**	**685.58**	**1,119.41**	**130.60**	**144,308.88**

(C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as commodity risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

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 buyer's credit, packing credit, foreign currency term loans, etc. As these commercial transactions are recorded in currency other than the functional currency (₹), 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 Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :

(₹ In lakh)

	31-Mar-18					31-Mar-17					
	USD	EUR	CAD	GBP	AED	USD	EUR	RMB	JPY	AUD	AED
Financial assets	990.66	-	-	-	-	451.17	(1.21)	47.90	-	-	17.52
Financial liabilities	16,703.28	46.24	28.47	3.19	(1.47)	8,847.28	499.73	25.54	(2.61)	(1.98)	5.33

Further, the Company has open foreign exchnage forward contracts amounting to USD 123.64 lakh (March 31, 2017 - USD 82.42 lakh)

b) 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-18	31-Mar-17
USD sensitivity		
₹ appreciates by 4%(March 31, 2017 - 5%)	628.48	419.77
₹ depreciated by 4%(March 31, 2017 - 5%)	(628.48)	(419.77)

The company also has an exposure in EUR, CAD, RMB, JPY and AUD, the impact of sensitivity of which is very negligible.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term borrowings except sales tax deferral loan which is interest free. Also in case of short term borrowings, the interest rate is fixed in a large number of cases and linked to the LIBOR in a few cases. Hence, interest rate risk is assessed to be low. Accordingly, the sensitivity / exposure to change in interest rate is insignificant

(iii) Price risk

In case of the consumer product business, the company manufactures LED bulbs and Tubes and small quantity of ceiling fans. All other products are procured from the vendors. The terms of payment with vendors is on cost plus basis. Hence, the price risk is assessed to be low.

The Company is also into EPC segment, wherein it takes turnkey contracts for transmission line towers, rural electrification, 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 has contractual right to pass the commodity price risk to the customer, hence the price risk is assessed to be low.

NOTE 36 : CAPITAL MANAGEMENT

For the purpose of capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity shareholders.

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. Management considers the amount of capital in proportion to risk and manages 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 including current maturities of long term borrowings) divided by total equity (as shown in the balance sheet excluding debenture redemption reserve, capital reserve and capital redemption reserve)

The Company's strategy is to maintain a gearing ratio within 2 times. The Debt Equity ratio is as follows:

Particulars	31-Mar-18	31-Mar-17
Total debt	72,310.41	64,656.38
Total equity	94,329.31	84,504.01
Total debt to equity ratio	0.77	0.77

NOTE 37 : SEGMENT REPORTING

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 : (₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
a) Consumer Products	10,868.45	9,902.94
b) EPC	19,460.09	14,167.01
c) Others	(45.15)	(17.12)
Operating Segment Profit	**30,283.39**	**24,052.83**
Unallocated income / (expenses)		
Depreciation & amortisation expenses	(128.82)	-
Finance Cost	(5,886.47)	(8,043.77)
Interest income on financial assets measured at amortised cost	373.83	597.32
Impairment / Fair value loss of financial assets	(771.05)	(531.56)
Profit / (Loss) on sale of Property, plant & equipment	152.22	153.08
Rent received	182.59	217.50
Employee share based payment expenses	(285.88)	(390.18)
Interest on Income Tax refund	947.31	-
Exceptional items	(8,936.26)	-
Others	515.81	748.72
Profit before income tax	**16,446.67**	**16,803.94**

The operating segment results includes depreciation and amortisation of ₹ 1,551.16 lakh (March 31, 2017 – ₹ 1,557.54 lakh) for consumer products, ₹ 1,676.25 lakh (March 31, 2017 – ₹ 1,391.33 lakh) for EPC and ₹ 38.26 lakh (March 31, 2017 – ₹ 72.02 lakh) for others.

2) Segment Revenue: (₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
a) Consumer Products	222,845.89	231,421.03
b) EPC	248,756.15	198,332.80
c) Others	36.95	72.07
Sub-total	**471,638.99**	**429,825.90**
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	**471,638.99**	**429,825.90**

There is no single customer with more than 10% of revenue. 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-18	31-Mar-17
India	466,102.24	425,128.59
Outside India	5,536.75	4,697.31
Total	**471,638.99**	**429,825.90**

3) Segment Assets :

Segment assets are measured on the same principles as they have been for the purpose of these 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 March 31, 2018	As at March 31, 2017
a) Consumer Products	93,378.72	78,430.85
b) EPC	211,803.31	172,427.08
c) Others	301.07	305.59
Total Segment Assets	**305,483.10**	**251,163.52**
Unallocated		
Deferred tax assets	7,353.18	5,594.96
Income tax assets (net)	828.12	4,486.51
Investments	1,449.45	8,034.22
Property, Plant & Equipments	22,490.06	22,568.00
Cash & cash equivalents	2,574.17	6,526.51
Others	7,092.18	10,298.03
Total assets as per balance sheet	**347,270.26**	**308,671.75**

The total of non-current assets other than financial instruments, investments and deferred tax assets, broken down by location of the assets, is shown below:

(₹ in lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
India	31,250.40	30,980.80
Outside India	4.59	23.00
Total	**31,254.99**	**31,003.80**

The capital expenditure incurred for consumer products is ₹ 330.34 lakh (March 31, 2017 – ₹ 355.79 lakh), for EPC is ₹ 1,103.64 lakh (March 31, 2017 – ₹ 1,347.04 lakh) and for others is ₹ 2,659.22 lakh (March 31, 2017 – ₹ 5,507.32 lakh).

4) Segment Liabilities :

Segment liabilities are measured on the same principles as they have been for the purpose of these financial statements. The Company'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 March 31, 2018	As at March 31, 2017
a) Consumer Products	73,238.84	65,808.00
b) EPC	100,620.76	88,524.08
c) Others	-	-
Total Segment Liabilities	**173,859.60**	**154,332.08**
Unallocated		
Borrowings	72,310.41	62,424.44
Others	6,625.23	4,765.51
Total liabilities as per balance sheet	**252,795.24**	**221,522.03**

NOTE 38 : DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

(₹ in lakh)

Name of Related Party and Nature of relationship	Nature of Transaction	2017-18		2016-17	
		Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet	Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet
(A) Parent Entities					
Nil	Not Applicable				
(B) Subsidaries					
Nil	Not Applicable				
(C) Associate - Hind Lamps Limited					
	Purchases	2,872.46	(87.42)	2,803.85	(124.88)
	Trade Advance Given	2,952.74	797.96	3,124.89	753.47
	Sales	159.24	13.05	109.92	10.41
	Interest on loan / advance	111.41	-	102.62	25.45
	0% Non Convertible Redeemable Preference Shares		764.82		692.14
	Finance Income of preference shares (financial asset at amortised cost)	72.68		65.77	
	Services Received	-		0.33	
(D) Joint Venture - Starlite Lighting Limited					
	Purchases	8,179.86	(216.14)	5,100.51	1,610.86
	Contribution to Equity	3.50		-	
	Contribution to Equity on A/c of valuation of Corporate Guarantee	566.36		-	
	Finance income on Corporate Guarantee given	239.42		136.47	
	Sales of Components	3,883.12	-	-	-
	0% Non Convertible Redeemable Preference Shares (at amortised cost) *	-	-	-	3,461.46
	9% Non Convertible Redeemable Preference Shares (at fair value through profit or loss) *	-	-	-	2,128.66
	Finance Income of preference shares (financial asset at amortised cost)	301.16		531.56	
	Impairment and fair value loss of financial assets and equity	10,008.46		531.56	
	Trade Advance Given *	650.00	5,354.82	1,200.00	3,916.67
	Loans given *	-	-	-	280.00
	Reimbursement of Expenses	-	-	8.44	-
	Lease Rent received	-	-	51.64	-
	Interest on loan and advance	882.90	-	525.89	304.40
(E) Key Mangement Personnel Compensation					
	Short-term employee benefits	1,645.80	(942.82)	1,224.95	(653.73)
	Post- employment benefits (contribution to super annunation fund)	53.95		48.15	
	Long-term employee benefits (contribution to provident fund)	43.16		38.52	
	Perquisite value of ESOPs excercised during the year	25.01	-	6.08	-
	Total Compensation	**1,767.92**	**(942.82)**	**1,317.70**	**(653.73)**

Name of Related Party and Nature of relationship	Nature of Transaction	2017-18		2016-17	
		Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet	Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet
(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					
	Reimbursement of Expenses	602.97	(43.61)	651.49	(23.05)
	Services Received	194.64	(41.27)	34.05	(1.80)
	Rent Paid	54.00	-	10.35	(1.35)
	Deposits given	-	27.00	27.00	27.00
	Sales	962.99	306.33	34.78	13.74
	Purchases	-	(0.05)	28.78	(0.23)
(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	-	474.07	-	453.55
	Claims Received	76.39	-	53.36	-
	Insurance Premium paid	664.30	(0.13)	569.18	(0.27)
	Contribution to Gratuity Fund	500.00	4,623.34	1,000.00	4,299.48
	Sales	88.05	38.77	71.88	19.16
	Advance for Capital Asset	86.92	-	13.04	2.74
	Reimbursement of Expenses	10.07	(4.76)	4.92	(4.82)
	Rent Deposit Given	-	100.00	-	100.00
	Rent Paid	28.14	-	27.57	-
	Services Received	11.62	-	4.10	(0.75)
(I) Transactions with the entities which are the post employment benefit plans as identified in para 9 (b) (v) of Ind AS 24 - Related Party Disclosures					
	Trustees Bajaj Electricals Ltd Employees Provident Fund	1,833.71	(156.20)	1,745.34	(147.44)
	Matchwel Electrical India Limited Employees Provident Fund Trust	28.21	(2.54)	-	-
(J) Transactions with the persons identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures					
	Rent Deposit Given / (Refunded)	(400.00)	-	-	400.00
	Rent Paid	8.25	-	9.00	-
	Reimbursement of Expenses received (net)	49.53	-	-	-

* Outstanding balance Is net of impairment allowance created in the books.

\# As the future liability for defined benefit obligations and other long term employment benefits is provided on an actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel is not ascertainable and hence not included above.

** Transactions with related parties have been made on an arm length basis and are in the ordinary course of the business of the Company. All outstanding balances are unsecured and are repayable in cash.

NOTE 39 : EARNINGS PER SHARE:

	31-Mar-18	31-Mar-17
Profit for the year after tax but before exceptional items and tax on exceptional items (A) (₹ in lakh)	16,431.80	10,766.09
Profit for the year after exceptional items and tax on exceptional items (B) (₹ in lakh)	8,362.16	10,766.09
Weighted average number of equity shares for basic EPS (C)	101,617,351	101,116,802
Add: Effect of dilution (employee stock options - refer note 33)	501,553	203,308
Weighted average number of equity shares for diluted EPS (D)	102,118,904	101,320,110
Earnings Per Share in ₹ :-		
(a) Basic before exceptional items (A/C)	16.17	10.65
(b) Diluted before exceptional items (A/D)	16.09	10.63
Earnings Per Share in ₹ :-		
(a) Basic after exceptional items (B/C)	8.23	10.65
(b) Diluted after exceptional items (B/D)	8.19	10.63

NOTE 40 : COMMITMENTS AND CONTINGENCIES

a. Contingent liabilities (₹ in lakh)

		31-Mar-18	31-Mar-17
	Contingent Liabilities not provided for :		
i.	Claims against the Company not acknowledged as debts (refer note x below)	668.49	1,032.02
ii.	Guarantees / Letter of Comfort given on behalf of Companies ₹ 23,700.00 lakh (Previous Year ₹ 29,064.00 lakh) (refer note ix below)	17,640.43	16,721.88
iii.	Excise and Customs duty matters under dispute	-	7.20
iv.	Service Tax matters under dispute	-	156.05
v.	Income Tax matters under dispute	322.18	286.13
vi.	Sales Tax matters under dispute	5,068.27	6,475.17
vii.	Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20

viii. 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 October 01, 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 May 01, 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 September 28, 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.

ix. The Company has given guarantees / letter of comfort for all borrowings (long term / short term) taken by its joint venture, Starlite Lighting Limited (SLL). As at March 31, 2018, SLL is in breach of its loan covenants as per the terms of the loan agreements, resulting in the loans becoming payable on demand. However, as at the date of approval of these financial statements, the lenders of SLL have not called for the loan repayment. Further, the management of the Company has obtained loan covenant waiver from the lenders of SLL. Accordingly, the exposure in this regard is considered to be 'possible' and disclosed as contingent liability.

x. These represent legal claims filed against the Company by various parties and these matters are in litigation. Management has assessed that in all these cases the outflow of resources embodying economic benefits is not probable.

b. Commitments

i. Estimated amounts of contracts remaining to be executed in capital account (net of capital advances) is ₹ 501.95 lakh (March 31, 2017, ₹ 562.35 lakh).

c. Leases

The Company has entered into operating leases for certain warehouses / premises / vehicles, with lease term between 1 to 10 years. Some of the leases have the option to extend the lease for additional terms as per the agreements.

Lease rent recognised in statement of profit and loss is ₹ 4,589.67 lakh (March 31, 2017 – ₹ 4,399.11 lakh). There are no non-cancellable leases.

NOTE 41 : DISCLOSURE FOR CONSTRUCTION CONTRACTS

(₹ in lakh)

			31-Mar-18	31-Mar-17
(a)	(i)	Contract revenue recognised during the year	187,819.42	137,393.09
	(ii)	Method used to determine the contract revenue recognised and the stage of completion (Refer note 1B (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)	464,565.63	398,271.04
	(ii)	Advances received, outstanding	8,130.83	17,424.84
	(iii)	Retentions receivable	45,530.08	37,903.55
	(iv)	Amount due from customers (included under Note 13)	7,634.20	1,451.31
	(v)	Amount due to customers (included under Note 22)	20,678.13	30,009.42
	(vi)	Contingencies on account of warranty cost, penalties or possible losses	16.16	-

NOTE 42 : ASSETS PLEDGED AS SECURITY

(₹ in lakh)

Particulars	Note No	31-Mar-18	31-Mar-17
Current assets			
First Charge			
Receivables	5	201,213.75	164,664.92
Other Bank Balances		-	3,100.00
Inventories	10	57,916.06	57,119.60
Total current assets pledged as security		**259,129.81**	**224,884.52**
Non-current assets			
First & Second Charge			
Building	2	1,749.59	1,808.44
Freehold & Leasehold Land	2	4,750.22	4,787.60
Office and Ownership Premises	2	8,799.42	8,998.72
Plant & Machinery	2	1,474.07	1,021.38
First Charge			
Office and Ownership Premises	2	395.44	402.33
Total non-currents assets pledged as security		**17,168.74**	**17,018.47**
Total assets pledged as security		**276,298.55**	**241,902.99**

NOTE 43 : EXCEPTIONAL ITEMS:

Pursuant to continuous reduction in the CFL business and future outlook, Company has re-assessed the recoverability of its investments and loans provided to Starlite Lighting Limited (Joint Venture) and consequently impaired it fully in standalone financial statements.

The details of the investments and loans and advances which are impaired are as below :

(₹ in lakh)

Particulars	Impairment Amount
Non-current equity investments (unquoted)	
5,875,000 (March 31, 2017 - 2,375,000) equity shares of ₹ 10 each of Starlite Lighting Ltd	1,637.19
Non-current debt instruments (preference shares)	
At fair value through profit and loss	
10,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable on June 30, 2024	950.83
5,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable on June 30, 2025	406.79
At amortised cost	
30,000,000 - 0% reedemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable in 3 equal tranches at an yield of 10% on June 30, 2026, June 30, 2027 and June 30, 2028 respectively	3,762.61
Non-current loans and advances	
Loan	280.00
Advances	2,200.00
Total	**9,237.42**
- disclosed under 'other expenses' (note 30)*	301.16
- disclosed as exceptional item	8,936.26

* This pertains to impairment allowance on interest income accreted during the year.

The valuation has been performed by an independent external valuer based on which the equity value (enterprise value less external debt) is negative. Accordingly, all investments and loans have been fully impaired. For assumption used in valuation refer note 34.

NOTE 44 : CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, the gross amount to be spent by the Company during FY 2017-18 is ₹ 266.70 lakh (Previous year ₹ 156.87 lakh). The Company has spent ₹ 195.30 lakh (Previous year ₹ 108.48 lakh) on various CSR initiatives as below.

(₹ In lakh)

	31-Mar-18	31-Mar-17
Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	61.37	9.63
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	89.25	60.18
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	17.77	31.44
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”	5.91	7.23
Contribution to the Prime Minsiters relief fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes and other backwoard classes, minorities and women	21.00	-
Total	**195.30**	**108.48**

NOTE 45 : Previous year’s figures have been regrouped / reclassed wherever necessary to correspond with the current year’s classification / disclosure

Signature to note 1 to note 45

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Independent Auditor's Report

To the Members of Bajaj Electricals Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Bajaj Electricals Limited (hereinafter referred to as "the Holding Company"), its associate and joint venture, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company including its Associate and Joint Venture in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Company and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and of its associate and joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments 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 have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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, 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, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 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 financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statement and on the other financial information of the associate, the aforesaid consolidated 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 consolidated state of affairs of the Company, its associate and joint venture as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

(a) The consolidated Ind AS financial statements also include the Company's share of net loss of ₹ 519 lakh for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of such other auditor.

(b) The consolidated Ind AS financial statements of the Company for the year ended March 31, 2017, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an modified opinion on those statements on May 29, 2017.

Our opinion above 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 and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its associate company and joint venture incorporated in India, none of the directors of the Company, its associate and joint venture incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Company, its associate company and joint venture incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Company, its associate and joint venture– Refer Note 40 to the consolidated Ind AS financial statements;

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 – Refer (a) Note 43 to the consolidated Ind AS financial statements in respect of such items as it relates to the Company, its associate and joint venture and (b) the Company's share of net loss in respect of its associate;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, its associate and joint venture incorporated in India during the year ended March 31, 2018.

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

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BAJAJ ELECTRICALS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Bajaj Electricals Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Bajaj Electricals Limited (hereinafter referred to as the "Holding Company"), its associate company and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its associate company and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, "the internal financial 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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.

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 Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls over financial reporting with reference to these consolidated financial statements in case of its joint venture, which are companies incorporated in India, the following material weakness have been identified as at March 31, 2018:

The Joint Venture did not have an appropriate internal financial control system over financial statement close process in relation to establishing processes for evaluation and determination of impairment of assets including tax assets, appropriate review of financial statements including application of accounting standards on non-routine transactions (sale and lease back of fixed assets) which could potentially result in the Joint Venture not recognising impairment of assets on a timely basis or incorrectly recognising or derecognising assets; resulting in restatement of financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria in respect of a joint venture, the Holding Company, its associate company and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2018, based on, the internal control over financial reporting criteria established by the Holding 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

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements insofar as it relates to the associate company, which is company incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 consolidated financial statements of the Holding Company and this report does not affect our report dated May 23, 2018, which expressed an unqualified opinion on those financial statements.

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

per Vikram Mehta
Partner
Membership Number: 105938

Place of Signature: Mumbai
Date: May 23, 2018

Consolidated Balance Sheet

as at March 31, 2018

(₹ in lakh)

	Notes	As at 31-Mar-18	As at 31-Mar-17
ASSETS			
Non -Current Assets			
Property, plant and equipment	2	31,254.99	31,003.80
Capital work in progress		350.20	785.21
Intangible assets	3	327.98	2.39
Intangible Assets under development		283.52	-
Investments in associates and joint ventures	4.1	-	917.32
Financial Assets			
i) Investments	4.2	764.92	6,282.37
ii) Trade receivables	5	26,338.62	30,438.80
iii) Loans	6	6.17	290.29
iv) Other financial assets	7	1,906.05	5,612.65
Deferred tax assets (net)	8	7,353.18	5,594.95
Income tax assets (net)		828.12	4,486.51
Other non-current assets	9	9,531.17	9,904.51
Total Non-Current Assets		**78,944.92**	**95,318.80**
Current Assets			
Inventories	10	57,916.06	57,114.83
Financial Assets			
i) Trade receivables	5	174,875.13	134,226.12
ii) Cash and cash equivalents	11	2,181.97	2,508.23
iii) Bank balances other than (ii) above	11	392.20	4,018.29
iv) Loans	6	4.97	7.29
v) Other current financial assets	12	255.24	24.49
Other current assets	13	31,796.51	14,361.50
Assets classified as held for sale	14	219.41	253.57
Total Current Assets		**267,641.49**	**212,514.32**
Total Assets		**346,586.41**	**307,833.12**
EQUITY & LIABILITIES			
Equity			
Equity share capital	15	2,040.75	2,025.80
Other Equity	16	91,589.01	84,285.18
Share application money pending allotment		21.45	-
Total Equity		**93,651.21**	**86,310.98**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i) Borrowings	17	1,147.14	1,695.08
ii) Trade Payables	21	14.47	16.60
iii) Other Financial Liabilities	18	372.12	221.27
Provisions	19	1,130.24	1,339.11
Employee Benefit Obligations	20	6,372.50	7,264.58
Total Non-Current Liabilities		**9,036.47**	**10,536.64**
Current Liabilities			
Financial Liabilities			
i) Borrowings	17	70,615.33	52,858.40
ii) Trade Payables	21	85,442.36	63,574.38
iii) Other Current Financial Liabilities	18	30,477.63	25,914.24
Provisions	19	6,468.13	6,552.65
Employee Benefit Obligations	20	8,111.86	7,103.25
Current Tax Liabilities (net)		2,292.90	1,329.96
Other Current Liabilities	22	40,490.52	53,652.62
Total Current Liabilities		**243,898.73**	**210,985.50**
Total Liabilities		**252,935.20**	**221,522.14**
Total Equity & Liabilities		**346,586.41**	**307,833.12**
Summary of significant accounting policies followed by the Group	1B		
The accompanying notes are an integral part of the Consolidated Financial Statements			

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(₹ In lakh)

	Notes	31-Mar-18	31-Mar-17
Income:			
Revenue from operations	23	471,638.99	429,825.90
Other income	24	5,319.38	3,558.63
Total Income		**476,958.37**	**433,384.53**
Expenses:			
Cost of raw materials consumed	25	32,712.84	19,546.06
Purchases of traded goods		277,723.11	257,692.78
Changes in inventories of work-in-progress, finished goods, traded goods	25	10.89	(1,512.06)
Erection & subcontracting expenses	26	31,042.67	29,378.77
Excise duty	27	894.05	3,654.68
Employee benefit expenses	28	31,787.90	32,889.96
Depreciation and amortisation expense	29	3,394.49	2,987.14
Other expenses	30	68,123.02	63,899.49
Finance cost	31	5,886.47	8,043.77
Total Expenses		**451,575.44**	**416,580.59**
Profit before share of profit / (loss) of an associate and a joint venture, exceptional items and tax		**25,382.93**	**16,803.94**
Exceptional Items	41	7,878.50	-
Profit before share of profit / (loss) of an associate and a joint venture and tax		**17,504.43**	**16,803.94**
Share of profit / (loss) of associate and joint venture		(1,056.43)	(549.24)
Profit before tax		**16,448.00**	**16,254.70**
Income tax expense:			
Current tax	32	10,060.00	6,600.00
Deferred tax	8	(1,977.47)	(562.15)
Adjustment of tax relating to earlier periods	32	1.98	0.00
Total tax expenses		**8,084.51**	**6,037.85**
Profit for the year		**8,363.49**	**10,216.85**
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans (inclulding associate and joint venture)	20	(640.99)	358.99
Tax impacts on above		219.24	(105.01)
Other comprehensive income, net of tax		**(421.75)**	**253.98**
Total Comprehensive Income, net of tax		**8,785.24**	**9,962.87**
Earnings per equity share before exceptional items (face value per share ₹ 2)	39		
Basic		15.13	10.10
Diluted		15.06	10.08
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic		8.23	10.10
Diluted		8.19	10.08
Summary of significant accounting policies followed by the Group	1B		
The accompanying notes are an integral part of the Consolidated Financial Statements			

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Consolidated Statement of changes in equity

for the year ended March 31, 2018

A. Equity share capital (Note 15)

(₹ In lakh)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
At the beginning of the year	2,025.80	2,018.98
Changes in equity share capital during the year	14.95	6.82
At the end of the year	**2,040.75**	2,025.80

B. Other equity (Note 16)

(₹ In lakh)

Particulars	Reserves and surplus						Other Reserves		
	Securities premium reserve	Debenture Redemption Reserve	Shares Option Outstanding	General Reserve	Retained earnings	Total	Capital Redemption Reserve	Capital Reserve	Total
Balance at 31 March 2016	**21,344.29**	**2,500.00**	**967.81**	**45,101.43**	**3,290.41**	**73,203.94**	**135.71**	**10.00**	**73,349.65**
Profit for the year	-	-	-	-	10,216.85	10,216.85	-	-	10,216.85
Other comprehensive income	-	-	-	-	(253.98)	(253.98)	-	-	(253.98)
Total comprehensive income for the year	**21,344.29**	**2,500.00**	**967.81**	**45,101.43**	**13,253.28**	**83,166.81**	**135.71**	**10.00**	**83,312.52**
Exercise of options - proceeds received	582.48	-		-	-	582.48	-	-	582.48
Exercise of options - transferred from shares options outstanding account	102.39	-	(102.39)	-	-	-	-	-	-
Employee stock option expense	-	-	390.18	-	-	390.18	-	-	390.18
Transferred to General reserve for vested cancelled options	-	-	(56.60)	56.60	-	-	-	-	-
Balance at 31 March 2017	**22,029.16**	**2,500.00**	**1,199.00**	**45,158.03**	**13,253.28**	**84,139.47**	**135.71**	**10.00**	**84,285.18**

Consolidated Statement of changes in equity

for the year ended March 31, 2018

B. Other equity (Note 16) (₹ In lakh)

Particulars	Reserves and surplus						Other Reserves		
	Securities Premium Reserve	Debenture Redemption Reserve	Shares Option Outstanding	General Reserve	Retained earnings	Total	Capital Redemption Reserve	Capital Reserve	Total
Balance as at March 31, 2017	**22,029.16**	2,500.00	1,199.00	45,158.03	13,253.28	84,139.47	135.71	10.00	**84,285.18**
Profit for the year	-	-	-	-	8,363.49	8,363.49	-	-	8,363.49
Other comprehensive income	-	-	-	-	421.75	421.75	-	-	421.75
Total comprehensive income for the year	22,029.16	2,500.00	1,199.00	45,158.03	22,038.52	92,924.71	135.71	10.00	**93,070.42**
Exercise of options - proceeds received	1,650.33	-	-	-	-	1,650.33	-	-	1,650.33
Exercise of options - transferred from shares options outstanding account	459.60	-	(459.60)	-	-	-	-	-	-
Employee stock option expense	-	-	285.88	-	-	285.88	-	-	285.88
Transferred to General reserve for vested cancelled options	-	-	(67.13)	67.13	-	-	-	-	-
Dividend on equity shares	-	-	-	-	(2,839.50)	(2,839.50)	-	-	(2,839.50)
Dividend distribution tax	-	-	-	-	(578.12)	(578.12)	-	-	(578.12)
Transfer from Debenture redemption reserve to General Reserve	-	(2,500.00)	-	2,500.00	-	-	-	-	-
Balance as at March 31, 2018	**24,139.09**	**-**	**958.15**	**47,725.16**	**18,620.90**	**91,443.30**	**135.71**	**10.00**	**91,589.01**

Summary of significant accounting policies followed by the Group (note 1B)
The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

Anuj Poddar
Chairman - Audit Committee

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(₹ in lakh)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	**16,448.00**	**16,254.70**
Adjustments for:		
Depreciation and amortisation expense	3,394.49	2,987.14
Employee share-based payment expense	285.88	390.19
(Gain)/Loss on disposal of property, plant and equipment	(135.74)	(156.47)
Measurement of financial assets held at fair value through Profit or Loss	2,128.66	6.24
Measurement of financial assets and liabilities held at amortised cost	2,961.89	(179.29)
Share of loss of associate and joint venture	1,056.43	549.24
Impairment allowance of investment in joint venture	579.42	-
Measurement of provisions at fair value	(60.00)	(232.97)
Income from Financial Guarantee Contracts	(239.42)	(136.47)
Finance costs	5,886.47	8,043.76
Interest income	(2,466.79)	(281.67)
Impairment allowance for doubtful debts & advances (net of write back)	4,369.17	2,086.22
Bad debts and other irrecoverable debit balances written off	2,492.78	358.17
	36,701.24	**29,688.79**
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables (current & non-current)	(39,963.61)	(510.91)
(Increase)/decrease in financial and other assets (current & non-current)	(15,086.90)	(4,227.30)
(Increase)/decrease in inventories	(796.46)	(6,451.86)
Increase/(decrease) in trade payables, provisions, employee benefit obligations, other financial liabilities and other liabilities (current & non-current)	14,299.34	29,569.50
Cash generated from / (used in) operations	**(4,846.39)**	**48,068.22**
Income taxes paid	(5,440.64)	(4,372.95)
Net cash inflow / (outflow) from operating activities	**(10,287.03)**	**43,695.27**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work in progress and capital advances	(3,152.04)	(5,623.69)
Purchase of intangible assets including intangible assets under development	(653.40)	-
Proceeds from sale of property, plant and equipment including advances received	257.67	907.61
Proceeds from sale of non current assets held for sale	34.16	118.18
Loans and advances (given) / repaid by Associates and Joint Ventures	(44.49)	(1,456.57)
Increase in investment in Joint Venture	(3.50)	-
(Increase)/decrease in Bank Deposits	6,100.91	(3,261.25)
Interest received	1,069.32	265.23
Net cash inflow / (outflow) from investing activities	**3,608.63**	**(9,050.49)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issues of shares	1,665.28	589.30
Share application money received pending allotment	21.45	-
Proceeds from borrowings	34,480.77	25,443.40
Repayment of borrowings	(18,775.40)	(55,158.35)
Interest paid	(7,628.32)	(7,659.29)
Dividends paid to company's shareholders	(2,833.52)	(9.55)
Tax on Dividend paid	(578.12)	-
Net cash inflow / (outflow) from financing activities	**6,352.14**	**(36,794.49)**
Net increase (decrease) in cash and cash equivalents	**(326.26)**	**(2,149.71)**
Cash and cash equivalents at the beginning of the financial year	2,508.23	4,657.94
Cash and cash equivalents at end of the year	**2,181.97**	**2,508.23**
Change in liability arising from financing activities		
Borrowings as on April 01, 2017	**55,902.82**	
Proceeds from borrowings	34,480.77	
Repayment of borrowings	(18,775.40)	
Foreign exchange movement	154.28	
Borrowings as on March 31, 2018	**71,762.47**	

Summary of significant accounting policies followed by the Group (note 1B). The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Notes to Consolidated Financial Statements

for the year ended March 31, 2018

NOTE : 1

1A GENERAL INFORMATION.

Bajaj Electricals Limited ('the Company') is an existing public limited company incorporated on July 14, 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 Group deals in Consumer Segments (CP) (which includes appliances, fan and consumer lighting products). The Group also deals in Engineering and projects (EPC) (which includes supply and erection of transmission line towers, telecommunication towers, high masts, poles, special projects including rural electrification projects and luminaires. The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The consolidated financial statements are presented in Indian Rupee (₹).

The consolidated financial statements are approved for issue by the Company's Board of Directors on May 23, 2018.

1B SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented.

1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The consolidated financial statements are prepared under the historical cost convention 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, judgements 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, judgements and assumptions are presented in Note no. 1D.

All assets and liabilities have been classified as current or non-current as per the Group'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. The Group has identified twelve months as its operating cycle.

Basis of consolidation

The consolidated financial statements includes financial statements of Bajaj Electricals Limited and results of an associate and a joint venture, herein after referred to as 'the Group',

consolidated in accordance with Ind AS 28 - Investments in associate and joint venture and Ind AS 111 – Joint Arrangements

Name of the company	Country of incorporation	% shareholding of the Company	Consolidated as
Starlite Lighting Limited	India	47%	Joint Venture
Hind Lamps Limited	India	19%	Associate

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting polices other than those adopted in the consolidated financial statements for like transactions and other events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statement of all entities used for the purpose of consolidation are drawn upto same reporting date as that of the parent company i.e year ended 31st March .

An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the group has joint control and has right to the net assets of the arrangement, rather than the right to its assets and obligations for its liabilities.

Interest in associate and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to intial recognition the consolidated financial statements include the groups share of profit and loss and OCI of equity accounted investee until the date on which significant influence or joint control ceases

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 legal or constructive 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.

2 Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the

fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Group has assumed that recovery of excise duty flows to the Group on its own account. This is because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

(1) Sale of products:

(a) Domestic sales are recognised when significant risks and rewards of ownership of goods are transferred to the buyer, usually on delivery of goods.

(b) Export sales are recognised when significant risks and rewards of ownership of the goods are transferred to the buyer, usually on the date of ship on board.

Revenue from sale of goods is measured net of returns and allowances, trade discounts and volume rebates.

(2) 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.

Contract revenue earned in excess of billing has been reflected as 'Amounts due from customers for contract work' under 'Other current assets' and billings in excess of contract revenue earned is reflected as 'Gross amount due to customer for contract work' under 'Other current liabilities'.

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 Group estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(2) Others:

The Group recognises other income (including rent, income from sale of power generated, income from scrap sales, income from claims received, etc.) on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty.

4 Property, plant and equipment :

A) 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 (including capital work in progress) are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

iii) Capital goods manufactured by the Group for its own use are carried at their cost of production (including duties and other levies, if any) less accumulated depreciation and impairment losses if any.

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 Group 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 the consolidated statement of profit and 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 consolidated statement of profit and loss.

B) 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 property, plant and equipment 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 asset, the component is depreciated over it's estimated useful life.

iv) The Group, based on internal technical assessments and management estimates, depreciates certain items of property, plant & equipment over the estimated useful lives and considering residual value which are different from the one prescribed in Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

v) Useful life of asset is as given below:

Asset block	Useful Lives (in years)
Leasehold Land	Over the period of the lease
Building - Office	5 to 70
Building - Factory	2 to 30
Ownership Premises	60
Plant & Machinery	2 to 20
Furniture & Fixtures	1 to 15
Electric Installations	6 to 8
Office Equipment	2 to 10
Vehicles	8 to 10
Dies & Jigs	1 to 10
Leasehold Improvements	2 to 10
Roads & Borewell	3 to 21
IT hardware	2 to 10
Laboratory Equipment	5 to 10

vi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

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 Group; 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.

Asset class & depreciation:

Computer softwares / licenses are carried at historical cost. They have an expected 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.

Trademarks are carried at historical cost. They have an registered finite useful life of 10 years and are carried at cost less accumulated amortisation and impairment losses.

6 Impairment of non-financial 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 Statement of Profit and 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 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial Assets

A) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  - The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  - The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments

included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

C) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

D) *Impairment of financial assets*

The Group 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, the Group 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.

II. Financial Liabilities

A) *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in consolidated statement of profit and loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit or loss.

- Loans and Borrowings

  This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

- Financial guarantee contracts

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

  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.

C) *De-recognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management

determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

IV. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated 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 Group or the counterparty.

V. Derivatives and hedging activities

The Group enters derivatives like forward contracts 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 consolidated 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 consolidated statement of profit and loss.

8. Fair value measurements:

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

9. Cash and cash equivalents:

Cash and cash equivalents in the consolidated balance sheet and for the purpose of the consolidated statement of cash flows, 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. Inventories:

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.

11. Foreign currency transactions:

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (₹), which is the Group's functional and presentation currency.

a) On initial recognition, all foreign currency transactions are recorded at the functional currency spot rate at the date the transaction first qualifies for recognition.

b) Monetary assets and liabilities in foreign currency outstanding at the close of reporting date are translated at the functional currency spot rates of exchange at the reporting date.

c) Exchange differences arising on settlement of translation of monetary items are recognised in the Consolidated statement of profit and loss.

12. 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, unused tax losses and unabsorbed depreciation.

Current and deferred tax is recognised in the consolidated 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. The Group 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.

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 consolidated 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.

13. Operating leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is (or contains) a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to the ownership to the Group are classified as a finance lease. Payments made under operating leases are charged to the Consolidated Statement of Profit & Loss on a straight line basis over the period of the lease.

As a lessor

The Group has leased certain tangible assets and such leases where the Group has not substantially transferred all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the consolidated 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 consolidated Statement of Profit and Loss in the period in which they are incurred.

14. 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.

15. Provisions, contingent liabilities and contingent assets

A. Provisions

A provision is recognised if

- the Group 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.

Provision for warranty related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The estimate of warranty related costs is revised annually.

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 Group 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 Group.

A contingent asset is not recognised but disclosed where an inflow of economic benefit is probable.

16. 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 the same period in which the employees renders the related service and are measured at the amounts expected to be paid when the liabilities are settled.

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 consolidated statement of profit or loss.

C. Post-employment obligations

The Group 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 :

The liability or asset recognised in the consolidated balance sheet in respect of defined benefit 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 consolidated 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 consolidated statement of changes in equity and in the balance sheet.

Insurance policy held by the Group 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 consolidated profit or loss as past service cost.

Defined contribution plans :

In respect of certain employees, the Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group 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 Group. 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 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 the consolidated 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.

17. Segment reporting

An operating segment is a component of the Group 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 the Group into a single operating segment if aggregation is consistent with the core principle of Ind AS 108, the segments have similar economic characteristics, and the segments are similar in aspects as defined by Ind AS.

The Group reports 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 the Group believes that information about the segment would be useful to users of the consolidated 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

18. 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.

19. 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 Group'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 of 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.

20. All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakh (upto two decimals) as per the requirement of Schedule III, unless otherwise stated.

1C ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 - Revenue from Contracts with Customers

Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28 March 2018, which has notified the following new Ind AS 115 – Revenue from Contracts with Customers accounting standard and is applicable for accounting periods commencing on or after April 01, 2018

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018.

The Group is in the process of evaluating the impact of the same on the consolidated financial statements.

Amendments to Ind AS 112 - Disclosure of Interests in Other Entities

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

The requirements of the amendment have no impact on the consolidated financial statements as there are no subsidiary, joint venture or an associate that has been classified as held for sale.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018. These amendments are not expected to have any material impact on the Group.

Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after April 01, 2018. The Group does not have any investment property. Accordingly there is no impact.

Ind AS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain

the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from April 01, 2018. These amendments are not applicable to the Group.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018. However, the Group does not expect any significant effect on its consolidated financial statements.

1D SUMMARY OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of consolidated 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 Group'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 Warranty provision

The Group generally offers 1 to 2 year warranties for its consumer products. Based on the evaluation of the past warranty trends, management has estimated that warranty costs for 25% of sales arises in the year of sale itself, warranty costs for 50% of the sales in Year 1 and the balance 25% in Year 2. Based on the same, the related provision for future warranty claims has been determined. The assumptions made in relation to serviceable sales and related warranty provision estimation for the current period are consistent with those in the prior years.

2 Impairment allowance for trade receivables

The Group makes allowances for doubtful accounts receivable using a simplified approach which is a dual policy of an ageing based provision and historical / anticipated customer experience. Management believes that this simplified model closely represents the expected credit loss model to be applied on financial assets as per Ind AS 109.

3 Project revenue and costs

Revenue from construction contracts is recognised based on the stage of completion determined with reference to the actual costs incurred up to reporting date on the construction contract and the estimated cost to complete the project. The percentage-of-completion method places considerable importance on accurate estimates to the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Group re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active

markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments. Refer Note 34 of consolidated financial statements for the fair value disclosures.

5 Employee benefits

The cost of the defined benefit gratuity plan and other post-employment leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

6 For judgements relating to contingent liabilities, refer note 40(a).

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(₹ in lakh)

Particulars	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
Gross block as at April 01, 2016	2,098.22	2,822.49	2,016.84	11,235.76	5,588.21	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
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 March 31, 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**
Additions	-	-	246.02	-	846.20	246.87	183.37	576.11	235.81	275.81	-	25.83	16.93	1,070.37	3,723.32
Disposals	-	-	-	-	(62.71)	(0.64)	-	(0.81)	(116.58)	-	-	-	-	(79.03)	(259.77)
Adjustment *	-	-	(20.81)	-	-	(45.21)	-	50.29	-	-	-	-	15.73	-	-
Closing gross carrying amount as at March 31, 2018	**2,098.22**	**2,822.49**	**4,166.88**	**11,228.42**	**7,560.16**	**1,660.66**	**571.04**	**1,261.36**	**622.33**	**2,120.87**	**194.02**	**106.25**	**123.77**	**5,538.17**	**40,074.64**
Opening accumulated depreciation as at April 01, 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)
Closing accumulated depreciation as at March 31, 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**
Depreciation charge during the year	-	37.38	153.30	201.07	912.82	186.98	53.77	191.70	65.44	395.24	37.58	25.83	9.01	1,080.08	3,350.20
Disposals	-	-	-	-	(28.31)	(0.08)	-	(0.61)	(33.77)	-	-	-	-	(75.07)	(137.84)
Adjustment *	-	-	(46.02)	46.02	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2018	**-**	**129.06**	**353.86**	**641.13**	**2,523.87**	**509.16**	**126.02**	**415.20**	**144.13**	**1,054.50**	**123.44**	**106.25**	**36.33**	**2,656.70**	**8,819.65**
Closing Net carrying amount as at March 31, 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**
Closing Net carrying amount as at March 31, 2018	**2,098.22**	**2,693.43**	**3,813.02**	**10,587.29**	**5,036.29**	**1,151.50**	**445.02**	**846.16**	**478.20**	**1,066.37**	**70.58**	**-**	**87.44**	**2,881.47**	**31,254.99**

* Adjustment represents transfer between block of assets as per fixed asset register.

(i) Leased assets

The Company has given the following assets on operating lease to third parties, the gross block, accumulated depreciation and net book value is as mentioned below:

(₹ In lakh)

Particulars	31-Mar-18	31-Mar-17
Plant and Machinery		
Cost / Deemed cost	637.91	637.91
Accumulated depreciation	159.81	106.54
Net carrying amount	**478.10**	**531.37**

(ii) Property, plant and equipment pledged as security

Refer to note 44 for information on property, plant and equipment pledged as security by the Company.

(iii) Contractual obligations

Refer to note 40(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iv) Capital work-in-progress

Capital work-in-progress mainly comprises of IT Hardware amounting to ₹ 248.04 lakh, pending for installation

NOTE 3: OTHER INTANGIBLE ASSETS

(₹ in lakh)

Particulars	Trade Marks	Computer Software	Total
Opening gross block as at April 01, 2016	0.51	7.51	8.02
Additions	-	-	-
Closing gross carrying amount as at March 31, 2017	**0.51**	**7.51**	**8.02**
Additions	-	369.88	369.88
Closing gross carrying amount as at March 31, 2018	**0.51**	**377.39**	**377.90**
Opening accumulated depreciation as at April 01, 2016	0.05	2.94	2.99
Amortisation charge for the year	0.05	2.59	2.64
Closing accumulated depreciation as at March 31, 2017	**0.10**	**5.53**	**5.63**
Amortisation charge for the year	0.05	44.24	44.29
Closing accumulated depreciation as at March 31, 2018	**0.15**	**49.77**	**49.92**
Closing Net carrying amount as at March 31, 2017	**0.41**	**1.98**	**2.39**
Closing Net carrying amount as at March 31, 2018	**0.36**	**327.62**	**327.98**

Notes

(i) Intangible assets under development mainly comprises of IT softwares amounting to ₹ 283.52 lakh.

NOTE 4.1 : INVESTMENTS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in equity instruments of associate & joint venture (fully paid up)		
Unquoted		
Non-current equity investments (unquoted) in Hind Lamps Limited.		
- 1,140,000 (March 31, 2017 - 1,140,000) equity shares of ₹ 25 each **	1,000.00	1,366.81
Accumulated impairment allowance in value of investments in Hind Lamps Limited	(1,000.00)	(1,000.00)
	-	**366.81**
Non-current equity investments (unquoted) in Starlite Lighting Ltd.		
- 5,875,000 (March 31, 2017 - 2,375,000) equity shares of ₹ 10 each	579.42	550.51
Accumulated impairment allowance in value of investments in Starlite Lighting Ltd (refer note 41)	(579.42)	-
	-	**550.51**
Total investments in associate & joint venture	**-**	**917.32**

For movement in the net assets of the associate and joint venture during the year and reconciliation to the carrying amounts, refer Note 42.

NOTE 4.2 : FINANCIAL ASSETS (INVESTMENTS)

4.2 (a) Investment in equity instruments

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in equity shares		
Unquoted		
Measured at fair value through profit and loss		
Non-current equity investments (unquoted) in M. P. Lamps Limited *	-	-
- 48,000 (March 31, 2017 - 48,000) equity shares of ₹ 10/- each; (Partly paid shares - ₹ 2.50/- Per share paid up, Called up ₹ 5.00/- per share)		
- 95,997 (March 31, 2017 - 95,997) equity shares of ₹ 10/- each; (Partly paid shares - ₹ 1.25 Per share paid up, Called up ₹ 5 per share).		
Non-current equity investments (unquoted) in Mayank Electro Ltd.	0.10	0.10
- 100 (March 31, 2017 - 100) equity shares of ₹ 100/- each.		
Total equity instruments	**0.10**	**0.10**

4.2 (b) Investment in debt instruments

(₹ in lakh)

	31-Mar-18	31-Mar-17
Investment in preference shares (fully paid up)		
Unquoted		
Measured at fair value through profit and loss		
10,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable on June 30, 2024	950.83	1,606.84
Accumulated Impairment Allowance on Preference Shares (refer note 41)	(950.83)	-
	-	**1,606.84**
5,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable on June 30, 2025	406.79	521.83
Accumulated Impairment Allowance on Preference Shares (refer note 41)	(406.79)	-
	-	**521.83**
Measured at amortised cost		
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 December 26, 2012)**	764.82	692.14
30,000,000 - 0% reedemable preference shares (unquoted) of ₹ 10 each of Starlite Lighting Ltd, redeemable in 3 equal tranches at an yield of 10% on June 30, 2026, June 30, 2027 and June 30, 2028 respectively	4,294.18	3,993.02
Accumulated Impairment allowance on Preference Shares (refer note 41)	(4,294.18)	(531.56)
	-	**3,461.46**
Total debt instruments	**764.82**	**6,282.27**
Total non-current investments	**764.92**	**6,282.37**

* 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 impaired and accordingly carried at ₹ NIL.

** The board of directors of the Company on November 23, 2015 have approved the proposed scheme of demerger of the manufacturing business of Hind Lamps Limited (Demerged undertaking) into the Company. The scheme of arranagement is drawn up pursuant to the provisions of section 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. The board of directors in the meeting held on November 9, 2017 further approved the revised swap ratio of equity shares for the proposed demerger pursuant to the SEBI regulations and the directions of the stock exchanges.

The Company is in the process of filing the scheme with the National Company Law Tribunal.

NOTE 5 : TRADE RECEIVABLES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current	174,875.13	134,226.12
Non-current	26,338.62	30,438.80
	201,213.75	**164,664.92**
Unsecured, considered good	201,213.75	164,664.92
Unsecured, considered doubtful	16,733.95	15,223.16
Total	**217,947.70**	**179,888.08**
Impairment allowance (allowance for bad and doubtful debts)	(16,733.95)	(15,223.16)
Total trade recievables	**201,213.75**	**164,664.92**
Receivables from related parties included above (refer note 38)	**55.43**	**43.32**

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-18	31-Mar-17
Transferred receivables	30,510.60	13,950.82
Unsecured borrowing (Note 17)	4,952.78	745.77
Other financial liabilities (Note 18)	25,557.82	13,205.05

Trade receivable are non-interest bearing and are generally on term of 30-90 days from the time they are contractually due.

NOTE 6 : LOANS

(unsecured, considered good unless otherwise stated)

(₹ in lakh)

	31-Mar-18	31-Mar-17
Non Current		
Loan to Joint venture - Starlight Lighting Ltd, considered doubtful	280.00	280.00
Impairment allowance (refer note 41)	(280.00)	-
	-	**280.00**
Loan to employees	6.17	10.29
Total Non-current loans	**6.17**	**290.29**

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current		
Loan to employees	4.97	7.29
Total current loans	**4.97**	**7.29**

NOTE 7 : OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated) (₹ in lakh)

	31-Mar-18	31-Mar-17
Security deposits, considered good	1,881.04	3,110.55
Security deposits, considered doubtful	692.28	284.55
Impairment allowance for doubtful security deposits	(692.28)	(284.25)
	1,881.04	**3,110.55**
Fixed deposit under lien	22.25	2,497.08
Interest accrued on fixed deposits	2.76	5.02
Total non-current other financial assets	**1,906.05**	**5,612.65**

For breakup of financial assets carried at amortised cost, refer note 34.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. For trade and other receivables due from firms or private companies in which any director is a partner, a director or a member, refer note 38

NOTE 8 : DEFERRED TAX ASSETS (NET)

(₹ in lakh)

	31-Mar-18	31-Mar-17
Deferred tax assets	10,508.55	8,863.14
Deferred tax liabilities	(3,155.37)	(3,268.19)
Total deferred tax assets	**7,353.18**	**5,594.95**

Deferred tax assets comprise of the following: (₹ in lakh)

	31-Mar-18	31-Mar-17
Employee benefit obligations (gratuity)	-	143.26
Employee benefit obligations (leave obligations)	1,307.72	1,636.74
Impairment allowance (allowance for doubtful debts and advances)	7,133.18	5,898.59
Financial assets measured at amortised cost	267.94	395.15
Assets held for sale	485.10	-
Others	1,314.61	789.40
Total deferred tax assets	**10,508.55**	**8,863.14**

Movement in deferred tax assets (₹ in lakh)

	Employee benefit obligations (gratuity)	Employee benefit obligations (leave obligations)	Impairment allowance (allowance for doubtful debts and advances)	Financial assets measured at amortised cost	Assets held for sale	Others	Total
As at March 31, 2016	**189.52**	**1,100.36**	**5,176.59**	**428.22**	**-**	**361.07**	**7,255.76**
Charged / (Credited) :							
to statement of profit and loss	(151.27)	536.39	721.99	(33.07)	-	428.33	1,502.37
to other comprehensive income	105.01	-	-	-	-	-	105.01
As at March 31, 2017	**143.26**	**1,636.75**	**5,898.58**	**395.15**	**-**	**789.40**	**8,863.14**
Charged / (Credited) :							
to statement of profit and loss	(143.26)	(329.03)	1,234.59	(127.21)	485.09	514.15	1,634.33
to other comprehensive income	-	-	-	-	-	11.08	11.08
As at March 31, 2018	**-**	**1,307.72**	**7,133.17**	**267.94**	**485.09**	**1,314.63**	**10,508.55**

The Company has not recognised deferred tax assets of ₹ 2,847.31 lakh on the impairment allowance made on financial assets / investments of Starlite Lighting Limited and Hind Lamps Limited since it is not probable that the long term capital gains will be available against which such deferred tax assets can be utilised.

Deferred tax liabilities comprise of the following:

(₹ in lakh)

	31-Mar-18	31-Mar-17
Property, plant and equipment	2,977.33	2,965.71
Financial Assets measured at amortised cost	79.77	192.42
Financial Liabilities measured at amortised cost	66.54	82.49
Employee benefit obligations (gratuity)	31.73	-
Others	-	27.57
Total deferred tax liabilities	**3,155.37**	**3,268.19**

Movement in deferred tax liabilities (₹ in lakh)

	Property, plant and equipment	Financial Assets measured at Amortised Cost	Financial Liabilities measured at Amortised Cost	Employee benefit obligations (gratuity)	Others	Total
As at March 31, 2016	**1,951.82**	**219.65**	**136.07**	**-**	**20.43**	**2,327.97**
Charged / (credited) :						
to Statement of Profit or Loss	1,013.89	(27.23)	(53.58)	-	7.14	940.22
As at March 31, 2017	**2,965.71**	**192.42**	**82.49**	**-**	**27.57**	**3,268.19**
Charged / (credited) :						
to Statement of Profit or Loss	11.64	(112.66)	(15.96)	(198.59)	(27.57)	(343.14)
to other comprehensive income	-	-	-	230.32	-	230.32
As at March 31, 2018	**2,977.35**	**79.76**	**66.53**	**31.73**	**-**	**3,155.37**

NOTE 9 : OTHER NON-CURRENT ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Capital advances	295.81	526.91
Sales tax recoverables	4,590.58	3,016.32
Balances with government authorities	15.00	15.00
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	3,282.82	3,000.60
Advance to joint venture Starlite Lighting Limited	2,200.00	2,200.00
Others *	1,853.86	1,682.23
	12,238.07	**10,441.06**
Impairment allowance for doubtful advances	(506.90)	(536.55)
Impairment allowance for advances to Starlite Lighting Limited (refer note 41)	(2,200.00)	-
Total other non-current assets	**9,531.17**	**9,904.51**

*Others include prepaid expenses of ₹ 663.97 lakh (March 31, 2017 ₹ 1,594.47 lakh) and advances to suppliers of ₹ 1,189.98 lakh (March 31, 2017 ₹ 86.05 lakh)

NOTE 10 : INVENTORIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Raw material	9,447.80	8,533.71
Work-in-progress	1,195.61	726.54
Finished goods	7,006.62	5,441.72
Traded goods	38,165.81	38,961.47
Material in Transit (traded goods)	1,898.32	3,143.29
Stores and spares	201.90	307.26
Others	-	0.84
Total Inventories	**57,916.06**	**57,114.83**

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to ₹ 711.75 lakh (March 31, 2017 - ₹ 800.69 lakh) was recognised as an expense during the year.

NOTE 11 : CASH AND CASH EQUIVALENTS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Balances with banks		
in current accounts	1,490.14	892.04
in cash credit accounts	280.73	193.56
in EEFC accounts	-	23.53
Cheques in Hand	310.52	1,304.98
Cash on hand	100.58	94.12
Total cash and cash equivalents	**2,181.97**	**2,508.23**

NOTE 11 : BANK BALANCES OTHER THAN (II) ABOVE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Unpaid Dividend Accounts	88.91	82.93
Deposits with maturity of more than three months & less than twelve months	303.29	3.935.36
Total other bank balances	**392.20**	**4,018.29**

NOTE 12 : OTHER CURRENT FINANCIAL ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest accrued on fixed deposits	8.36	24.49
Security deposits	227.23	-
Derivative Asset	19.65	-
Total other current financial assets	**255.24**	**24.49**

NOTE 13 : OTHER CURRENT ASSETS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Amount due from customers for contract work	7,634.20	1,451.31
Advance to Associate - Hind Lamps Ltd	797.96	753.47
Export benefits	88.45	27.22
Advance to Joint venture - Starlight Lighting Limited	5,354.82	1,716.66
Balances with government authorities	11,486.87	1,747.14
Contract work in progress	289.45	2,361.83
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	1,383.51	1,328.60
Others*	4,761.25	4,975.27
Total other current assets	**31,796.51**	**14,361.50**

*Others mainly includes prepaid expenses of ₹ 1,604.90 lakh (March 31, 2017 ₹ NIL) and advances to suppliers of ₹ 2,465.74 lakh (March 31, 2017 ₹ 4,430.41 lakh)

NOTE 14 : ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Building	219.41	219.41
Ownership premises	-	34.16
Total assets classified as held for sale	**219.41**	**253.57**

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 March 23, 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. The purchaser and the Company are committed for the transaction to sail through. The asset held for sale are not attached to any reported business segment but part of other unallocable assets. The Company has received an amount of ₹ 800 lakh pertains to the advances received from the party in relation to this sale. The same is shown as a liability under other current liabilities.

Further, on March 29, 2017, the Board of Directors of the Company had approved the sale of Company owned residential premises to unlock the investment therein as the usage thereof was minimum. The sale of this residential premises was completed in this financial year.

NOTE 15 : EQUITY SHARE CAPITAL

(₹ in lakh)

	31-Mar-18 Amount	31-Mar-17 Amount
Authorised		
Equity share 20,00,00,000 (March 31, 2017 - 20,00,00,000) of ₹ 2/- each.	4,000.00	4,000.00

i) Movement in Issued Equity Share Capital

	No. of Shares	Amount
As at March 31, 2016	**100,948,976**	**2,018.98**
Exercise of Options under employee stock option scheme	341,200	6.82
As at March 31, 2017	**101,290,176**	**2,025.80**
Exercise of Options under employee stock option scheme	747,325	14.95
As at March 31, 2018	**102,037,501**	**2,040.75**

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 March 31, 2018		As at March 31, 2017	
	Nos.	% Holding	Nos.	% Holding
Jamnalal Sons Private Limited	19,872,830	19.48	19,872,830	19.62
Bajaj Holdings & Investment Limited	16,697,840	16.36	16,697,840	16.49
Kiran Bajaj	5,252,819	5.15	-	-

iv) Share reserved for issue under employee stock option scheme

For details of shares reserved for issue under the employee share based payment plan of the Company, please refer Note 33.

NOTE 16 : OTHER EQUITY

(₹ in lakh)

		31-Mar-18 Amount	31-Mar-17 Amount
i)	Securities premium reserve	24,139.09	22,029.16
ii)	Debenture redemption reserve	-	2,500.00
iii)	General reserve	47,725.16	45,158.03
iv)	Share options outstanding account	958.15	1,199.00
v)	Retained earnings	18,620.90	13,253.28
vi)	Capital reserve	10.00	10.00
vii)	Capital redemption reserve	135.71	135.71
Total reserves and suplus		**91,589.01**	**84,285.18**

i) Securities premium reserve (₹ In lakh)

	31-Mar-18	31-Mar-17
Opening Balance	**22,029.16**	**21,344.29**
Exercise of options - proceeds received	1,650.33	582.48
Exercise of options - transferred from shares options outstanding account	459.60	102.39
Closing Balance	**24,139.09**	**22,029.16**

ii) Debenture redemption reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	**2,500.00**	**2,500.00**
Less: Transferred to General Reserve	(2,500.00)	-
Closing Balance	**-**	**2,500.00**

iii) General Reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	**45,158.03**	**45,101.43**
Add : Transfer from Debenture redemption reserve	2,500.00	-
Add : Transferred from stock options reserve for vested options cancelled	67.13	56.60
Closing Balance	**47,725.16**	**45,158.03**

iv) Shares options outstanding account (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	**1,199.00**	**967.81**
Add : Employee stock option expense	285.88	390.18
Less : Transferred to general reserve for options vested cancelled	(67.13)	(56.60)
Less : Transferred to securities premium for exercise of options	(459.60)	(102.39)
Closing Balance	**958.15**	**1,199.00**

v) Retained earnings (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	**13,253.28**	**3,290.41**
Net profit for the period	8,363.49	10,216.85
Other comprehensive income, net of tax	421.75	(253.98)
Less: Dividend on equity shares	(2,839.50)	-
Less: Dividend distribution tax	(578.12)	-
Closing Balance	**18,620.90**	**13,253.28**

vi) Capital reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	10.00	10.00
Closing Balance	**10.00**	**10.00**

vii) Capital redemption reserve (₹ in lakh)

	31-Mar-18	31-Mar-17
Opening Balance	135.71	135.71
Closing Balance	**135.71**	**135.71**

Dividends paid and proposed

Particulars	31-Mar-18	31-Mar-17
Cash dividends on equity shares declared and paid:		
Final dividend paid for the year ended March 31, 2017 of ₹ 2.8 per share (March 31, 2016 - ₹ Nil)	2,839.50	Nil
Dividend distribution tax on final dividend	578.12	Nil
Dividend not recognised at the end of the reporting period (*)		
Proposed dividend of ₹ 1.4 per share for the year ended March 31, 2018 (March 31, 2017 - ₹ 2.80 per share).	1,428.53	2,836.12
Dividend distribution tax on proposed dividend	290.85	577.43

* The proposed dividend on equity shares is subject to the approval of shareholders in the ensuing annual general meeting and hence is not recognised as a liability (including DDT thereon) at the end of the reporting period.

NOTE 17 : BORROWINGS

(₹ in lakh)

	Note No.	31-Mar-18	31-Mar-17
Non-current			
Unsecured			
Sales tax deferral liability	Note a	1,147.14	1,695.08
Total non-current borrowings		**1,147.14**	**1,695.08**
Current			
Secured			
Cash credits	Note b	2,923.31	4,870.26
Packing credit rupee loan	Note c	1,000.00	-
Buyer's credit (foreign currency loan)	Note d	9,219.12	4,256.02
Total secured current borrowings		**13,142.43**	**9,126.28**
Unsecured			
Short term borrowings	Note e	2,500.00	-
Sales bills discounting	Note h	4,952.78	745.77
Commercial papers	Note f	7,398.16	22,329.33
Packing credit rupee loan	Note c	8,230.92	-
Packing Credit (foreign currency loan)	Note g	2,786.32	-
Buyer's credit (foreign currency loan)	Note d	2,531.44	-
Hundi acceptances	Note h	29,073.28	20,657.02
Total unsecured current borrowings		**57,472.90**	**43,732.12**
Total current borrowings		**70,615.33**	**52,858.40**

Refer Note I for security details. There are no financial covenants as per the terms of agreements with the lenders.

Note a:

Sales tax deferral liability is interest free and repayable over predefined instalments from the initial date of deferment of liability, as per the respective schemes as given below:

(₹ in lakh)

	31-Mar-18
Non-current	
FY 2019-20	466.42
FY 2020-21	327.93
FY 2021-22	228.51
FY 2022-23	107.63
FY 2023-24	16.65
	1,147.14
Current	
FY 2018-19	547.94
	1,695.08

Note b:

Cash credits are unsecured, repayable on demand and bear interest in the range of 8.6% to 13%.

Note c: Packing credit (rupee loan) is as per the following terms

Lending Bank	Maturity Date	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
ICICI Bank Ltd	23-Aug-18	8.15	1,000.00
			1,000.00
Deutsche Bank AG	12-Sep-18	7.25	3,730.51
Deutsche Bank AG	19-Sep-18	7.59	4,500.41
			8,230.92

Note d: Buyer's credit (foreign currency loan) is as per the following terms

Lending Bank	Maturity Date	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Yes Bank Ltd	Repayable from April 2018 to August 2018	LIBOR Linked	9,219.12
			9,219.12
RBL Bank Ltd.	Repayable from May 2018 to August 2018	LIBOR Linked	2,531.44
			2,531.44

Note e: Short term borrowings is as per the following terms

Name of the Subscriber	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
IDFC Bank Ltd	12-Apr-18	8.05	2,500.00
			2,500.00

Note f: Commercial Papers is as per the following terms

Name of the Subscriber	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Invesco Mutual Fund	18-Jun-18	7.45	4,921.85
HSBC Mutual Fund	18-May-18	7.45	2,476.31
			7,398.16

Note g: Packing Credit (Foreign Currency loan) is as per the following terms

Name of the Bank	Date of Maturity	Interest rate %	Liability In ₹ lakh as on 31-Mar-18
Standard Chartered Bank	14-Apr-18	2.19	1,401.26
Standard Chartered Bank	16-Jun-18	2.92	1,385.06
			2,786.32

Note h: Sales bill discounting and Hundi acceptances

The Company has arrangements with HSBC Bank, Kotak Mahindra Bank and BNP Paribas Bank for sales bill discounting. These loans are unsecured and carry interest in the range of 7.5% to 8.7% and for a period of 45 to 60 days.

The Company also has arrangement with various banks for purchase bill discounting. These are also unsecured and carry an interest in the range of 6.9% to 8% and for a period of 90 days.

Note i : Charge on secured borrowings is as given below

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 - 400071

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 - 412210;

ii) Chakan Unit : Village Mahalunge, Chakan Talegaon Road, Khed, Pune - 410501;

iii Wind Farm : Village Vankusawade, Tal. Patan, Dist. Satara, Maharashtra 415206;

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 -110015

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 281403.

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 ₹ 155,799.05 lakh (Previous year ₹ 156,469.16 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 44.

The Company has not defaulted on any loans payable during the year.

NOTE 18 : OTHER FINANCIAL LIABILITIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Non Current		
Deposits received	6.05	6.05
Financial gurarantee contracts	366.07	215.22
Total other non-current financial liabilities	**372.12**	**221.27**
Current		
Current maturities of Non Convertible Debenture (NCD)	-	5,999.50
Current maturities of foreign currency loan	-	1,349.34
Accrued interest on Non Convertible Debenture but not due	-	2,231.94
Current maturities of sales tax defferal liability (refer note 17)	547.94	522.12
Capital creditors	624.60	6.11
Unpaid dividends	88.91	82.93
Trade deposits (dealers, vendors etc.)	937.08	901.58
Interest (payable) accrued and not due	75.51	25.39
Interest accrued and due on borrowings	68.93	9.67
Channel financing liability (refer note 5)	25,557.83	13,205.05
Financial gurarantee contracts	309.93	133.85
Derivative liability	18.79	213.88
Other payables	2,248.11	1,232.88
Total other current financial liabilities	**30,477.63**	**25,914.24**

All the above financial liabilities are carried at amortised cost except for derivative liabilities (forward exchange contracts) which are fair valued through profit and loss and financial guarantee contracts which are initially recognised at fair value.

NOTE 19 : PROVISIONS

(₹ in lakh)

	31-Mar-18			31-Mar-17		
	Current	Non Current	Total	Current	Non Current	Total
Service warranties	4,592.96	1,130.24	5,723.20	5,427.27	1,339.11	6,766.38
Legal claims	525.17	-	525.17	473.38	-	473.38
Other matters**	1,350.00	-	1,350.00	652.00	-	652.00
Total Provisions	**6,468.13**	**1,130.24**	**7,598.37**	**6,552.65**	**1,339.11**	**7,891.76**

Movement in provisions is as given below:

Particulars	Service Warranties*	Legal Claims	Other Matters
Opening balance as on April 01, 2016	**7,492.59**	**275.04**	**355.07**
Arising during the year	3,347.79	198.34	535.93
Unwinding of discount (finance cost)	18.99	-	-
Utilised during the year	(4,092.99)	-	(239)
Opening balance as on April 01, 2017	**6,766.38**	**473.38**	**652.00**
Arising during the year	2,970.47	70.29	698.00
Unwinding of discount (finance cost)	97.94	-	-
Utilised during the year	(4,111.59)	(18.50)	-
Closing balance as on March 31, 2018	**5,723.20**	**525.17**	**1,350.00**

*Refer note 1D(1)

**The Company has made provisions for litigation cases and pending assessments in respect of taxes, the outflow of which would depend on the cessation of the respective events.

NOTE 20 : EMPLOYEE BENEFIT OBLIGATIONS

Particulars	31-Mar-18			31-Mar-17		
	Current	NonCurrent	Total	Current	NonCurrent	Total
Leave obligations	1,087.46	2,654.86	3,742.32	1,392.58	3,336.79	4,729.37
Interest rate guarantee on provident fund	-	204.49	204.44	-	172.73	172.73
Gratuity	1,062.37	3,513.15	4,575.52	988.09	3,755.06	4,743.15
Employee benefit liabilities	5,962.03	-	5,962.03	4,722.58	-	4,722.58
Total employee benefit obligations	**8,111.86**	**6,372.50**	**14,484.31**	**7,103.25**	**7,264.58**	**14,367.83**

Disclosure of defined benefit plans are as given below :

A. Gratuity :

The Company has a defined benefit gratuity plan in India (Funded) for its employees, which requires contribution to be made to a separately administered fund.

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 :

Benefits as per the Payment of Gratuity Act, 1972	
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 * GS * SER
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	₹ 2,000,000

(ii) The Company's gratuity scheme :

Benefits as per the Company's Gratuity Scheme for HO Employees (Category S - Staff)	
Salary for calculation of Gratuity (GS)	Basic Salary + Special Pay + Personal Pay + Variable Dearness Allowance + Fixed Dearness Allowance
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 * GS * SER
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

Benefits as per the Company's Gratuity Scheme for HO – Category E - Executives & Category PSG - Project Services Group and Category Factory Staff - Chakan & Ranjangaon Employees		
Salary for calculation of Gratuity (GS)	HO Category E & PSG: 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	**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	**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 E & PSG: 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.

Changes in the Present Value of Obligation are as given below :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Present Value of Obligation as at the beginning	**508,365,669**	**425,579,954**
Current Service Cost	65,694,967	52,042,111
Interest Expense or Cost	34,036,423	33,171,652
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	1,834,288	-
- change in financial assumptions	(56,393,379)	45,157,287
- experience variance (i.e. Actual experience vs assumptions)	(11,015,587)	(6,563,150)
Benefits Paid	(52,957,437)	(41,022,185)
Present Value of Obligation as at the end	**489,564,944**	**508,365,669**

Changes in the Fair Value of Plan Assets is as given below :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Fair Value of Plan Assets as at the beginning	**34,051,747**	**69,392,962**
Investment Income	2,279,854	5,408,806
Employer's Contribution	3,132,567	19,111
Benefits Paid	(7,571,382)	(39,927,414)
Return on plan assets, excluding amount recognised in interest (expense)/income	222,036	(841,718)
Fair Value of Plan Assets as at the end	**32,114,822**	**34,051,747**

Changes in the Fair Value of Reimbursement Right is as given below * :

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Fair Value of Reimbursement Right as at the beginning	**432,920,189**	**301,427,263**
Investment Income	28,985,149	23,494,622
Employer's Contribution	50,000,000	100,000,000
Benefits Paid	(45,386,055)	(1,094,771)
Return on plan assets, excluding amount recognised in interest (expense)/income	113,969	9,093,075
Fair Value of Reimbursement Right as at the end	**466,633,252**	**432,920,189**

* Reimbursement right is a non-qualifying insurance policy under Ind AS 19 as it is with Bajaj Allianz Life Insurance Co Ltd (a related party of Bajaj Electricals Limited). The same has been dislcosed in note 9 and note 13 of the consolidated financials statements.

Amount recognised in balance sheet is as given below:

Particulars	As on	
	31-Mar-18	31-Mar-17
Present Value of Obligation	489,564,945	508,365,670
Fair Value of Plan Assets	32,114,822	34,051,747
Surplus / (Deficit)	**(457,450,123)**	**(474,313,923)**
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**(457,450,123)**	**(474,313,923)**

Amount recognised in statement of profit and loss and other comprehensive income is as given below:

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
Costs charged to statement of profit and loss :		
Current Service Cost	65,694,967	52,042,111
Interest Expense or Cost	34,036,423	33,171,652
Investment Income	(31,265,003)	(28,903,428)
Expense recognised in statement of profit and loss	**68,466,387**	**56,310,335**
Re-measurement (or Actuarial) (gain) / loss arising from:		
Change in demographic assumptions	1,834,288	-
Change in financial assumptions	(56,393,379)	45,157,287
Experience variance (i.e. Actual experience vs assumptions)	(11,015,587)	(6,563,150)
Return on plan assets, excluding amount recognised in interest expense/(income)	(336,005)	(8,251,357)
(Income) / Expense recognised in Other Comprehensive Income	**(65,910,683)**	**30,342,780**
Total Expense Recognised during the year	**2,555,704**	86,653,115

Amount recognised in the balance sheet and statement of profit and loss shown above excludes the defined benefit obligations relating to certain employees in branch offices outstide India where the liability is valued on an actual basis.

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-18	31-Mar-17
Funds managed by Insurer	100%	100%
Total	**100%**	100%

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-18	31-Mar-17
Discount rate (per annum)	7.60%	6.70%
Salary growth rate (per annum)	8.50%	10.00%

Demographic Assumptions

Particulars	As on	
	31-Mar-18	31-Mar-17
Mortality Rate (% of IALM 06-08)	100.00%	100.00%
Withdrawal rates, based on age: (per annum) :		
Up to 30 years	16.00%	15.00%
31 - 44 years	14.00%	15.00%
Above 44 years	12.00%	12.00%

Summary of Membership Status

Particulars	As on	
	31-Mar-18	31-Mar-17
Number of employees	3,047	2,783
Total monthly salary (₹)	77,488,075	70,566,263
Average past service (years)	5.29	5.40
Average age (years)	35.20	35.36
Average remaining working life (years)	22.80	22.65
Number of completed years valued	16,127	15,022
Decrement adjusted remaining working life (years)	6.16	5.92
Normal retirement age	58 years *	58 years *

* The standard retirement date for executive employees is June 30 and the April 1st for the staff employees. In case of employees with age above the normal retirement age indicated above, the retirement is assumed to happen immediately, and valuation is done accordingly.

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31-Mar-18	31-Mar-17
Defined Benefit Obligation (Base)	489,564,945	508,365,670

Particulars	31-Mar-18		31-Mar-17	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	513,538,080	468,102,725	534,913,159	484,710,365
(% change compared to base due to sensitivity)	4.9%	-4.4%	5.2%	-4.7%
Salary Growth Rate (- / + 1%)	469,554,223	511,442,138	486,738,955	532,069,433
(% change compared to base due to sensitivity)	-4.1%	4.5%	-4.3%	4.7%
Attrition Rate (- / + 50% of attrition rates)	529,205,058	467,759,189	581,257,609	471,460,482
(% change compared to base due to sensitivity)	8.1%	-4.5%	14.3%	-7.3%
Mortality Rate (- / + 10% of mortality rates)	489,418,953	489,710,420	508,349,415	508,381,836
(% 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-18	31-Mar-17
The Company's best estimate of Contribution during the next year	42,299,064	96,212,335
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-18	31-Mar-17
Weighted average duration (based on discounted cashflows)	5 years	5 years

Expected cash flows over the next (valued on undiscounted basis):	31-Mar-18	31-Mar-17
1 year	138,351,451	132,860,127
More than 1 and upto 2 years	57,454,545	63,085,641
More than 2 and upto 5 years	145,079,275	147,523,407
More than 5 and upto 10 years	177,708,215	171,114,629
More than 10 years	255,997,803	258,212,747

d) Asset liability matching strategies

For gratuity, the Company has purchased insurance policy, 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 terms, 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)

B. Provident Fund (Defined Benefit Plan) :

Bajaj Electricals Limited operates in two schemes for the compliance of provident fund statute - (i) Bajaj Electricals Limited Employees' Provident Fund Trust & Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (defined benefit plan) and (ii) RPFC Contributions for provident fund (defined contribution plan).

For exempt provident fund, the defined benefit obligation of the Company arises from the possibility that during anytime in the future, the scheme may earn insufficient investment income to meet the gauranteed interest rate declared by government / EPFO / relevant authorities.

The net defined benefit obligation as at the valuation date represents the excess of accumlated fund value (determined on actuarial basis) plus interest rate guaranteed liability over the fair value of plan assets or vice-a-versa

The benefit valued under PF obligation are summarised below:

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

* The standard retirement date for executive employees is June 30th of every year and the same is April 1st of every year for the staff employees.

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 below

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 of trusts are as given below :

Particulars	For the year ending	
	31-Mar-18	31-Mar-17
Present Value of Obligation as at the beginning	**1,107,106,009**	**948,569,921**
Interest Cost	90,550,479	81,900,357
Current Service Cost (employer's contribution)	58,644,008	55,559,003
Employee's Contributions	127,547,774	121,558,659
Transfer In / (out) of the liability	40,173,708	33,371,819
Benefits Paid	(173,126,987)	(136,963,553)
Re-measurement (or Actuarial) (gain) / loss arising from:		
- experience variance (i.e. Actual experience vs assumptions), loss if positive	3,171,338	3,109,803
Present Value of Obligation as at the end	**1,254,066,329**	**1,107,106,009**

Changes in the Fair Value of Plan Assets of trusts is as given below :

Particulars	For the year ending	
	31-Mar-18	31-Mar-17
Fair Value of Plan Assets as at the beginning	**1,131,585,274**	**977,924,463**
Investment Income	75,816,213	74,811,221
Employer's Contributions	58,644,008	55,559,003
Employee's Contributions	127,547,774	121,558,659
Transfers In	40,173,708	33,371,819
Benefits Paid	(173,126,987)	(136,963,553)
Return on plan assets, excluding amount recognised in interest (expense)/income	22,567,585	5,323,662
Fair Value of Plan Assets as at the end	**1,283,207,575**	**1,131,585,274**

Amount recognised in balance sheet of trusts is as given below:

Particulars	As on	
	31-Mar-18	31-Mar-17
Present Value of Obligation	1,254,066,329	1,107,106,009
Fair Value of Plan Assets	1,283,207,575	1,131,585,274
Surplus / (Deficit)	**29,141,246**	**24,479,265**
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**29,141,246**	**24,479,265**

The present value of obligation of provident fund of trusts represents the aggregate of accumulated fund value of ₹ 1,233,622,385 (As on March 31, 2017 - ₹ 1,089,833,403) and interest rate guarantee ₹ 20,443,944 (As on March 31, 2017 - ₹ 17,272,606). 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

Amount recognised in statement of profit and loss and other comprehensive income of trusts is as given below:

Particulars	For the year ending	
	31-Mar-18	31-Mar-17
Costs charged to statement of profit and loss :		
Current Service Cost	58,644,008	55,559,003
Interest Expense or Cost	90,550,479	81,900,357
Investment Income	(75,816,213)	(74,811,221)
Expense recognised in statement of profit and loss	**73,378,274**	**62,648,139**
Re-measurement (or Actuarial) (gain) / loss arising from:		
Experience variance (i.e. Actual experience vs assumptions)	3,171,338	3,109,803
Return on plan assets, excluding amount recognised in interest expense/(income)	(22,567,585)	(5,323,662)
Expense recognised in Other Comprehensive Income	**(19,396,247)**	**(2,213,859)**
Total Expense Recognised during the year	**53,982,027**	**60,434,280**

The significant actuarial assumptions are as follows :

Financial and Demographic Assumptions

Particulars	As on			
	31-Mar-18		31-Mar-17	
	HO Unit	Chakan Unit	HO Unit	Chakan Unit
Discount rate (per annum)	7.60%	7.60%	6.70%	6.70%
Interest rate guarantee (per annum)	8.55%	8.55%	8.65%	8.65%
Discount Rate for the Remaining Term to Maturity of the Investment (p.a.)	7.60%	7.60%	6.70%	6.70%
Average Historic Yield on the Investment (p.a.)	8.45%	8.45%	8.70%	8.70%
Effective short fall in the interest earnings on the fund (per annum)	0.40%	0.40%	0.40%	0.40%
Mortality Rate (% of IALM 2006-08)	100.00%	100.00%	100.00%	100.00%
Attrition Rate	22.00%	22.00%	22.00%	22.00%

Summary of Membership Status

Particulars	As on	
	31-Mar-18	31-Mar-17
Dormant/Inoperative Employees	3,488	3,381
Live Number of employees	1,971	1,868
Total Number of employees	**5,459**	**5,249**
Average age (years)	37.08	37.10

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-18	31-Mar-17
Government of India securities	9.0%	4.8%
State Government securities	21.6%	29.1%
High quality corporate bonds	48.1%	46.1%
Equity shares of listed companies	1.0%	0.0%
Public Sector Bonds	0.0%	0.0%
Special Deposit Scheme	15.6%	13.5%
Funds managed by Insurer	4.1%	0.0%
Bank balance	0.3%	0.5%
Other Investments	0.3%	6.0%
Total	**100%**	**100%**

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31-Mar-18	31-Mar-17
Defined Benefit Obligation (Base)	1,254,066,329	1,107,106,009

Particulars	31-Mar-18		31-Mar-17	
	Result of decrease in assumption	Result of increase in assumption	Result of decrease in assumption	Result of increase in assumption
Discount Rate (- / + 1%)	1,275,039,906	1,237,201,962	1,131,250,924	1,093,412,980
(% change compared to base due to sensitivity)	1.7%	-1.3%	2.2%	-1.2%
Interest rate guarantee (- / + 1%)	1,229,947,211	1,192,892,629	1,086,158,229	1,049,103,647
(% change compared to base due to sensitivity)	-1.9%	-4.9%	-1.9%	-5.2%

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 and Matchwel Electricals (India) Ltd Employees' Provident Fund Trust. The investments for the same are managed by Trustees as per advice and recommendations of a professional consultant 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 Trusts is funded by the Company. The provident fund for certain employees is a defined contribution plans covered under RPFC Contributions

b) Expected Contribution during the next annual reporting period

Particulars	31-Mar-18	31-Mar-17
The trusts' best estimate of Contribution during the next year	61,576,208	58,336,953

This has been calculated assuming that the employer's contribution next year shall increase by 5%.

c) Asset liability matching strategies

For PF Trust Investments, the same are managed by Trustees as per advice and recommendations of a professional consultant. 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%

C. Expenses Recognised during the year (Defined Contribution Plan) :

Particulars	Provident Fund		Superannuation		Pension	
	For the year ended		For the year ended		For the year ended	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Expense recognised in the statement of Profit & Loss	10,315,339	7,956,603	28,129,974	31,225,090	40,529,958	37,804,048

The Leave Encashment Schemes, superannuation and pension schemes are managed on unfunded basis, hence Asset Liability Matching Strategies are not applicable

NOTE 21 : TRADE PAYABLES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current		
Trade payable	81,432.42	61,528.60
Dues to micro, small and medium enterprises (refer note below)	2,689.49	1,529.09
Acceptancies	1,111.09	516.69
Trade payable to related parties	209.36	-
Total current trade payables	**85,442.36**	**63,574.38**
Non-Current		
Retention payable to contractor	14.47	16.60
Total non-current trade payables	**14.47**	**16.60**

Trade payables are non-interest bearing and are normally settled within 60 days from the time they are contractually due.

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.

Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:

(₹ in lakh)

		31-Mar-18	31-Mar-17
Principal		2,667.51	1,488.21
Interest		21.98	40.88
i)	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.	40.88	20.03
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.	-	-
iii)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	21.98	40.88
iv)	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.	0.44	-

NOTE 22 : OTHER CURRENT LIABILITIES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Gross amount due to customer for contract work	20,678.13	30,009.42
Statutory liabilities payable	3,740.13	4,506.56
Deferred revenue *	3,241.20	-
Advance received from customer	11,245.50	17,424.84
Temporary overdraft as per books	-	2.65
Others	1,585.56	1,709.15
Total other current liabilities	**40,490.52**	**53,652.62**

* Deferred revenue pertains to accrual of points under the Retailer Bonding Program. Refer note 1D(5).

NOTE 23 : REVENUE FROM OPERATIONS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Sale of products (including excise duty) *	281,776.85	290,834.50
Contract Revenue	187,819.42	137,393.09
Other operating revenue **	2,042.72	1,598.31
Total revenue from operations	**471,638.99**	**429,825.90**

* Sale of products includes excise duty collected from customers of ₹ 894.05 lakh (March 31, 2017 - ₹ 3,654.68 lakh). Sale of goods net of excise duty is ₹ 280,882.80 lakh (March 31, 2017 - ₹ 287,179.82 lakh). Revenue from operations for periods upto June 30, 2017 includes excise duty. From July 01, 2017 onwards, the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in revenue from operations. In view of the aforesaid change in indirect taxes, revenue from operations for the year ended March 31, 2018 is not comparable to March 31, 2017.

** Other operating revenue mainly comprises of scrap sales amounting to ₹ 1,097.77 lakh (March 31, 2017 - ₹ 725.43 lakh)

NOTE 24 : OTHER INCOME

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest income on bank deposits and others	1,518.24	1,456.62
Interest income from financial assets at amortised cost	1,744.03	1,241.24
Interest on income tax refund	947.31	-
Income on financial guarantees issued	239.42	136.47
Rental income	182.59	217.50
Net gain / (losses) on disposal of property, plant & equipment	135.74	156.47
Others	552.05	350.33
Total other income	**5,319.38**	**3,558.63**

NOTE 25 : COST OF RAW MATERIALS CONSUMED

(₹ in lakh)

	31-Mar-18	31-Mar-17
Raw materials at the beginning of the year	8,533.71	3,284.34
Add : Purchases	33,626.93	24,795.43
Less : Raw materials at the end of the year	9,447.80	8,533.71
Total cost of raw material consumed	**32,712.84**	**19,546.06**

NOTE 25 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, FINISHED GOODS, TRADED GOODS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Opening balance		
Work in progress	726.54	505.78
Finished Goods	5,445.94	3,095.55
Traded goods	42,104.77	43,163.86
Total opening balance	**48,277.25**	**46,765.19**
Closing balance		
Work in progress	1,195.61	726.54
Finished Goods	7,006.62	5,445.94
Traded goods	40,064.13	42,104.77
Total Closing balance	**48,266.36**	**48,277.25**
Total Changes in inventories of work in progress, traded goods and finished goods	**10.89**	**(1,512.06)**

NOTE 26 : ERECTION & SUBCONTRACTING EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Erection and subcontracting expense	31,042.67	29,378.77
Total Erection & subcontracting expense	**31,042.67**	**29,378.77**

NOTE 27 : EXCISE DUTY

(₹ in lakh)

	31-Mar-18	31-Mar-17
Excise Duty	894.05	3,654.68
Total Excise Duty	**894.05**	**3,654.68**

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Salaries, wages and bonus	28,893.12	30,110.67
Contribution to Providend and other funds	1,531.88	1,451.39
Employees share based payment expense	285.88	390.18
Gratuity (refer note 20)	686.73	584.66
Staff welfare expenses	390.29	353.06
Total employee benefit expense	**31,787.90**	**32,889.96**

NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakh)

	31-Mar-18	31-Mar-17
Depreciation of property, plant and equipment	3,350.20	2,983.79
Depreciation of assets classified as held for sale	-	0.71
Amortisation of intangible assets	44.29	2.64
Total depreciation and amortisation expense	**3,394.49**	**2,987.14**

NOTE 30 : OTHER EXPENSES

(₹ in lakh)

	31-Mar-18	31-Mar-17
Consumption of stores & spares	1,046.52	1,038.15
Packing material consumed	864.83	702.65
Excise duty on increase/(Decrease) in stocks of finished goods	(0.01)	389.06
Power and fuel	1,068.25	1,173.64
Rent	4,377.81	4,167.45
Repairs and maintenance		
Plant and machinery	895.12	653.84
Buildings	12.95	8.18
Others	324.13	238.56
Telephone and communication charges	1,117.45	1,201.41
Rates and taxes	90.27	93.20
Lease rent	211.86	231.66
Travel and conveyance	7,049.35	6,534.38
Insurance	1,172.21	855.11
Printing and stationery	271.33	346.96
Directors fees & travelling expenses	63.04	79.53
Non executive directors commission	42.23	60.77
Advertisement & publicity	10,455.92	7,849.99
Freight & forwarding	7,396.01	7,117.05
Product promotion & service charges	8,038.89	10,319.62
Sales commission	2,509.52	3,234.06
Provisions		
Service warranties	(1,139.51)	(871.47)
Impairment allowance for doubtful debts and advances	1,889.17	2,086.22
Bad debts and other irrecoverable debit balances Written off	2,492.78	358.17
Payments to auditors (refer note 30(a))	130.04	142.93
Corporate social responsibility expenditure (refer note 30(b))	271.00	163.44
Impairment allowance of financial assets at amortised cost (refer note 41)	301.16	531.56
Fair value loss on financial instruments at fair value through profit ans loss	771.05	-
Consultation charges	4,304.45	3,712.38
Site support charges – EPC	2,421.60	2,171.92
Sales tax expenses	1,091.35	775.20
Security service charges	1,426.39	1,233.73
Miscellaneous expenses	7,155.86	7,300.14
Total other expenses	**68,123.02**	**63,899.49**

NOTE 30(A) : DETAILS OF PAYMENT TO AUDITORS

(₹ in lakh)

	31-Mar-18	31-Mar-17
Payment to Auditors		
As Auditor		
Audit Fee	85.50	104.65
Tax Audit Fee	5.00	11.50
Limited Review Fees	26.50	22.43
In other capacities		
Certification fees	8.03	7.18
Re-imbursement of expenses	5.01	2.98
Total payment to auditors	**130.04**	**148.74**

NOTE 31 : FINANCE COST

(₹ in lakh)

	31-Mar-18	31-Mar-17
Interest expense on borrowings	4,583.45	6,570.69
Interest expense on mobilisation advances	783.60	958.43
Unwinding of discount on provisions	182.96	173.07
Exchange differences regarded as an adjustment to borrowing costs	127.51	203.87
Other borrowing costs	208.95	293.46
Total	**5,886.47**	**8,199.52**
Finance cost capitalised	-	(155.75)
Finance cost expensed in profit and loss	**5,886.47**	**8,043.77**

NOTE 32 : INCOME TAX EXPENSE

(a) Income Tax Expense

(₹ in lakh)

	31-Mar-18	31-Mar-17
Current Tax		
Current income tax charge	10,060.00	6,600.00
Adjustments of tax relating to earlier periods	1.98	-
Total Current tax expense	**10,061.98**	**6,600.00**
Deferred Tax (refer note 8)		
Decrease / (increase) in deferred tax assets	(1,634.33)	(1,502.37)
(Decrease) / increase in deferred tax liabilities	(343.14)	940.22
Total deferred tax expense / (benefit)	**(1,977.47)**	**(562.15)**
Income tax expense in the consolidated statement of profit and loss	**8,084.51**	**6,037.85**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(₹ in lakh)

	31-Mar-18	31-Mar-17
Profit / (Loss) from continuing operations before income tax expense	16,448.47	16,254.70
Income Tax @ standard tax rate of 34.608%	5,692.49	5,625.42
Tax effect of amounts which are not deductible in calculating taxable income :		
- Corporate Social responsibility Expenditure	98.87	56.62
- Estimated expenditure to earn tax exempt Income	3.46	34.71
- Employee Share based payment expense	98.94	135.03
- Impairment Allowance / Fair Value Loss on Financial Asset and Investment of Starlite Lighting Limited*	2,135.12	-
Other items affecting effective tax rate:		
- Reversal of Defered Tax Asset on Impairment allowance on Investment in Hind Lamps Limited	346.08	-
- Share of results of associates and joint ventures (net of tax)	365.50	190.08
- Effects of changes in statutory tax rate	(66.18)	-
- Deferred Tax Asset recognised on Asset held for Sale	(485.10)	-
- Others	(104.67)	(4.01)
Income Tax Expense reported in consolidated statement of profit and loss	**8,084.51**	**6,037.85**

* The Company has not recognised deferred tax assets since it is not probable that long term capital gains will be available against which such deferred tax assets can be utilised.

NOTE 33 : EMPLOYEE STOCK OPTIONS :

A. Summary of Status of ESOPs Granted :

The position of the existing schemes 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 July 26, 2007 and revised in AGM held on July 28, 2010		Postal Ballot dated January 21, 2016
2	Total Number of Options approved	Bajaj Growth 2007 Scheme approved 4,321,440 shares of face value ₹ 2 each (erstwhile 864,288 shares of ₹ 10 each prior to share-split) equivalent to 5% of paid up equity shares i.e. 86,428,800 shares as at the date of the announcement of scheme. The ESOP 2011 being the modified ESOP 2007 Scheme approved aggregate of 78,03,560 shares of face value ₹ 2 each equivalent to 8% of paid up equity shares i.e. 97,544,495 as at the date of the announcement of scheme.		30,27,073 shares of face value ₹ 2 each equivalent to 3% of paid up equity i.e. 100,902,426 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 anytime upto 3 years from date of vesting. Options granted under the plan carry no dividend or voting rights till the options are excercised and duly allotted to the employees. When exercisable, each option is convertible into one equity share.		
4	The Pricing Formula	Closing price on the stock exchange where there is highest traded 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
9	Equity Shares reserved for issue under Employee Stock options outstanding as at March 31, 2018	The Company had reserved for issuance of 10,830,633 Equity Shares of ₹ 2 each to eligible employees of the Company under Employees Stock Option Pool, of which number of stock options not yet granted are 1,069,792, number of stock options vested & exercisable are 409,075, number of stock options unvested are 981,500, number of stock options cancelled under ESOP 2015 Scheme are 163,500 and number of stock options lapsed under ESOP 2015 Scheme are Nil. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2018 are 2,623,867.		

II. Option Movement during the year ended March 31, 2018

Sr. No.	Particulars	BAJAJ GROWTH 2007		ESOP 2011		ESOP 2015	
		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	120,000	313.95	1,399,550	245.37	569,000	244.89
2	Options Granted during the year	-	-	-	-	377,500	423.48
3	Options Forfeited / Surrendered during the year	4,000	313.95	130,000	278.39	108,500	233.86
4	Options Expired (Lapsed) during the year	57,500	313.95	28,150	192.03	-	-
5	Options Exercised during the year	58,500	313.95	638,075	213.55	50,750	234.50
6	Number of options outstanding at the end of the year	-	-	603,325	274.41	787,250	332.72
7	Number of options exercisable at the end of the year	-	-	348,325	268.87	60,750	237.87

Option Movement during the year ended March 31, 2017

Sr. No.	Particulars	BAJAJ GROWTH 2007		ESOP 2011		ESOP 2015	
		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	307,450	280.57	2,008,550	230.81	115,000	177.85
2	Options Granted during the year	-	-	-	-	507,500	258.04
3	Options Forfeited / Surrendered during the year	29,500	247.22	246,500	228.16	52,500	226.50
4	Options Expired (Lapsed) during the year	120,950	288.38	59,300	195.54	-	-
5	Options Exercised during the year	37,000	173.35	303,200	172.62	1,000	177.85
6	Number of options outstanding at the end of the year	120,000	313.95	1,399,550	245.37	569,000	244.89
7	Number of Options exercisable at the end of the year	120,000	313.95	843,300	226.31	18,000	177.85

III. Weighted Average remaining contractual life

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
Range of Exercise Price	**Weighted average contractual life (years) as on March 31, 2018**		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	1.33	3.85
No. of Options Outstanding	Nil	89,375	50,000
201 to 300	Nil	3.05	4.32
No. of Options Outstanding	Nil	310,150	337,250
301 to 400	Nil	2.02	4.95
No. of Options Outstanding	Nil	203,800	177,500
401 to 500	Nil	Nil	5.90
No. of Options Outstanding	Nil	Nil	222,500

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
Range of Exercise Price	**Weighted average contractual life (years) as on March 31, 2017**		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	1.71	4.54
No. of Options Outstanding	Nil	467,050	94,000
201 to 300	Nil	3.23	5.14
No. of Options Outstanding	Nil	617,500	452,500
301 to 400	0.58	2.78	5.65
No. of Options Outstanding	120,000	315,000	22,500

IV Weighted Average Fair Value of Options Granted during the year ended March 31, 2018 whose

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	159.71
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil

Weighted Average Fair Value of Options Granted during the year ended March 31, 2017 whose

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
(a)	Exercise price equals market price	No options were granted during the year	No options were granted during the year	92.92
(b)	Exercise price is greater than market price			Nil
(c)	Exercise price is less than market price			Nil

V The weighted average market price of options exercised :

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
During the year ended March 31, 2018	360.32	405.77	436.58
During the year ended March 31, 2017	272.38	253.73	308.40

VI Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2018 :

The fair value has been calculated using the Black Scholes Option Pricing model
The Assumptions used in the model are as follows:

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
Variables		**Weighted Average**	**Weighted Average**	**Weighted Average**
1.	Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.89%
2.	Expected Life (in years)			4.15
3.	Expected Volatility			37.22%
4.	Dividend Yield			0.68%
5.	Exercise Price (₹)			423.48
6.	Price of the underlying share in market at the time of the option grant. (₹)			423.48

Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2017 :
The fair value has been calculated using the Black Scholes Option Pricing model
The Assumptions used in the model are as follows:

		BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
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

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), 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 year :

Particulars	31-Mar-18	31-Mar-17
1 Employee Stock Option Plan Expense	28,587,834	39,018,554
2 Total ESOP Reserve at the end of the year	95,814,741	119,899,461

NOTE 34 : FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows

Particulars	31-Mar-18	31-Mar-17
A. Financial assets		
I. Measured at amortised cost		
Investments	764.82	4,153.60
Trade Receivables	201,213.75	164,664.92
Loans	11.14	297.58
Cash and Cash Equivalents	2,181.97	2,508.23
Bank Balances other than above	392.20	4,018.29
Other Financial Assets	2,141.64	5,637.14
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Assets (Derivative Assets)	19.65	-
Investments	0.10	2,128.77
	206,725.27	**183,408.53**
B. Financial liabilities		
I. Measured at amortised cost		
Borrowings	71,762.47	54,553.48
Trade Payables	85,456.83	63,590.98
Other Financial Liabilities	30,830.96	25,921.63
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Liabilities (Derivative Liability)	18.79	213.88
	188,069.05	**144,279.97**

(ii) Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

Particulars	Valuation Techniques	Carrying values	Fair Values	Fair Values Measurement using		
				Level 1	Level 2	Level 3
As at March 31, 2018						
Other Financial Assets (Derivative Assets)	Mark to Market	19.65	19.65		19.65	
Investments	Discounted Cash Flow*	0.10	1,357.62			1,357.62
Other Financial Liabilities (Derivative Liability)	Mark to Market	18.79	18.79		18.79	
		38.54	**1,396.06**	**-**	**38.44**	**1,357.62**
As at March 31, 2017						
Investments	Discounted Cash Flow	2,128.77	2,128.77			2,128.77
Other Financial Liabilities (Derivative Liability)	Mark to Market	213.88	213.88		213.88	
		2,342.65	**2,342.65**	**-**	**213.88**	**2,128.77**

There have been no transfers between Level 1 and Level 2 during the period.

*Based on independent valuation performed by an external valuer, the equity value (enterprise value minus external debt) is negative. Accordingly, the investment has been fully impaired. Refer below for assumptions used

Significant unobservable inputs used in Level 3 fair values as at March 31, 2018

Particulars	Significant Unobservable Inputs	Sensitivity
Investments (Preference shares of Starlite Lighting Limited)	Discount rate ► Scenario 1 – 12% ► Scenario 2 – 16% ► Scenario 3 – 20% Average of scenario 1-3 is considered for valuation	The Company has reduced the fair value of investments in preference shares in Starlite Lighting Limited and impaired fully the equity instruments since the enterprise value less external debt is negative. 1% increase in discount rate will decrease fair value by ₹ 753.00 lakh. 1% decrease in discount rate will increase the fair value by ₹ 853.80 lakh. 1% increase in terminal value growth rate will increase fair value by ₹ 191.80 lakh. 1% decrease in terminal value growth rate will decrease the fair value by ₹ 168.00 lakh
Invesments (Equity shares of Starlite Lighting Limited)	Discount rate – 18.16% Terminal value growth rate – 3%	

All other current financial assets and current financial liabilities have fair values that approximate to their carrying amounts due to their short term nature. Further all other non-current financial assets and non-current financial liabilities have fair values that approximates to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

NOTE 35: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of borrowings, trade and other payables, channel financing liability and financial guarantee contracts. The main purpose of these financial liabilities is to finance the entity's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds investments (measured at FVTPL and amortised cost) and enters into derivative transactions (other than for speculative purposes).

The risk management committee of the Group lays down appropriate policies and procedures to ensure that financial risks are identified, measured and managed in accordance with the entity's policies and risk objectives.

The Group is exposed to credit risk, liquidity risk and market risk, which are explained in detail below:

(A) Credit risk

Credit risk is the risk of financial loss to the Group 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. The Group is exposed to credit risk from its operating activities mainly in relation to trade and other receivables and bank deposits. Further, the Group is also exposed to credit risk arising from its loans, advances and investment in preference shares of its affiliate companies.

Trade and other receivables

Trade and other receivables of the Group are typically unsecured and credit risk is managed through credit approvals and periodical monitoring of the creditworthiness of customers to which the Group grants credit terms.
In respect of trade receivables, the Group typically operates in two segments:

Consumer products

The Group 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 Group. In case of government sector, the credit risk is low.

Engineering and projects

The Group 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 Group 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 Group 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 Group assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from such trade and other receivables. In respect of trade receivables the Group has a provisioning policy 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 Group also provides on more case-to-case basis, since they are large projects in individuality.

The maximum exposure to credit risk as at March 31, 2018 and March 31, 2017 is the carrying value of such trade and other receivables as shown in note 5, 7 and 12 of the financials.

Reconciliation of impairment allowance on trade and other receivables (₹ in lakh)

Particulars	Amount
Impairment allowance on March 31, 2017	15,507.41
Created during the year	5,318.76
Reversed during the year	(3,399.95)
Impairment allowance on March 31, 2018	17,466.22

Bank deposits

The Group maintains its cash and bank balances 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 March 31, 2018 and March 31, 2017 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). Further, the Company also has made strategic investments (equity and preference investments) in these entities. All such loans / advances / investments and their respective terms and conditions are duly approved by the Board of Directors of the Company. These entities also act as a strategic source of product supply to the Company.

The exposure on these loans / advances / investments are reviewed on regular basis for their recoverability on the basis of their business plan, future profitability, cash flow projections, market value of the assets, etc. Such assessment is performed by the management through an independent external valuer based on which any expected credit losses are provided for in the books.

As on the date of reporting, the Company does not have any expected credit loss on its loans / advances / investments in Hind Lamps Limited except for those provided in the books, based on the asset valuation done by the external valuer. In respect of Starlite Lighting Limited, the Company has fully impaired its exposure as at March 31, 2018 in its consolidated financial statements (Refer Note 41).

(B) Liquidity risk

The Group has a central treasury department, 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 business units 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.

(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-18	31-Mar-17
Floating / Fixed Rate		
- Expiring within One year (Bank overdraft and other facilities)	237,581	212,894

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.

(ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in lakh)

Particulars	Carrying value as at March 31, 2018	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	71,762.47	70,615.33	466.42	664.06	16.65	71,762.46
Trade payables	85,456.83	85,476.12	14.47	-	-	85,490.59
Other financial liabilities	30,849.75	30,766.05	141.60	159.30	-	31,066.95
Total	**188,069.05**	**186,857.50**	**622.49**	**823.36**	**16.65**	**188,320.00**

Particulars	Carrying value as at March 31, 2017	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings	54,553.48	53,529.08	547.94	1,022.86	124.28	**55,224.16**
Trade payables	63,590.98	63,044.60	18.97	-	0.27	**63,063.84**
Other financial liabilities	26,135.51	25,799.61	118.67	96.55	6.05	**26,020.88**
Total	**144,279.97**	**142,373.29**	**685.58**	**1,119.41**	**130.60**	**144,308.88**

(C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as commodity risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group 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 Group also has foreign exchange exposures in terms of buyer's credit, packing credit, foreign currency term loans,

etc. As these commercial transactions are recorded in currency other than the functional currency (₹), the Group is exposed to Foreign Exchange risk arising from future commercial transactions and recognised assets and liabilities. The Group 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 exposure:

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows :

(₹ In lakh)

	31-Mar-18					31-Mar-17					
	USD	EUR	CAD	GBP	AED	USD	EUR	RMB	JPY	AUD	AED
Financial assets	990.66	-	-	-	-	451.17	(1.21)	47.9	-	-	17.52
Financial liabilities	16,703.28	46.24	28.47	3.19	(1.47)	8,847.28	499.73	25.54	(2.61)	(1.98)	5.33

Further, the Group has open foreign exchnage forward contracts amounting to USD 123.64 lakh (March 31, 2017 - USD 82.42 lakh)

b) 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-18	31-Mar-17
USD sensitivity		
₹ appreciates by 4%(March 31, 2017 - 5%)	628.48	419.77
₹ depreciated by 4%(March 31, 2017 - 5%)	(628.48)	(419.77)

The Group also has an exposure in EUR, CAD, RMB, JPY and AUD, the impact of sensitivity of which is very negligible.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any long term borrowings except sales tax deferral loan which is interest free. Also in case of short term borrowings, the interest rate is fixed in a large number of cases and linked to the LIBOR in a few cases. Hence, interest rate risk is assessed to be low. Accordingly, the sensitivity / exposure to change in interest rate is insignificant

(iii) Price risk

In case of the consumer product business, the Group manufactures LED bulbs and Tubes and small quantity of ceiling fans. All other products are procured from the vendors. The terms of payment with vendors is on cost plus basis. Hence, the price risk is assessed to be low.

The Group is also into EPC segment, wherein it takes turnkey contracts for transmission line towers, rural electrification, high masts and poles, street lighting, etc. This exposes the Group to commodity price risk for products such as copper, aluminium, plastic, steel, zinc etc. The Group has contractual right to pass the commodity price risk to the customer, hence the price risk is assessed to be low.

NOTE 36: CAPITAL MANAGEMENT

For the purpose of capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Group 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 Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manages 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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders (buy-back) or issue new shares.

The Group'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 Group 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 Group monitors capital on the basis of the following gearing ratio:

Total debt (total borrowings including current maturities of long term borrowings) divided by total equity (as shown in the balance sheet excluding debenture redemption reserve, capital reserve and capital redemption reserve)

The Group's strategy is to maintain a gearing ratio within 2 times. The Debt Equity ratio is as follows:

Particulars	31-Mar-18	31-Mar-17
Total debt	72,310.41	64,656.38
Total equity	93,505.50	83,665.27
Total debt to equity ratio	0.77	0.77

NOTE 37: SEGMENT REPORTING

In view of adoption of Ind AS effective April 01, 2016, the Group 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

(₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
a) Consumer Products	10,868.45	9,902.94
b) EPC	19,460.09	14,167.01
c) Others	(45.15)	(17.12)
Operating Segment profit	**30,283.39**	**24,052.83**
Depreciation & amortisation expenses	(128.82)	-
Finance Cost	(5,886.47)	(8,043.77)
Interest income on financial assets measured at amortised cost	373.83	597.32
Impairment / Fair value loss of financial assets	(771.05)	(531.56)
Profit / (Loss) on sale of Property, plant & equipment	152.22	153.08
Rent received	182.59	217.49
Employee share based payment expenses	(285.88)	(390.18)
Interest on Income Tax refund	947.31	-
Exceptional items	(7,878.50)	-
Share of profit / (loss) of associate and joint venture	(1,056.43)	(549.24)
Others	515.81	748.73
Profit before income tax	**16,448.00**	**16,254.70**

The operating segment results includes depreciation and amortisation of ₹ 1,551.16 (March 31, 2017 – ₹ 1,557.54) for consumer products, ₹ 1,676.25 (March 31, 2017 – ₹ 1,391.33) for EPC and ₹ 38.26 (March 31, 2017 – ₹ 72.02) for others.

2) Segment Revenue:

(₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
a) Consumer Products	222,845.89	231,421.03
b) EPC	248,756.15	198,332.80
c) Others	36.95	72.07
Sub-total	**471,638.99**	**429,825.90**
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	**471,638.99**	**429,825.90**

There is no single customer with more than 10% of revenue. 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-18	31-Mar-17
India	466,102.24	425,128.59
Outside India	5,536.75	4,697.31
Total	**471,638.99**	**429,825.90**

3) Segment Assets

Segment assets are measured in the same principles as they have been for the purpose of these consolidated 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 March 31, 2018	As at March 31, 2017
a) Consumer Products	93,378.72	78,430.85
b) EPC	211,803.31	172,427.08
c) Others	301.07	305.59
Total Segment Assets	**305,483.10**	**251,163.52**
Unallocated		
Deferred tax assets	7,353.18	5,594.95
Income tax assets (net)	828.12	4,486.51
Investments	764.92	7,199.69
Property, Plant & Equipments	22,490.06	22,568.00
Cash & cash equivalents	2,574.17	6,526.51
Others	7,092.86	10,293.94
Total assets as per balancesheet	**346,586.41**	**307,833.12**

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 March 31, 2018	As at March 31, 2017
India	31,250.33	30,980.80
Outside India	4.59	23.00
Total	**31,254.92**	**31,003.80**

The capital expenditure incurred for consumer products is ₹ 330.34 lakh (March 31, 2017 – ₹ 355.79 lakh), for EPC is ₹ 1,103.64 lakh (March 31, 2017 – ₹ 1,347.04 lakh) and for others is ₹ 2,659.22 lakh (March 31, 2017 – ₹ 5,507.32 lakh).

4) Segment Liabilities

Segment liabilities are measured in the same principles as they have been for the purpose of these consolidated financial statements. The Company'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 March 31, 2018	As at March 31, 2017
a) Consumer Products	73,238.84	65,808.00
b) EPC	100,620.76	88,524.08
c) Others	-	-
Total Segment Liabilities	**173,859.60**	**154,332.08**
Unallocated		
Borrowings	72,310.41	62,424.44
Others	6,765.19	4,765.62
Total liabilities as per balancesheet	**252,935.20**	**221,522.14**

NOTE 38: DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

(₹ in lakh)

Name of Related Party and Nature of relationship	Nature of Transaction	2017-18		2016-17	
		Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet	Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet
(A) Parent Entities					
Nil	Not Applicable				
(B) Subsidaries					
Nil	Not Applicable				
(C) Associate - Hind Lamps Limited					
	Purchases	2,872.46	(87.42)	2,803.85	(124.88)
	Trade Advance Given	2,952.74	797.96	3,124.89	753.47
	Sales	159.24	13.05	109.92	10.41
	Interest on loan / advance	111.41	-	102.62	25.45
	0% Non Convertible Redeemable Preference Shares		764.82		692.14
	Finance Income of preference shares (financial asset at amortised cost)	72.68		65.77	
	Services Received	-		0.33	
(D) Joint Venture - Starlite Lighting Limited					
	Purchases	8,179.86	(216.14)	5,100.51	1,610.86
	Contribution to Equity	3.50		-	
	Contribution to Equity on A/c of valuation of Corporate Guarantee	566.36		-	
	Finance income on Corporate Guarantee given	239.42		136.47	
	Sales of Components	3,883.12	-	-	-
	0% Non Convertible Redeemable Preference Shares (at amortised cost) *	-	-	-	3,461.46
	9% Non Convertible Redeemable Preference Shares (at fair value through profit or loss) *	-	-	-	2,128.66
	Finance Income of preference shares (financial asset at amortised cost)	301.16		531.56	
	Impairment and fair value loss of financial assets and equity	10,008.46		531.56	
	Trade Advance Given *	650.00	5,354.82	1,200.00	3,916.67

Name of Related Party and Nature of relationship	Nature of Transaction	2017-18		2016-17	
		Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet	Transaction Value for the year	Outstanding receivable / (payable) carried in the Balance Sheet
	Loans given *	-	-	-	280.00
	Reimbursement of Expenses	-	-	8.44	-
	Lease Rent received	-	-	51.64	-
	Interest on loan and advance	882.90	-	525.89	304.40
(E) Key Mangement Personnel#					
	Short-term employee benefits	1,645.80	(942.82)	1,224.95	(653.73)
	Post- employment benefits (contribution to super annunation fund)	53.95		48.15	
	Long-term employee benefits (contribution to provident fund)	43.16		38.52	
	Perquisite value of ESOPs excercised during the year	25.01	-	6.08	-
	Total Compensation	**1,767.92**	**(942.82)**	**1,317.70**	**(653.73)**
(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					
	Reimbursement of Expenses	602.97	(43.61)	651.49	(23.05)
	Services Received	194.64	(41.27)	34.05	(1.80)
	Rent Paid	54.00	-	10.35	(1.35)
	Deposits given	-	27.00	27.00	27.00
	Sales	962.99	306.33	34.78	13.74
	Purchases	-	(0.05)	28.78	(0.23)
(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	-	474.07	-	453.55
	Claims Received	76.39	-	53.36	-
	Insurance Premium paid	664.30	(0.13)	569.18	(0.27)
	Contribution to Gratuity Fund	500.00	4,623.34	1,000.00	4,299.48
	Sales	88.05	38.77	71.88	19.16
	Advance for Capital Asset	86.92	-	13.04	2.74
	Reimbursement of Expenses	10.07	(4.76)	4.92	(4.82)
	Rent Deposit Given	-	100.00	-	100.00
	Rent Paid	28.14	-	27.57	-
	Services Received	11.62	-	4.10	(0.75)
(I) Transactions with the entities which are the post employment benefit plans as identified in para 9 (b) (v) of Ind AS 24 - Related Party Disclosures					
	Trustees Bajaj Electricals Ltd Employees Provident Fund	1,833.71	(156.20)	1,745.34	(147.44)
	Matchwel Electrical India Limited Employees Provident Fund Trust	28.21	(2.54)	-	-
(J) Transactions with the persons identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures					
	Rent Deposit Given / (Refunded)	(400.00)	-	-	400.00
	Rent Paid	8.25	-	9.00	-
	Reimbursement of Expenses received (net)	49.53	-	-	-

* Outstanding balance Is net of impairment allowance created in the books.

\# As the future liability for defined benefit obligation and other long term employee benefits is provided on an actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel is not ascertainable and hence not included above.

** Transactions with related parties have been made on an arm length basis and are in the ordinary course of the business of the Company. All outstanding balances are unsecured and are repayable in cash.

NOTE 39 : EARNINGS PER SHARE :

Particulars	31-Mar-18	31-Mar-17
Profit for the year after tax but before exceptional items and tax on exceptional items (A) (₹ in lakh)	15,375.47	10,216.85
Profit for the year after exceptional items and tax on exceptional items (B) (₹ in lakh)	8,363.49	10,216.85
Weighted average number of equity shares for basic EPS (C)	101,617,351	101,116,802
Add: Effect of dilution (employee stock options - refer note 33)	501,553	203,308
Weighted average number of equity shares for diluted EPS (D)	102,118,904	101,320,110
Earnings Per Share in ₹ :-		
(a) Basic before exceptional items (A/C)	15.13	10.10
(b) Diluted before exceptional items (A/D)	15.06	10.08
Earnings Per Share in ₹ :-		
(a) Basic after exceptional items (B/C)	8.23	10.10
(b) Diluted after exceptional items (B/D)	8.19	10.08

NOTE 40 : COMMITMENTS AND CONTINGENCIES

a. Contingent liabilities (₹ in lakh)

Particulars	31-Mar-18	31-Mar-17
Contingent Liabilities not provided for :		
i. Claims against the Company not acknowledged as debts (refer note x below)	668.49	1,032.02
ii. Guarantees / Letter of Comfort given on behalf of Companies ₹ 23,700.00 lakh (Previous Year ₹ 29,064.00 lakh) (refer note ix below)	17,640.43	16,721.88
iii. Excise and Customs duty matters under dispute	-	7.20
iv. Service Tax matters under dispute	-	156.05
v. Income Tax matters under dispute	322.18	286.13
vi. Sales Tax matters under dispute	5,068.27	6,475.17
vii. Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20

viii. 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 October 01, 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 May 01, 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 September 28, 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.

ix. The Company has given guarantees / letter of comfort for all borrowings (long term / short term) taken by its joint venture, Starlite Lighting Limited (SLL). As at March 31, 2018, SLL is in breach of its loan covenants as per the terms of the loan agreements, resulting in the loans becoming payable on demand. However, as at the date of approval of theseconsolidatedfinancial statements, the lenders of SLL have not called for the loan repayment. Further, the management of the Company has obtained loan covenant waiver from the lenders of SLL. Accordingly, the exposure in this regard is considered to be 'possible' and disclosed as contingent liability.

x. These represent legal claims filed against the Company by various parties and these matters are in litigation. Management has assessed that in all these cases the outflow of resources embodying economic benefits is not probable.

b. Commitments

i. Estimated amounts of contracts remaining to be executed in capital account (net of capital advances) is ₹ 501.95 lakh (March 31, 2017, ₹ 562.35 lakh).

c. Leases

The Company has entered into operating leases for certain warehouses / premises / vehicles, with lease term between 1 to 10 years. Some of the leases have the option to extend the lease for additional terms as per the agreements.

Lease rent recognised in consolidated statement of profit and loss is ₹ 4,589.67 lakh (March 31, 2017 – ₹ 4,399.11 lakh). There are no non-cancellable leases.

NOTE 41 : EXCEPTIONAL ITEMS:

Pursuant to continuous reduction in the CFL business and future outlook, Group has re-assessed the recoverability of its investments and loans provided to Starlite Lighting Limited (Joint Venture) and consequently impaired it fully in consolidated financial statements.

The details of the investments and loans and advances which are impaired are as below

(₹ in lakh)

Particulars	Impairment Amount
Non-current equity investments (unquoted)	
5,875,000 (March 31, 2017 - 2,375,000) equity shares of ₹ 10 each	579.42
Non-current debt instruments (preference shares)	
At fair value through profit and loss	
10,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable on June 30, 2024	950.83
5,000,000 - 9% cumulative redeemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable on June 30, 2025	406.79
At amortiised cost	
30,000,000 - 0% reedemable preference shares (unquoted) of ₹ 10/- each of Starlite Lighting Ltd, redeemable in 3 equal tranches at an yield of 10% on June 30, 2026, June 30, 2027 and June 30, 2028 respectively	3,762.62
Non-current loans and advances	
Loan	280.00
Advances	2,200.00
Total	**8,179.66**
- disclosed under 'other expenses' (note 30)*	301.16
- disclosed as exceptional item	**7,878.50**

* This pertains to impairment allowance on interest income accreted during the year.

The valuation has been performed by an independent external valuer based on which the equity value (enterprise value less external debt) is negative. Accordingly, all investments and loans have been fully impaired. For assumption used in valuation refer note 34.

NOTE 42 : DISCLOSURE OF INTEREST FROM OTHER ENTITIES

i) Summarised financial information for joint venture and associate

The tables below provide summarised financial information for the Group's joint ventures and associates. The information disclosed reflects the amounts presented in the consolidated financial statements of the relevant associates and joint ventures and not Company's share of those amounts.

Summarised balance sheet

Particulars	Starlite Lighting Limited (Joint venture)		Hind Lamps Limited (Associate)	
	31-03-2018 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)	31-03-2017 (Audited)
Current assets				
Cash and cash equivalents	167.07	162.26	4.22	5.45
Other assets	10,251.10	11,831.67	1,120.47	988.06
Total current assets	**10,418.17**	**11,993.93**	**1,124.69**	**993.50**
Total non-current assets	**14,614.09**	**18,451.69**	**2,659.59**	**2,534.07**
Current liabilities				
Financial liabilities (excluding trade payables)	14,247.46	14,267.36	353.33	1,515.41
Other liabilities	5,923.98	3,036.37	4,725.02	3,036.37
Total Current liabilities	**20,171.44**	**17,303.73**	**5,078.35**	**4,551.78**
Non-current liabilities				
Financial liabilities (excluding trade payables)	19,939.05	16,163.97	2,940.92	2,277.25
Other liabilities	-	-	866.36	954.13
Total non-current liabilities	**19,939.05**	**16,163.97**	**3,807.28**	**3,231.38**
Net Assets	**(15,078.23)**	**(3,022.08)**	**(5,101.35)**	**(4,255.59)**

Reconciliation to carrying amounts

Particulars	Starlite Lighting Limited (Joint venture)		Hind Lamps Limited (Associate)	
	31-03-2018 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)	31-03-2017 (Audited)
Opening net assets	550.50	957.61	1,366.82	1,542.26
Add: Investment during the year	3.50	-	-	-
Profit / (Loss) for the year	(554.00)	(406.52)	(519.24)	(151.57)
Other comprehensive income	-	(0.59)	13.61	(23.87)
Add: Guarantee given during the year	579.42	-	-	-
Less: Accumulated impairment	(579.42)	-	(1,000.00)	(1,000.00)
Closing net assets	**-**	**550.50**	**(0.00)**	**366.82**
Recognised as liability#	**-**	**-**	**138.80**	**-**

As per the rehabilitation scheme approved by the BIFR, the Company has a legal or constructive obligation to support Hind Lamps Ltd. Accordingly, the group's share in losses of the associate in excess of the investment value has been recorded under 'Other current liabilities' in Note 22.

Summarised statement of profit and loss

Particulars	Starlite Lighting Limited (Joint venture)		Hind Lamps Limited (Associate)	
	31-03-2018 (Unaudited)	31-03-2017 (Audited)	31-03-2018 (Audited)	31-03-2017 (Audited)
Revenue from operations	15,777.65	9,038.13	4,160.15	4,345.11
Other income	29.02	15.75	57.65	71.12
Cost of manufacturing	13,488.77	5,760.41	2,866.41	2,962.37
Employee benefits expense	732.80	503.89	1,574.73	1,498.38
Depreciation and amortisation	1,618.18	554.87	29.99	32.68
Other expenses	2,100.54	2,413.48	472.52	422.39
Finance Cost	3,977.30	3,367.47	496.14	437.70
Exceptional items	4,955.93	-	-	-
Income tax expense	1,163.89	(631.49)	(304.64)	(132.45)
Profit for the year from continuing operations	(12,230.75)	(2,914.74)	(917.36)	(804.83)
Other comprehensive income	0.74	(3.12)	71.58	(125.62)
Total comprehensive income	**(12,230.01)**	**(2,917.86)**	**(845.78)**	**(930.45)**
Dividends received	NIL	NIL	NIL	NIL

ii) Commitments and contingent liabilities in respect of associate

Bajaj Electricals Limited, 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 Bajaj Electricals Limited to do so.

For commitment and contingencies relating to Starlite Lighting Limited, refer note 40.

iii) Disclosure in terms of Schedule III of the Companies Act, 2013

(₹ in lakh)

	Net Assets (i.e Total assets minus total liabilities)		Share in Profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
1. Parent								
Bajaj Electricals Limited	100%	93,651.21	87.37%	7,307.06	96.78%	408.15	87.82%	7,715.21
2. Joint Venture								
Starlite Lighting Limited	-	-	6.42%	537.19	-	-	6.11%	537.19
3. Associate								
Hindlamps Limited	-	-	6.21%	519.24	3.22%	13.60	6.07%	532.84
Total	100%	93,651.21	100%	8,363.49	100%	421.75	100%	8,785.24

NOTE 43 : DISCLOSURE FOR CONSTRUCTION CONTRACTS

(₹ in lakh)

			31-Mar-18	31-Mar-17
(a)	(i)	Contract revenue recognised during the year	187,819.42	137,393.09
	(ii)	Method used to determine the contract revenue recognised and the stage of completion (Refer note 1B (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)	464,565.63	398,271.04
	(ii)	Advances received, outstanding	8,130.83	17,424.84
	(iii)	Retentions receivable	45,530.08	37,903.55
	(iv)	Amount due from customers (included under Note 13)	7,634.20	1,451.31
	(v)	Amount due to customers (included under Note 22)	20,678.13	30,009.42
	(vi)	Contingencies on account of warranty cost, penalties or possible losses	16.16	-

NOTE 44 : ASSETS PLEDGED AS SECURITY

(₹ in lakh)

Current assets	Note No	31-Mar-18	31-Mar-17
First Charge			
Receivables	5	201,213.75	164,664.92
Other Bank Balances		-	3,100.00
Inventories	10	57,916.06	57,119.60
Total current assets pledged as security		**259,129.81**	**224,884.52**
Non-current assets			
First & Second Charge			
Building	2	1,749.59	1,808.44
Freehold & Leasehold Land	2	4,750.22	4,787.60
Office and Ownership Premises	2	8,799.42	8,998.72
Plant & Machinery	2	1,474.07	1,021.38
First Charge			
Office and Ownership Premises	2	395.44	402.33
Total non-currents assets pledged as security		**17,168.74**	**17,018.47**
Total assets pledged as security		**276,298.55**	**241,902.99**

NOTE 45 : Previous year's figures have been regrouped / reclassed wherever necessary to correspond with the current year's classification / disclosure

Signature to note 1 to note 45

As per our report attached of even date

For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

For and on behalf of the Board of Directors

Shekhar Bajaj
Chairman & Managing Director

Anant Bajaj
Joint Managing Director

per Vikram Mehta
Partner
Membership No.105938
Mumbai, May 23, 2018

Mangesh Patil
Executive Vice President
Legal & Company Secretary

Anant Purandare
President &
Chief Financial Officer

Anuj Poddar
Chairman - Audit Committee

Range of Products

KITCHEN APPLIANCES

Toasters	–	**Pop-up:** ATX 21, ATX 4, ATX 3
		Sandwich Toaster: Majesty New SWX 7 Sandwich, Majesty New SWX 8 Grill, Majesty New SWX 3 Sandwich, Majesty New SWX 4 Grill, Majesty New Grill Ultra, Bajaj Sandwich & Grill Maker
Mixer Grinders	–	**750W:** Helix Ultra, Twister, GX 11, Classic, GX 8, PX 74, Twister DLX
		600W: GX10 Dlx and Trio
		500W: Bravo Dlx 3 jar, GX7, Easy, GX3, GX 4, GX 6, and Glory MG, Ruby, Maxio, Popular (450W), Gx8, Ion, Pluto, GX1, Rex, PX 7
		550 W: GX 21, Tornado
Food Processors	–	MasterChef 3.0, FX 11, and New FX9, FX-1000, FX-13, FX-7
Juicer Mixer Grinders	–	JX 10, JX 5, and Fresh sip, JX 4 and JX7, JX4 Neo
Juicers	–	Majesty JEX 15, Majesty JEX16, Majesty Juice Extractor, Juicer one
Choppers & Hand Blender	–	Presto XL, HC 01, Hand Blender HB04, HB 10, HB 11, HB 12 and HM01
Wet Grinder	–	WX 9 with arm, WX 3 without arm
OTGs	–	4500TMCSS, 3500TMCSS, 2800TMCSS, 2200TMSS, 2200T, 1603TSS, 1603T, 1000TSS
Microwave Ovens	–	2504 ETC, 2310 ETC, 2005 ETB, 2016 MTBX ,1701 MT, 1701MT DLX,
Electric Kettles		TMX 3 Tea Maker, Majesty KTX 9 Multifunction, Majesty KTX 15 SS, Majesty Travel Kettle KTX2, 1.7L Non-Strix, 1.0L Non-Strix, Majesty New KTX7 1L Cordless Kettle, Majesty New KTX7 1.7L Cordless Kettle
Induction Cookers	–	Bajaj Splendid, Majesty ICX Neo, Majesty ICX Pearl, Majesty ICX 7, Popular Ultra, Majesty ICX3
Rice Cookers	–	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
Pressure Cookers	–	**Inner Lid:** PCX 32, PCX 33, PCX 35
		Inner Lid with induction: PCX 42, PCX 43, PCX 45
		Handi Anodized : PCX 63H, PCX 65H
		Handi Anodized Induction Base: 3L - PCX 63HD, 5L - PCX 65HD
		Handi Induction Base: PCX 63D, PCX 65D
		Outer Lid: PCX 3, PCX 5
Gas Stoves	–	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
Non Electric Kitchen Aid (NEKA)	–	Induction Frying Pan 200/ 240mm, Frying Pan 240mm Hard Anodized Majesty Duo Cookware Set 3 Pcs, Hard Anodized Sauce Pan 1/1.5/2, Induction Kadai 240mm, Induction Tawa 250/ 280mm, 3 piece Ceramic Coating Set, Tawa Hard Anodised 220/ 260 mm, Hard Anodized Kadai 240 mm, 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
Platini	–	Bread Maker BM01, Vitamin juicer VJ 01, Stand mixer (SM 01, SM 02)

DOMESTIC APPLIANCES

Irons	–	**Dry Irons:** 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
		Steam Irons: MX 3, MX 4, MX 20, MX 15, MX 7, MX 8, MX 25, MX 30
Water Heaters	–	**Storage Water Heaters :** 5 star series Glassline : Calenta 6, 10, 15 & 25 ltrs , Calenta Digi 15 & 25L ; Bajaj Calenta Mechanical 15L & 25 L
		5 star series Glassline : Caldia 6,10,15 & 25ltrs
		5 star series Glassline: Shakti GPV 10, 15 & 25ltrs
		4 star series Glassline: New Shakti 10,15 & 25ltrs ; Shakti PC Deluxe 10,15 & 25L
		5 star Horizontal Glassline: Majesty Horizontal 10, 15, 25 Litres
		Gas Water Heaters: Majesty Duetto (low and high pressure applications available LPG/ PNG connection)
		Instant Water Heaters: Majesty: 1 & 3ltrs - 3kw/4.5kw, Flora: 1 & 3 litrs - 3kw/ 4.5kw ; New Majesty Instant WH
Room Heaters	–	**Oil Filled Radiator:** Majesty Rh 9 Plus OFR, Majesty RH 9F Plus OFR, Majesty RH 11F Plus OFR, Majesty RH 13F Plus.
		Fan Heater: 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.
		Radiant Heater: Flashy Room Heater, Minor Room Heater, Del Room Heater. HALOGEN HEATER: RX2 Halogen Heater, Majesty RHX 3 New.
		Carbon Heater: Majesty CHX Duo Room Heater
Air Coolers	–	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, DC 2050 DLX, Bajaj Cool.iNXT
		Platini: PX 100 DC, PX 97 Torque and PX 96 PCR

FANS

Ceiling fans	–	Magnifique FL-01, Magnifique AL-01,Ornio,Cruzair Décor, Shinto, Leatrim Max 250 x 250, Euro,Harrier, Regal Gold 4 Blade, Regal Gold NXG,Elegance, Regal Gold, Grace Gold DX , Esteem , Ark , Ark HS 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)
Pedestal fans	–	Neo-Spectrum, Bajaj Midea(BP2200/BP07), Tez Farrata, Tez MK II Farrata, Victor (VP 01-18, VP R-01), Elite Neo, Esteem
Table fans	–	Neo-Spectrum, Bajaj Midea (BT07), Elite Neo, Esteem
Wall fans	–	Neo-Spectrum, Bajaj Midea(BW2200/BW07), Victor, Elite Neo, Esteem
Personal fans	–	Ultima Table, Wall & Cabin fan
Domestic Exhaust Fans	–	Freshee MK II, Maxio, Maxima DX, Bahar, Maxima DX-G02
Heavy duty exhaust fans	–	Supreme DLX, Supreme Plus & MAXX AIR Industrial Exhaust Fans
Air Circulators	–	Supreme Plus and Supreme MK II range of Air Circulators

LIGHTING

Lamps:	–	General Lighting Service Lamps Available in 40W, 60W & 100W (clear & milky) & 200W
	–	Special Incandescent Lamps 15W Clear, Night, Decoration Lamps in 5 colors
TUBES (Fluorescent Lamps)	–	T8 in 18W and 36W, T5 Tubes in 14W, 24W & 28W. T12 Tube in 40W (All in CDL variants)
CFL (Compact Fluorescent Lamps)	–	Non-retrofit Range 9W & 11W (S Type), 10W, 13W & 18W (D Type) - Both in 2 pin & 4 pin, 18W, 36W BLL
		Retrofit Range (Tubular) T4 linear Available from 9W to 85W.
		Spiral 45W, 45W & 85W

LED Torches	–	Smart glow range of Torches in 12, 6 and 4 LED variants; Smart glow 0.5W Sleek, Smart glow 0.5W NM-RC, LEDGLOW range of Lanterns in Re-chargeable and Battery driven models, Asha rechargeable Solar Lantern with Li-ion battery, Dosti Torch, Chamak Torch regular, Chamak radium body torch, Softlite Table Lamp, Emergency Lights Range ELX 16, ELX 36(LED) and ELX 10 (CFL)
CL (Consumer Luminaires)	–	Range of luminaires suitable for fluorescent lamps (both in electromagnetic and electronic ballasts) T5 Fittings, T8/T12 fittings, Decorative, Strip type, box type; Ballasts & Starters
LED	–	LED night Lamp 0.5W; LED Bulbs-3W, 4.5 W, 7 W, 9W, 12W, 15W, 18W, LEDZ range and 3W, 5W, 7W, 9W & 12W Corona Range, Dimmable 8W & 12W; LED Candle lamp 3.5W; LED high Wattages 20W, 30W, 40W; LED Flood Lights 10W, 20W, 30W; LED batten 6W, 9W, 18W, 20W; LED Tube Light 20W with Fitting; LED Batten 28W CDL; Multi CCT LED Batten 22W LED; LED recess mount panels Circa & Squadra 3W, 6W, 9W, 12W, 15W & 18W; LED Spot Lights 2W in 5 different colour; LED Down Light 3W & 5W
Halogen & HID Lamps	–	Linear Halogen lamps 500W & 1000W; MH lamps 150W, 250W & 400W MH Tubular and 150W MH Double Ended Lamps
Electrical Accessories	–	Spike & Surge Guard (4+1) basic model with 1.5Mtr wire

MORPHY RICHARDS

Chopper	–	Vivo Chopper
Coffee Makers	–	New Europa Espresso / Cappuccino Coffee maker, Fresco coffee maker
Sandwich/Pop-up Toasters	–	New Toast & Grill, SM 3006, SM 3006 (G), SM 3006 (T&G), SM 3006 (Toast, waffle & grill), SM 3007, SM 3007 (G) & AT 401, AT-204, AT 202, AT 201
Irons: Dry Irons	–	Senora, Inspira, Desira, Marvel, Daisy
Steam Irons	–	Glide, Super Glide
OTGs	–	60 RC SS, 52 RC SS, Besta Black 52, 40 RC SS, Besta Black 40, 28 R SS, 24 R SS, 18 R SS, Besta Black 18
Microwave Ovens	–	20MS, 20MBG, 23MCG, 25CG, 30MCGR Dlx
Kettles	–	Travel Kettle - Voyager 200, Travel Jug (PP) - Voyager 100, Travel Kettle (SS) - Voyager 300, Electric Kettle Rapido 1.8L, Noodle/Pasta & Beverage maker - InstaCook, Electric Kettle Impresso 1.0L, Tea Maker
Hand Blenders	–	Pronto, Pronto Super, Pronto Dlx, Pronto Ultra, HBCP, HBCS, HBCD SS
Hand Mixers	–	Hand Mixer HM02
Food Processors	–	Essentials 600, Icon Dlx, Icon Superb, Select 500
Mixer Grinders	–	Superb, Elite Essential, Aero New, Champ Essentials, Aero Plus, Icon Essentials, Icon Royal Orchid, Icon Royal Sapphire, Ace Plus, Icon Classique, Primo Classique, Icon Supreme, Icon DLX, Marvel Supreme & Cutie
Juicer Mixer Grinders	–	**Divo Essentials 3:** Jar, Cutie JMG
Electric Cookers	–	D55W 1.5ltr., Health Rice & Pasta, Rice +
Centrifugal Juicers	–	**Juice Extractor:** Maximo, Juice Xpress
Room Heaters	–	**Oil Filled Radiator:** OFR900, OFR1100, OFR 09, OFR 09F, OFR 11F, OFR 13F, 1000/2000 Watts White, Orbit, Aristo
Induction Cookers	–	Icon Essentials 1600, Chef Xpress 400i
Water Heaters	–	Storage WH Salvo GL 6, 10,15, 25, Ltr, WH Lavo EM 6/10/15/25 Storage, WH LavoDigi 15/25 Storage, Instant WH Quente (1L -3kW, 1L- 4.5kW, 3L- 3kW, 3L-4.5kW)
Hair Dryer	–	HD-031
Global Range:	–	**Prism**: Kettle & Toaster (Black, White, Orange, Yellow)
		Redefine: Glass Kettle & Glass Toaster
		Total control: Stand Mixer (Red & White), Hand Mixer, Hand Blender Prep Set, Hand Blender Workcentre, Hand Blender Pro Set, Hand Blender, Table Blender

LUMINAIRES

Industrial Lighting

Dazzle Highbay for Industrial Spaces: (First Highbay with 150 lm/w)

In any industrial setup the most important cost that is incurred by the plant managers is power consumption. High efficient modern lighting luminaires help reduce this cost considerably. With 140 lm/w Dazzle is one of the most Efficiency luminaire available also giving added advantage of better Uniformity. LED based lighting with the option of automation in the form of dimming and various sensors such as Time, Daylight, Ambient Conditions further improving the efficiency of the Luminaire. Lite weight approx. 4 kg for lesser tension on the industrial truss. Optimise day to day management with real time insights on lighting faults, ambient conditions, warranty or contract compliance, energy consumption. Ensure safety of workers with optimal lighting, integrated sensor based surveillance solution

Application Areas: Warehouses / Industrial Sheds / Airport Hangers / F & B Units / Indoor Sport Complexes / Railway Concourse hall

Blaze Highbay for Industrial Spaces:

Directional, focused lighting is a key for optimising the use of power in various industrial lighting application. Blaze a circular highbay with its unique design offers 60 and 120-degree beam angle. Innovative design in terms of air gap between LED housing and driver for excellent heat dissipation. Secondary lens optics is provided for better distribution and uniformity. I-bolt for suspension mounting.

Application Areas: Warehouses / Industrial Sheds / Airport Hangers / F & B Units / Indoor Sport Complexes / Railway Concourse hall

Commercial Lighting

Skylite Dyna Troffer Luminaire Human Centric Lighting for Indoor Spaces:

Bajaj Electricals introduced an innovative smart lighting product that brings human centric lighting solutions to be easily and specifically implemented in office buildings. Our physiological and biological response depends on the light's characteristics, Skylite Dyna helps to keep this rhythm absolutely constant, adjusting as per natural sunlight.

It offers a colour spectrum with a range of 2200° K - 8300° K that can be dimmed to suit a particular level of activity. This is made possible by mixing the LED light with different colour temperatures ranging from warm white to daylight white. So, whether it's an office area or a relaxation room, it enables you to choose the exact colour that goes with the specific activity.

The new cloud-connected smart systems embed sensors and RF communication chips inside LED ceiling lights and luminaires, and reduces energy consumption by controlling lights more intelligently. Sensors such as motion detectors turn lights on, off, up, and down as needed, and users can wirelessly pre-program — or "commission" — groups of lights to respond in certain ways at certain times. They can also directly control lights wirelessly from phones or tablets.

Application Areas: Offices / Conference areas / Reception areas / Board rooms / Hospitals

Dominto Dyna: Smart Lighting for office spaces

Restraining spaces should not become a constraint for bigger vision. Whether its focussed work at desks or closed discussions with employees or client presentations – high-performance lighting solutions adapts to needs of all situations. If activities change, then lighting conditions need to seamlessly transform to the new requirements – e.g. using an optimised lighting scene for computer screen work or for reading documents. With personalised task lights, Suspended Direct-Indirect luminaires and Occupancy Sensors, a flexible and energy efficient lighting system can be achieved.

Dominto Dyna is a Luminaires suiting Human Centric Lighting applications. It can control intensity and CCT through hand held RF based remote, mobile and Desktop Application. Doesn't need additional control wiring for Dimming and Color temperature. Sleek and light weight for ease of installation in different ceiling types. Zero Maintenance and Installation friendly. The smart lighting system allows remote, central management of floors or groups of buildings. Operators can view lighting schemes, energy consumption, room occupancy on a dashboard and then decide whether and how to alter lighting schemes or even reassign building space.

Application Areas: Offices / Conference areas / Reception areas / Board rooms / Hospitals

Cityscape Lighting

Bajaj Smart Poles:

Smart pole is unique solution offered to city managers to manage many services unilaterally. Bajaj Electricals Smart Pole is a beautifully designed, modular and scalable solution that offers Wi-Fi, data capturing and CCTV services. Moreover, it also has electronic vehicle charging and parking management and decentralised power distribution (AC-DC).

The SMART POLE invisibly accommodates the functions like Wi-Fi, Data-Capture, Smart Wireless LED luminaire, CCTV, EV Charging and Parking Management, FO to Ethernet conversion, Decentralised power distribution (AC-DC)

Key functionality achieved,

- Reduces street clutter
- Well designed
- Invisibly accommodates all of the Smart City functions converging on public spaces
- Accommodates all current smart city technologies

Modular design allows for new public domain technologies that may be required in the future. (Driverless cars)

Smart LED Street Light:

Smart street lighting solution helps cities save energy, lower costs, reduce maintenance—all while better serving citizens and reducing energy use and CO2emissions. Automation and networked control can further increase your energy savings and reduce maintenance spending. Networked street lighting built ona scalable platform can reduce crime up to 10% and make roads safer through improved visibility.

Bajaj's Smart street lighting solution is a cost-effective and sustainable choice for cities. They are smart, intelligent, versatile and most importantly scalable thereby letting you manage, maintain, and monitor the entire system.

Area Lighting

Amaze Flood Light

Conventional High-mast luminaires are fast being replaced by LED Luminaires. Bajaj Amaze with its unique Aerodynamic design and ultra-sleek is sturdy to withstand the high wind pressures at high heights. Standard conventional high mast luminaires weigh in the range of 6 to 8 kg unlike Amaze which is extremely light weight and hence easy to install in multiple angle with easy mounting arrangements. A complete family from 80W to 200W ensure it can be used for multiple applications of area lighting.

Application Areas: High masts / Container berths, docks, ports / Airport aprons, flyovers & bridges / Railway marshalling yards / Security lighting, sport lighting / Shopping malls, building façade

EPC SERVICES

Design, engineering, procurement, supply, execution, testing 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. Specialised lighting projects such as Architectural lighting of building façade, monuments, ancient temples, fibre optic lighting – special application, tunnel lighting for vehicular traffics
5. Sports Lighting international & national level of any sports
6. Mobile masts for lighting application construction sites / mines etc.
7. Logo Signage, Highway & Road Signage
8. Specialised products like conical poles, Cast Iron & Cast Aluminium (CICA) poles, GRP poles, Gazebos & Pergolas, Polysteel lamp posts etc.
9. Smart Poles integrated with lighting & other application
10. Energy management systems with LEDs & Lighting Controls (New Arrival)
11. Pre-fabricated structures & hot dip galvanising
12. Specialised products made of composite materials

b) Power Distribution

1. Rural electrification & RAPDRP projects
2. Substations up to 33 KV
3. Feeder Separation
4. Bore well pump Connections

c) Transmission line towers & Sub-station SBU:

1. EPC of transmission lines upto 765 KV Double circuit for central & state utilities
2. EPC of EHV AIS & GIS Substations upto 220 kV for central & state utilities
3. EPC of Transmission lines on monopoles upto 400 kV
4. EPC of EHV/HV underground cabling work
5. Manufacturing of Sub-station structures
6. Manufacturing of Transmission line towers
7. Manufacturing of Monopoles
8. EPC of Wind energy towers

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 *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

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 79th Annual General Meeting of the Company to be held on Thursday, August 9, 2018 at 12.00 noon at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
Ordinary Business			
1.	Adoption of the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend for the year ended March 31, 2018.		
3.	Re-appointment of Shri Anant Bajaj, who retires by rotation.		
4.	Ratification of the appointment of Messrs S R B C & Co. LLP, as the Statutory Auditors and fixing their remuneration.		
Special Business			
5.	Ratification of Remuneration payable to Cost Auditors.		
6.	Approval for issue of Redeemable Non-Convertible Debentures/Commercial Paper on Private Placement Basis.		
7.	Promotion and re-designation of Shri Anant Bajaj as the Managing Director of the Company.		
8.	Maintenance of Statutory Registers at a place other than the Registered Office of the Company.		
9.	Adoption of new Articles of Association of the Company in conformity with the Companies Act, 2013.		

Signed this …….. day of ……., 2018

Affix revenue stamp of ₹ 1

Signature of Member…… Signature of Proxy holder(s) ……

Notes:
1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 79th Annual General Meeting.

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

ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 9, 2018

ATTENDANCE SLIP

Registered Folio No./ *DP ID and Client ID (*Applicable to Members holding shares in dematerialized form)	
Name and address of the Member(s) **Joint Holder 1** **Joint Holder 2**	
Number of shares held	
Name of proxyholder (if applicable)	

I/We hereby record my/our presence at the Annual General Meeting of the Company at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 on Thursday, August 9, 2018 at 12.00 noon.

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.

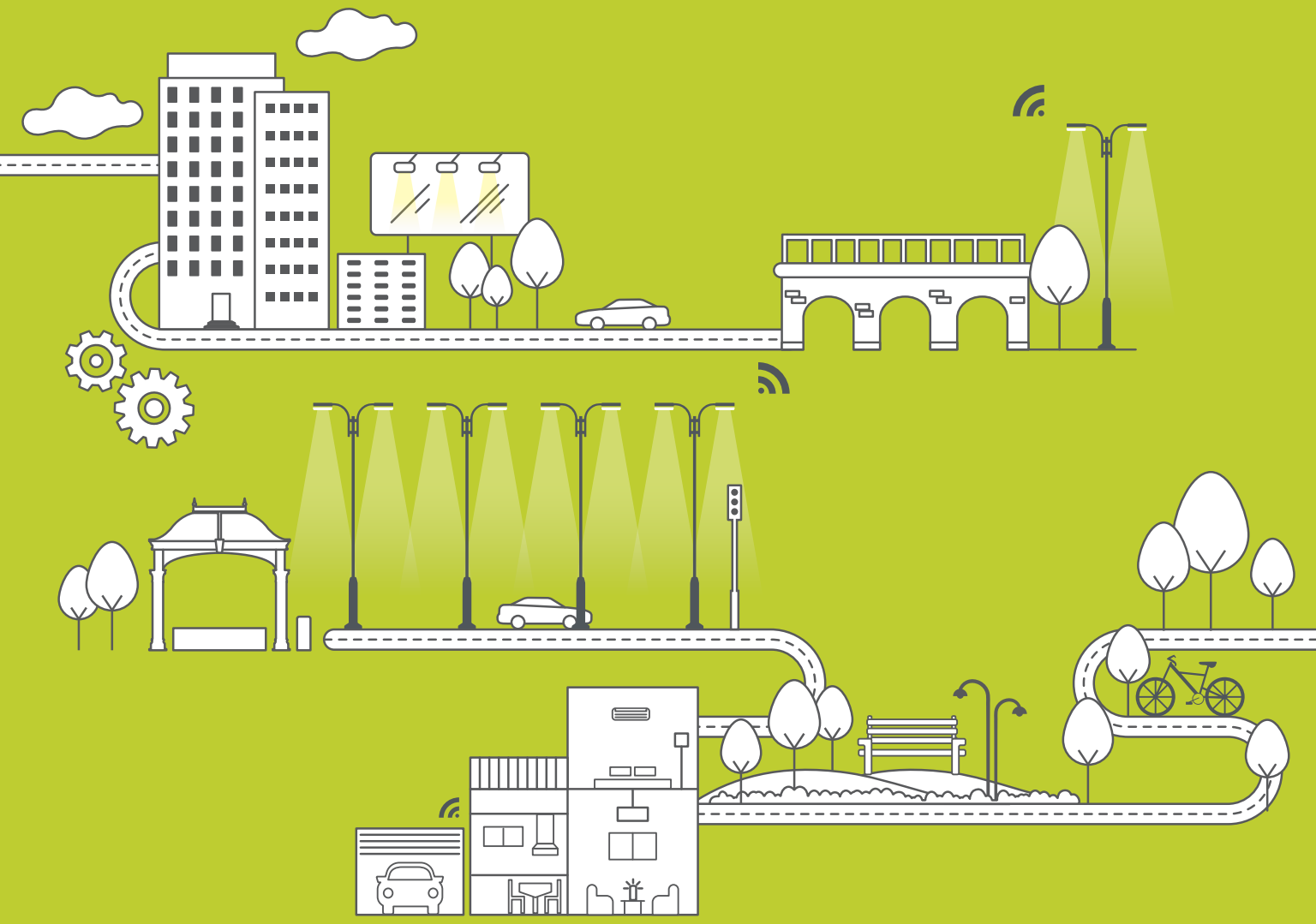
……

ELECTRONIC VOTING PARTICULARS

EVSN (ELECTRONIC VOTING SEQUENCE NUMBER)	*DEFAULT PAN / SEQUENCE NO
180704023	

* 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 June 15, 2018. The E-Voting period starts from 09.00 a.m. (IST) on Sunday, August 5, 2018 and ends at 5.00 p.m. (IST) on Wednesday, August 8, 2018. The E-voting module shall be disabled by CDSL for voting thereafter.



OFFERING WORLD CLASS SOLUTIONS FOR

SMART **INDOORS** & CONNECTED **OUTDOORS**

Bajaj Electricals Limited is at the forefront of IoT innovation, delivering integrated digital offerings based upon Smart Luminaires. The smart lighting system allows remote and central management of floors or groups of buildings. Operators can view lighting schemes, energy consumption, room occupancy on a dashboard and then decide whether and how to alter lighting schemes or even reassign building space. Meaningful data travels between the lights and the cloud server through a combination of wireless and wired internet hops, assisting commercial and residential properties to streamline operations and costs.

By paving the way for convenient and futuristic lighting system, our Outdoor Lighting Solutions have developed the latest technology, creating smart, secure and connected areas; that not only increase the visibility at night but also keep a city looking picturesque. The wide range of street, area and landscape lights have features like smart street lights, real time clock (RTC), dimming, remote diagnosis and many more.

Moreover, Bajaj Electricals has leveraged technology and further enhanced its street light offering to club this with city surveillance, parking management, traffic management, environmental monitoring and e-governance modules.

/BajajElecBiz /BajajElecBiz /bajajelecbiz www.bajajelectricals.com

BAJAJ **Bajaj Electricals Ltd.**
Inspiring Trust

.nxt

(info@wyatt.co.in)

Bajaj Electricals Limited
Inspiring Trust

45/47, Veer Nariman Road, Mumbai - 400 001 | CIN: L31500MH1938PLC009887
www.bajajelectricals.com | | | | |