July 9, 2024

To,
BSE Limited : **Code No. 500031**
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

National Stock Exchange of India Limited : **BAJAJELEC - Series: EQ**
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

Dear Sir/Madam,

Sub.: Notice of the 85th Annual General Meeting ("85th AGM") of Bajaj Electricals Limited ("Company") and the Annual Report for the Financial Year 2023-24

Pursuant to the provisions of Regulations 34 and 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Listing Regulations"**), read with the Securities and Exchange Board of India's Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, we hereby submit the Annual Report of the Company for the financial year ended March 31, 2024, containing, *inter-alia*, the Notice convening the 85th AGM of the Company to be held on **Tuesday, August 6, 2024, at 3:00 P.M. (IST)** via Video Conferencing (VC)/Other Audio-Visual Means (OAVM), to transact the following businesses:

Ordinary Businesses:

1. To receive, consider and adopt the: (a). Audited financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon; and (b). Audited consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the report of the Auditors thereon. (*Ordinary Resolution)*
2. To declare a dividend of Rs. 3.00 per equity share of face value of Rs. 2.00 each for the financial year ended March 31, 2024. (*Ordinary Resolution)*
3. To appoint a director in place of Mr. Anuj Poddar (DIN 01908009), who retires by rotation and being eligible, offers himself for re-appointment. (*Ordinary Resolution)*

Special Businesses:

4. To appoint Ms. Pooja Bajaj (DIN 08254455) as a Director of the Company. (*Ordinary Resolution)*
5. To appoint Ms. Pooja Bajaj (DIN 08254455) as a Whole-time Director of the Company, with the designation and title of 'Executive Director', and to approve the remuneration payable to her. (*Special Resolution)*
6. To ratify the remuneration of the Cost Auditors of the Company for the financial year ended March 31, 2025. (*Ordinary Resolution)*
7. To approve the payment of remuneration to Non-Executive Directors. (*Special Resolution)*
8. To approve the Borrowing by way of Issue of Securities. (*Special Resolution)*

The Notice of the ensuing 85th AGM of the Company and the Annual Report for the financial year ended March 31, 2024, are being dispatched to the Members, whose email IDs are registered with the Company or their Depositories, through electronic mode today.

Brief details of the 85th AGM of the Company are as under:

Date and time of AGM	Tuesday, August 6, 2024, at 3.00 p.m. (IST)

Electricals

Mode	VC / OAVM
Web-link for participation through VC	https://instameet.linkintime.co.in
Cut-off date for e-voting	July 30, 2024
E-voting start date and time	August 2, 2024 at 09:00 a.m. (IST)
E-voting end date and time	August 5, 2024 at 05:00 p.m. (IST)

The Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2023-24 which is a part of the Annual Report is also uploaded on the website of the Company at https://www.bajajelectricals.com/annual-reports/.

We request you to take the above on record and that the same be treated as compliance under the applicable provisions of the SEBI Listing Regulations and other applicable laws, if any.

Thanking you,

Yours faithfully,
For Bajaj Electricals Limited
Prashant Anant Dalvi
Digitally signed by Prashant Anant Dalvi
Date: 2024.07.09 16:56:31 +05'30'
Prashant Dalvi
Chief Compliance Officer & Company Secretary

Encl.: As above.

BAJAJ Electricals

CONSUMER FOCUS

BRAND REJUVENATION

MEANINGFUL INNOVATION

85TH ANNUAL REPORT 2023-24

About the Report

We are delighted to share our 85th Annual Report, which incorporates optional details to the fullest extent feasible, following the reporting guidelines established by the International Integrated Reporting Council (IIRC).

In addition, the GRI (Global Reporting Initiative) Standards and Sustainable Development Goals (SDGs) are mapped to the KPIs used for reporting on the Capitals. Our main objective with this report is to fulfil the information needs of our stakeholders. We strive to present this information in a manner that is meaningful and applicable to our key stakeholders as well.

The reporting is aligned with the following –

- The Companies Act, 2013
- Indian Accounting Standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reporting boundary

This report is for Bajaj Electricals and the scope of this report covers its three manufacturing locations, its offices across India, project sites, international projects managed from India. It includes the segments of Bajaj Electricals —

- Consumer Products
- Lighting Solutions

Our approach

Shareholders are now prioritising a company's overall value creation alongside financial performance. Bajaj Electricals has embraced this shift and is committed to sustainable value creation. This report covers governance, business model, strategy, risks, operations, and performance for FY 2023-2024.

Reporting period

This comprehensive report mainly focuses on the period spanning from April 1, 2023, to March 31, 2024. Nevertheless, specific segments of this report include relevant data and statistics from previous years as well. The information presented in the Integrated Report pertains to Bajaj Electricals Limited as an independent entity, unless stated otherwise. All financial and non-financial aspects adhere to the applicable laws, regulations, and standards of the Republic of India.

Material issues

Bajaj Electricals has conducted a materiality assessment to pinpoint key issues that may impact its long-term value creation for stakeholders. These issues were identified through an analysis of internal and external factors, industry trends, business strategy, and the economic landscape. The management will continually review these material issues as the company advances in its sustainability efforts. For a concise overview of these issues, refer to the Materiality section (on page 032). Examining these topics offers valuable insights into the drivers of the company's growth.

Our 6 capitals

Financial Capital

Page 042

Human Capital

Page 060

Manufactured Capital

Page 044

Social and Relationship Capital

Page 066

Intellectual Capital

Page 052

Natural Capital

Page 072

Assurance

To ensure the integrity of facts and information, the Management has reviewed the facts and qualitative statements in the Annual Report. The statutory auditor's S R B C & Co. LLP, Chartered Accountants have provided an unmodified opinion on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this report.

Queries regarding the report

Any feedback or query related to this report can be communicated to

Mr. Prashant Dalvi
Company Secretary & Chief Compliance Officer legal@bajajelectricals.com

Readers can also reach out to us at the above email to provide feedback on improving our disclosures.

The electronic version of the report can be found on our website

https://www.bajajelectricals.com

What's Inside

The Bajaj Group

An enduring legacy of value creation

Over ninety years ago, in 1926, Shri Jamnalal Bajaj founded the Group on the core principle of prioritising the common good above individual profit. Throughout its history, the Bajaj Group has consistently met the expectations of its customers, supporters, employees, communities, and all stakeholders, while remaining faithful to the vision and principles of its founder.

Today, the vision planted by Shri Jamnalal Bajaj has blossomed into a thriving tree of collective prosperity and communal welfare. The Bajaj Group has evolved into a diverse conglomerate and is widely respected as one of India's premier business entities. Its interests encompass a wide array of sectors, including automobiles, financial services, insurance, steel, consumer appliances, fast-moving consumer goods, engineering, procurement, construction, travel, tourism, and material handling.

Despite the remarkable growth and success of its ventures over the years, the Group remains steadfast in its commitment to ethical business practices and societal advancement. Beyond mere commercial pursuits, the Bajaj Group serves as a driving force for social progress. In addition to its business endeavors, the Group prioritises initiatives for community development, healthcare, education, arts, culture, heritage preservation, sports promotion, and environmental conservation.

Industries we serve

- Home Appliances
- Fans
- Lighting Solutions
- EPC – Power Transmission & Distribution
- Automobile (2 wheelers & 3 wheelers)
- Insurance
- NBFC / Financial Services
- Iron and Steel
- Travel

Tribute to Our Founding Fathers

Their legacy continues to inspire and guide us forward

Jamnalal Bajaj
(1889- 1942)

A visionary philanthropist who took an unprecedented step to use business to serve the society

Kamalnayan Bajaj
(1915-1972)

The captain who steered the Company ship through the tumultuous partition era, and in the post- independence period, where he deftly navigated changing industrial laws and legalities

Ramkrishna Bajaj
(1923-1990)

The youngest son in the Bajaj family took over as the Head of the Bajaj group and complemented his brother's business acumen

Rahul Bajaj
(1938-2022)

A former member of the Rajya Sabha and a Padma Bhushan Awardee, he ably led the Bajaj Group as the Chairman for over four decades

About Bajaj Electricals

Making this a #DecadeOfBajajElectricals

Bajaj Electricals, a pioneer in the Indian Fast Moving Electrical Goods and Lighting Solutions industries, continues its transformation journey, focusing on consumer-centricity, product innovation, and brand reinvention. We have emphasised our commitment to enhancing consumer experiences through a deep understanding of their needs and preferences. This approach drives the development of innovative products tailored to meet evolving market demands.

During the reporting year, we undertook the strategic demerger of our Engineering, Procurement and Construction (EPC) division into the now listed, Bajel Projects Limited, demonstrating our focus on enhancing operational agility. This development has sharpened our focus on becoming a consumer-centric powerhouse in the household appliances, fans and lighting segments.

With a keen eye on the long-term horizon, we have been investing significantly in research and development, leading to the creation of cutting-edge solutions that resonate with modern consumers. Our efforts in product innovation are not only evident in the launch of technologically advanced appliances but also in our sustainable initiatives, aligning with the growing environmental consciousness among customers.

This is also mirrored in our technologically advanced lighting solutions portfolio that caters to diverse sectors such as commercial, industrial, and infrastructure projects as well as residential users. Moreover, our focus on energy-efficient and sustainable lighting solutions aligns with global trends and regulations, further enhancing our competitive edge in the professional lighting market.

Furthermore, the company's dedication to brand reinvention is reflected in strategic partnerships, marketing campaigns, and digital initiatives aimed at enhancing brand visibility and relevance in a competitive landscape. By leveraging digital platforms and embracing new-age marketing techniques, we aim to engage with consumers on a deeper level while staying true to our core values of trust and reliability.

We continue to evolve and adapt, staying ahead of the curve in an ever-changing market. Our relentless pursuit of consumer satisfaction, relentless innovation, and rejuvenated brand identity extend to all segments, including the dynamic and growing Professional Lighting segment.

We're taking strides towards making this a #DecadeOfBajajElectricals.

Our efforts in product innovation are not only evident in the launch of technologically advanced appliances but also in our sustainable initiatives, aligning with the growing environmental consciousness among customers.

Chairman's Communique

"During the year, we executed several marquee projects, including lighting of the Mumbai Coastal Road tunnel, the airport at Ayodhya, the Golconda Fort in Hyderabad—each of these demonstrates our technological prowess in lighting."

— Shekhar Bajaj
Chairman

Dear Shareholders,

I am writing to you for the first time following the culmination of the scheme of arrangement, wherein the EPC business has been spun off into a separate company, Bajel Projects Limited (listed in December 2023). Bajaj Electricals Limited is now focused on the Consumer Products and Lighting Solutions business segments, which marks the completion of a key milestone in our transformation journey.

Operationally, the fiscal year 2023-24 has been a mixed year for your Company. This reflects the overall trends observed in the broader economy. The Indian GDP growth has been robust in the past year, but this has been primarily led by the infrastructure and select sectors, aided by strong government capital expenditure. On the consumption front, the premium segments and categories have been witnessing healthy demand, while mass consumption segments and demand from rural areas have been under pressure. A high interest rate environment, coupled with an uncertain job market, has contributed to this.

In this context, we have witnessed these trends play out in our businesses.

- Our Consumer Products business has faced demand pressures. Our premium categories and segments as well as channels have witnessed growth. However, our dependence on mass segment products, rural markets and general trade channels is high and these have faced headwinds. I remain confident that with a pick-up in consumption demand, our performance will bounce back.
- Our Lighting Solutions business has fared relatively better. While there is an overall trend of LED price erosion, our order book for the Professional Lighting segment remains healthy. During the year, we executed several marquee projects, including lighting of the Mumbai Coastal Road tunnel, the airport at Ayodhya, the Golconda Fort in Hyderabad—each of these demonstrates our technological prowess in lighting. Our Consumer Lighting segment is poised to grow in the coming years.
- While the margins in the year gone by have been under pressure, we remain focused on driving long-term value-creation. To this end, we have continued to drive investments towards upgradation of our brands and products while maintaining uncompromised quality. During the year, we also soft-launched our new brand 'Nex'—a premium brand offering . These are high-performance fans that are a testament to our R&D capabilities backed by sophisticated design.
- Our emphasis on financial discipline continues with a focus on working capital optimisation and continued strengthening of our balance sheet.
- Our commitment to Environmental, Social and Governance (ESG) commitment remains steadfast—in keeping with this, we have taken several initiatives to drive responsible growth which are detailed in this report.

I would like to acknowledge our entire organisation and all members of our team for their contributions and perseverance. I remain grateful to all our business associates, our Board of Directors and to you, our shareholders, for continuing to back us.

Yours sincerely,

Shekhar Bajaj
Chairman

Message from the Managing Director and Chief Executive Officer

"The uplift in BAJAJ brand health scores are now visible. We have also been continually enhancing our product quality and aesthetics as part of our premiumisation shift. I am happy to report that we have measurable success on this front."

— Anuj Poddar
Managing Director and Chief Executive Officer

Dear Shareholders,

Over the last year, we have continued to drive our strategic initiatives with positive outcomes. However, the industry has faced headwinds and as result, we have faced challenges on operational performance. As explained in the Chairman's note, there has been significant pressure on mass consumption demand in the economy. Our total revenues from operations contracted from ₹4,889 crores (in 2022-23) to ₹4,641 crores. Our Profit Before Tax contracted from ₹302 crores to ₹173 crores. Our PAT contracted from ₹216 crores to ₹132 crores. However, despite the pressures on margins, your Company generated strong cash flow from operations of ₹354 crores.

Our Consumer Products segment contracted by 4.3% during the reporting year, while the segmental PBIT contracted from ₹248 crores in 2022-23 to ₹114 crores. Demand headwinds led to competitive discounting and thereby impacted margins. Our current dependence on mass segments and rural markets remains higher than industry, which have been under greater pressure. While general trade has faced challenges, we have witnessed pockets of growth across modern trade and online channels, as well as our premium brand, Morphy Richards. I am confident that 2024-25 should see us bounce back to revenue growth and margins bounce back.

Our Lighting Solutions segment has performed relatively better. Although industry revenues were under pressure due to LED price erosion, we have been able to maintain our margins. The segment earned revenues of ₹1,037 crores, with segmental PBIT of ₹80 crores, representing a 7.7% margin (versus 7.8% margin in 2022-23). Our focus on Lighting Solutions has led us to continually innovate and provide superior technological propositions. We are resisting the temptation to bid for low margin, low-end projects and focusing on moving up the value chain. Our sector-focused solutions in Professional Lighting, are helping us build a quality order book that will drive our future growth. Similarly, in Consumer Lighting we are expanding our product portfolio and our distribution. We expect to start realising the benefits of this during 2024-25.

Let me share a few operational updates.

Brands: Last year I spoke about our new 'House of Brands' approach and, within that, the relaunch of the BAJAJ brand with the BUILT FOR LIFE positioning. The uplift in BAJAJ brand health scores are now visible, with greater 'consideration' scores and stronger association of BAJAJ with 'durability' across key product categories. Morphy Richards, on the back of its newer product range and communication, is witnessing wider appeal and sales growth. Nex, our new brand, was soft launched and has garnered positive early feedback from consumers as well as trade. Nirlep will see greater traction in 2024-25. I believe, this approach is setting the foundation for our growth in the future. As our refreshed brand communication builds up consistently over the coming few years, it will help establish strong, long-term brand salience and drive premiumisation of our portfolio.

Products: Over the past couple of years, we have clearly pivoted towards investing in research and development and established a product roadmap of exclusive products with innovative, consumer-centric propositions and a more optimised portfolio mix. During the previous year, we launched 467 SKUs in the Consumer Products segment and 553 SKUs in the Lighting Solutions segment. We have been continually enhancing our product quality and aesthetics as part of our premiumisation shift. I am happy to report that we have achieved measurable success on this front; with our quality KPIs (as depicted by our consumer complaint statistics) showing significant improvement towards best-in-class, as well as winning design awards across product categories. Over 30% of our revenue contribution is now from our new products. As this contribution rapidly increases over the coming years, along with the consistent refreshed brand communication, I am confident that we will see a marked shift in our consumer perception, pricing power, and overall salience.

Operations: During the year under review, we have continued to roll out various initiatives across the organisation under our digital transformation programme, Project Nysa 2.0. Most of this will be fully launched and adopted by the end of 2024-25. This will provide the backbone for driving greater operational efficiencies and more informed decision-making. A couple of areas that we are working to improve have been our manufacturing and logistics capabilities. While these have impacted our performance, we have taken corrective measures during the current year to make amends.

ESG: We are advancing towards a sustainable future, underpinned by a strategic commitment to environmental stewardship and responsible business practices. With ISO 14001:2018 certified systems, we ensure stringent air quality monitoring and waste management based on the 4R principles, achieving Zero Waste to Landfill at our facilities. Our proactive energy management includes rooftop solar installations and energy-efficient technologies to effectively reduce our carbon footprint.

People and culture: Our people are central to our strategy. We remain committed to being a best-in-class organisation as a professional and preferred workplace. During the previous year, we were rated among the Top 25 Manufacturing Companies by the Great Place to Work Institute. We continue to invest in upgrading our talent pool. Some of our human resource initiatives are detailed in this report.

I remain grateful to our team for their belief in our vision and contributions to all the changes that we are driving to strengthen your Company. I would like to thank our Chairman, our Board, all our partners and you (our shareholders) for your continued support in our endeavours.

Warm regards,

Anuj Poddar
Managing Director and Chief Executive Officer

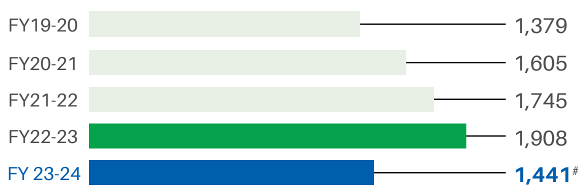
Performance Highlights

Building on Steady Progress

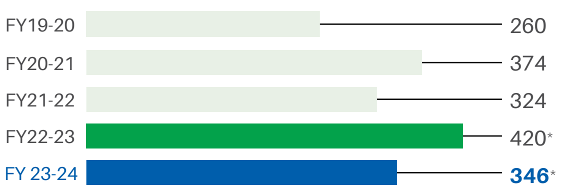
Key Financial Metrics

Total Income
(INR in crore)

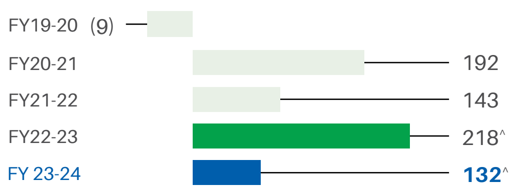
Networth / Total Equity
(INR in crore)



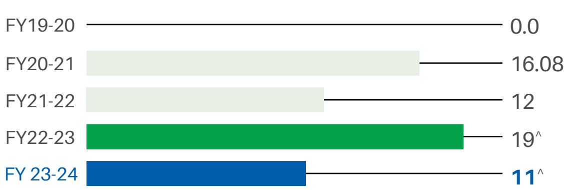
EBITDA
(INR in crore)



Total Comprehensive Income
(INR in crore)



Basic EPS
(INR in crore)



*For continuing operations
After giving impact of demerger pursuant to scheme
^ For continuing & discontinued operations

Awards and Accolades

Celebrating our wins

Good Design Award

Good Design Award for Bajaj and Morphy Richards mixer grinders and Nex Ceiling fan for innovative industrial design.

Great place to work and Top 25 list of Companies in Manufacturing

Winning the certification 4 years in a row validates our commitment to creating an exceptional workplace culture where employees thrive. It signifies our dedication to trust, respect, and collaboration, fostering a rewarding environment for all. Ranked among the Top 25 Manufacturing Companies, we exemplify excellence in production, innovation, and industry leadership.

Frost & Sullivan PERP - Quality Enterprise Leadership

An award that honours our dedication to exemplary project evaluation and recognition, showcasing our commitment to excellence in leadership and enterprise quality

Golden Peacock Award for most Innovative solution for Mixer Grinder product line

The international award honors our outstanding achievement in innovation, sustainability, and excellence within the packaging industry on a global scale, recognising front runners in design and environmental stewardship

MQH Best Practices Award, 2023 by IMC Ramkrishna Bajaj National Quality Award Trust

Our organisation's outstanding adherence to quality practices were well recognised, affirming our commitment to excellence and continuous improvement

DMA Asia Echo Award

Won for the BAJAJ - "Built For Life" transformation campaign, recognising its ability to resonate with modern consumers and elevate the brand through innovation and relevance

#WeKonnect Insights Excellence Award

Winning this award acknowledges our commitment to harnessing valuable insights, fostering connections, and driving meaningful engagement in today's dynamic digital landscape

Board of Directors

Steering with visionary foresight

Shekhar Bajaj
Chairman

Anuj Poddar
Managing Director & CEO

Shailesh Haribhakti
Independent Director

Vikram Hosangady
Independent Director

Madhur Bajaj
Non-Executive Director

Rajiv Bajaj
Non-Executive Director

Saurabh Kumar
Independent Director

Swati Salgaocar
Independent Director

Pooja Bajaj
Executive Director

Sudarshan Sampathkumar
Independent Director

Our Businesses

Differentiating with customer-centric offerings

Consumer products

Bajaj Electricals' differentiating multi-brand strategy - a first in the industry - is rooted in Consumer Centricity, Product Innovation, and Brand Reinvention. This unique approach underscores their commitment to meeting diverse consumer needs. By curating a diverse portfolio of brands under one roof, Bajaj Electricals is building its competitive edge and addressing varied consumer preferences effectively. This approach not only ensures relevance but also fosters a culture of continuous innovation, driving sustainable growth. As Bajaj Electricals continues its transformative journey, this strategic framework will be instrumental in solidifying its position as a leader in the fast-moving electrical goods industry.

BAJAJ Electricals

Building a House of Brands

BAJAJ BUILT FOR LIFE

Built For Life

nex FEEL THE FUTURE

Feel the Future

Morphy Richards Happiness Engineered

Happiness Engineered

NIRLEP EVERYDAY HEALTH

Everyday Health

A Portfolio of Sharply Differentiated, Consumer-Centric Brands

Inspired by the consumer's spirit to be unstoppable

BAJAJ is now Built for Life

BAJAJ, a distinguished name in the consumer appliances industry, has undergone a significant repositioning with its "Built For Life" ethos. With a storied legacy spanning decades, BAJAJ has garnered trust and admiration worldwide for its unwavering focus on quality and innovation. The "Built For Life" mantra encapsulates BAJAJ's dedication to engineering appliances that not only excel in performance but also withstand the rigours of everyday use, ensuring longevity and peace of mind for consumers. This redefined brand philosophy underscores BAJAJ's commitment to crafting products that endure the test of time, resonating deeply with consumers seeking durability and reliability in their appliances.

BAJAJ's extensive range of consumer appliances, from kitchen essentials like mixer grinders and microwave ovens to home comfort solutions such as fans and air coolers, embodies the "Built For Life" philosophy. Each product is meticulously designed and rigorously tested to meet the highest standards of durability, functionality, and energy efficiency, aligning seamlessly with the evolving needs and aspirations of modern households.

Beyond product excellence, BAJAJ's repositioning emphasises a holistic approach to customer satisfaction, encompassing a robust after-sales service network and a steadfast commitment to sustainability. By prioritising durability, reliability, and longevity, BAJAJ strives to foster enduring relationships with consumers, positioning itself as a trusted companion in their journey through life's everyday moments.

In essence, BAJAJ's "Built For Life" ethos represents a renewed promise to consumers—a promise of resilience, quality, and longevity that transcends mere functionality, embodying the brand's enduring legacy and vision for the future of consumer appliances.

Scan the QR code to know more

Scan the QR code to know more

Scan the QR code to know more

Scan the QR code to know more

Revolutionising Home Appliances in India

Nex - The performance-backed premium brand

Nex, the latest brand from the house of Bajaj Electricals, has stormed into the Indian consumer market with a promise to redefine the way consumers interact with home appliances. Launched with a vision to blend cutting-edge technology and design to yield unmatched performance, Nex aims to elevate everyday living experiences for households across the nation.

What sets Nex apart is its relentless pursuit of excellence in both form and function. From sleek, contemporary designs that seamlessly integrate into any living space to intuitive features that simplify daily tasks, Nex fans are crafted to enhance efficiency and elevate lifestyles. The precision of angles and design of the blades, lead to a higher air thrust enabling the brand to deliver a superior experience at every touchpoint.

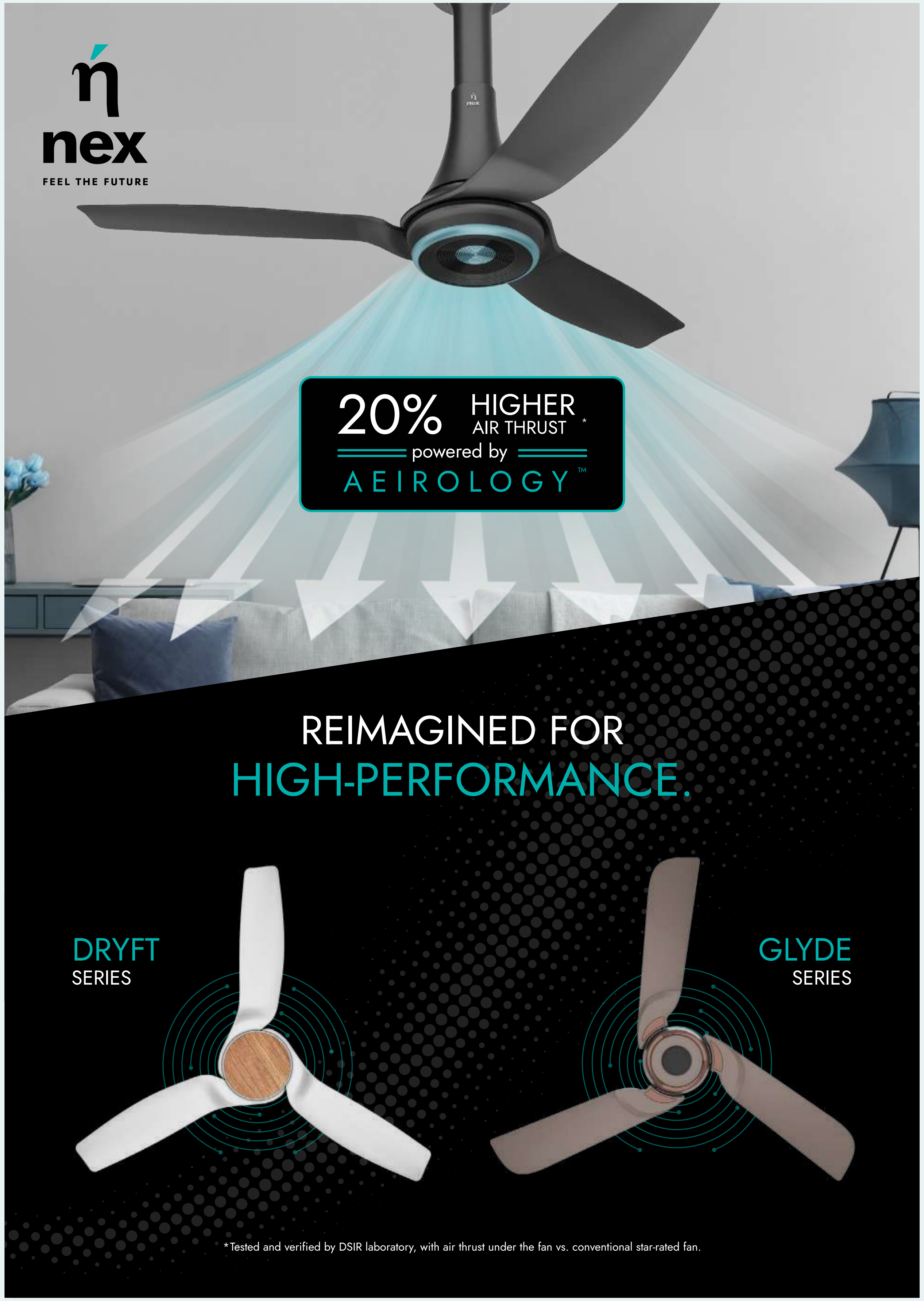
Moreover, Nex doesn't just stop at providing exceptional products—it strives to build lasting relationships with its customers. Through a robust customer support network and a commitment to constant innovation, Nex ensures that consumers not only enjoy the benefits of their fans today but also stay ahead of the curve in the ever-evolving landscape of home technology.

In a rapidly advancing digital era, Nex emerges as a beacon of performance on the back of technology, poised to become the go-to choice for discerning consumers seeking the best in home appliances. With Nex, the future of home living in India has never looked brighter.

Scan the QR code to know more

Scan the QR code to know more

Scan the QR code to know more



Where happiness is engineered

Morphy Richards - The Iconic British lifestyle brand

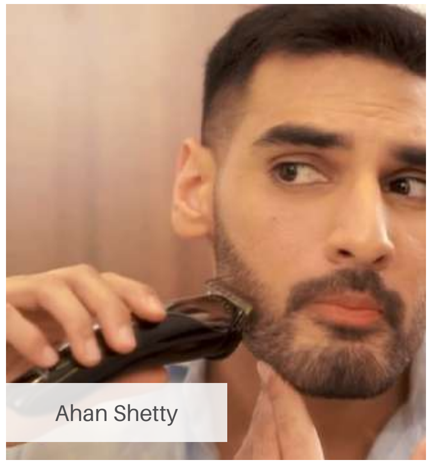
Morphy Richards India, an iconic British brand, has long been synonymous with elevating lifestyles and enhancing everyday experiences. With its tagline "Happiness Engineered," Morphy Richards embodies a commitment to not just meeting but exceeding consumer expectations, ensuring that every interaction with its products brings joy and satisfaction.

At the heart of Morphy Richards' philosophy lies a dedication to crafting appliances that go beyond mere functionality. Each product is meticulously designed to add a touch of elegance and convenience to the lives of consumers, transforming ordinary moments into extraordinary ones. Whether it's savoring the perfect cup of coffee brewed by one of their sleek coffee makers or effortlessly preparing delicious meals with their innovative kitchen appliances, Morphy Richards ensures that every experience is infused with happiness and delight.

What sets Morphy Richards apart is its deep understanding of the Indian consumer psyche. The brand recognises the diverse needs and vibrant lifestyles of Indian households and tailors its products accordingly. Moreover, Morphy Richards' commitment to quality, innovation, and style strikes a chord with the discerning Indian consumer. With Morphy Richards, happiness isn't just a byproduct - it's engineered into every product, making it a brand that truly resonates with the Indian consumer.


Shreya Chaudhry

Scan the QR code to know more


Ahan Shetty

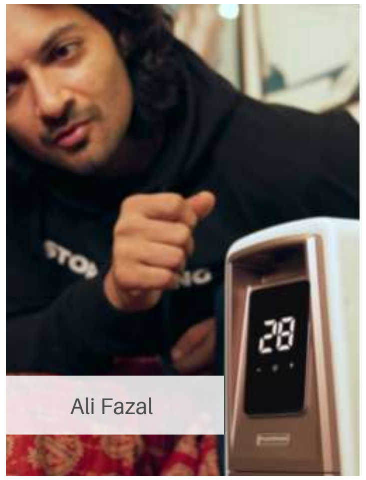
Scan the QR code to know more


Sobhita Dhulipala

Scan the QR code to know more


Tripti Dimri

Scan the QR code to know more


Ali Fazal

Scan the QR code to know more

Redefining healthy cooking

Nirlep understands everyday health needs

A pioneering name in kitchenware and cookware, Nirlep is now redefining cooking with its soon-to-be-launched, renewed proposition of "Every Day Health." Since its inception, Nirlep has been synonymous with longevity and culinary excellence. With a fresh focus on promoting healthier cooking practices, Nirlep aims to empower individuals to prioritise their well-being with the support of the right cookware.

Nirlep's commitment to Every Day Health is reflected in its range of products designed to facilitate nutritious cooking habits. From non-stick cookware engineered to require minimal oil for cooking to pressure cookers that retain the nutritional value of ingredients, every item is crafted with the health-conscious consumer in mind.

The brand's dedication to promoting health extends beyond its products to encompass educational initiatives, cooking tips, and recipes aimed at inspiring individuals to make informed choices for their dietary well-being.

With Nirlep, embracing a healthier lifestyle is not a compromise; it's a delicious journey filled with flavour, variety, and vitality. Join Nirlep in its mission to make Every Day Health a flavourful and fulfilling reality for every kitchen.

Scan the QR code to know more

Scan the QR code to know more

Lighting solutions

The Lighting Solutions business of Bajaj Electricals Limited is a shining example of innovation and dependability in the illumination industry. The Company has unified its efforts to deliver cutting-edge lighting solutions for both consumers and professional customer segments alike. The division embodies a steadfast commitment to quality, sustainability, and technological advancement. Underpinning the success is a dual focus on meeting consumer needs with stylish and energy-efficient lighting options, while also catering to the demands of professional sectors with bespoke lighting solutions for diverse applications.

The extensive range of lighting solutions boasts sophisticated designs, unparalleled quality, optimal performance, and remarkable durability. Whether for residential, commercial, or industrial applications, the lighting portfolio is meticulously crafted to elevate the ambience in various settings.

Experience the brilliance of Bajaj Electricals Lighting Solutions, where illumination meets ingenuity.

Professional lighting

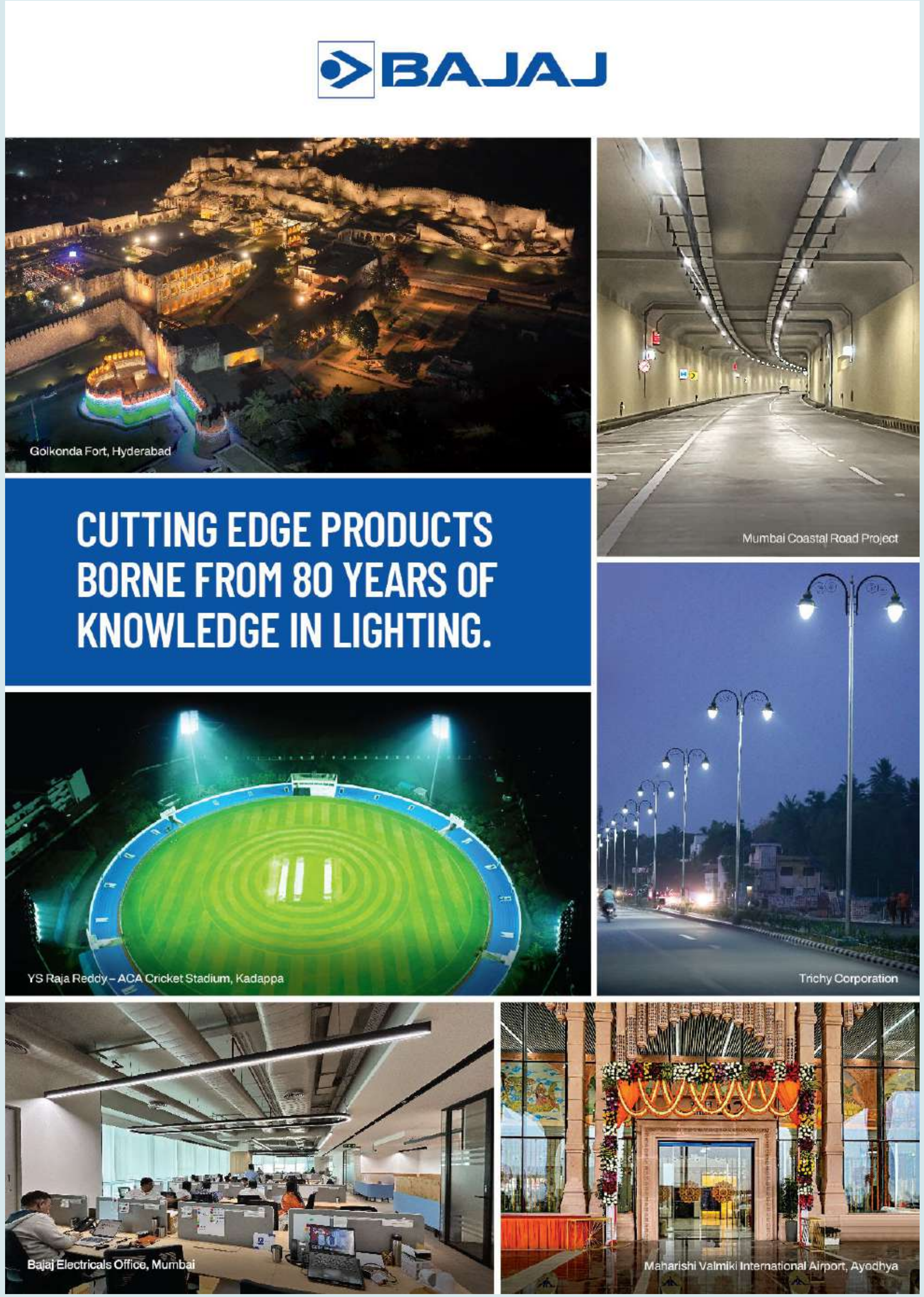
Embark on a journey into the realm of professional lighting with Bajaj Electricals, where a diverse array of high-performance LED luminaires, innovative lighting controls, and specialized fixtures await. Crafted to meet the exacting demands of professional environments, Bajaj Electricals' solutions ensure optimal illumination across commercial spaces, industrial facilities, and outdoor areas.

With a reputation built on trust and reliability, Bajaj Electricals is the preferred choice of clients from various sectors. Their products consistently deliver on the promise of quality, efficiency, and dependability, illuminating spaces with brilliance and precision. Explore the world of professional lighting excellence with Bajaj Electricals, where each light source illuminates a path of innovation and reliability.

Scan the QR code to know more

Scan the QR code to know more

Scan the QR code to know more



Consumer lighting

BAJAJ's Consumer Lighting business is dedicated to meeting the demands of residential and personal spaces, where the product portfolio effortlessly combines aesthetics with reliability. The consumers enjoy the luxury of choice, selecting from a diverse range of options to illuminate their homes with high-performance and durable lighting solutions. Whether it's energy-efficient LED bulbs, elegant decorative fixtures, or cutting-edge smart lighting systems, BAJAJ empowers consumers to curate spaces that truly embody their unique preferences and lifestyles.

Scan the QR code to know more

Scan the QR code to know more

Scan the QR code to know more

Business Model

Blueprint for our long-term success

Stakeholders:
Investors | Lenders | Employees | Customers | Community | Channel partners | Supplier/ Vendors

Input ▶ Value creation process ▶ Output ▶ Stakeholders impacted ▶ SDG's

Input

Financial Capital
- Average net worth: **INR 1,674 crores**
- Gross capital expenditure: **INR 131 crores**
- Brand investments: **INR 113 crores**

Manufactured Capital
- Manufacturing sites: **4**
- Warehouse footprint: **27.36 lakh sq.ft**
- Installed capacity of Consumer Products: **10.64 Mn Units**
- Installed capacity of Lighting Solutions: **18.82 Mn Units**

Intellectual Capital
- R&D team strength: **176**
- Patents filed: **26**
- Designs filed: **45**

Human Capital
- Total employee strength: **1,958**
- Gender diversity ratio (Male : Female ratio): **93:7**
- Manhours of training provided: **14,022 hours**
- Average amount spent per full time employees on training and development: **INR 5,008**
- Health & Safety Management System implementation at sites: **4**
- Talent acquisition during FY 2023-2024 including trainees: **447**

Social and Relationship Capital
- CSR expenditure: **INR 5.14 crore**
- Total CSR projects undertaken: **14**
- Total partnerships for CSR activities: **18**
- MSME touch points excluding factories: **207**
- % Of domestic sourcing for Consumer Products: **>90**
- % of domestic sourcing for Lighting Solutions: **>99**

Natural Capital
- Energy consumption: **49,875 GJ**
- Waste generation: **2,394 MT**
- Installed Renewable Capacity: **2,096 KWp**
- Green Energy generated & Consumed: **6,231 GJ**

Value creation process

What we aim for

Enhancing the quality of life and delivering happiness to our customers responsibly

B2C model

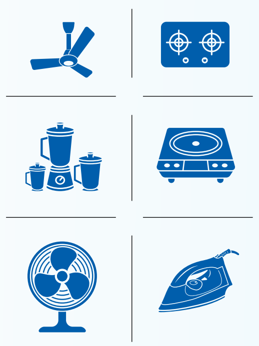
Innovation/ R&D	Product development	Procurement/ Manufacturing
Quality excellence	Distribution	Logistics
Marketing/ Branding	Customer use	After-sales service

B2B model

Tendering	Design and Survey	Research and Development
Product Design and Development	Manufacturing and Distribution	Quality Check
Logistics	Contract and Claim Management	After-sales services

Our businesses

Consumer Products



Consumer Lighting

Professional Lighting

Output

Financial Capital
- Total revenue: **INR 4,641 crores**
- EBITDA: **INR 346 crores**
- PAT: **INR 131 crores**
- Cash flow from operations: **INR 354 crores**
- ROCE: **13.9%**

Manufactured Capital
- No. of units produced Consumer Products **4.4 Mn Units**
- No. of units produced Lighting Solutions **10.28 Mn Units**
- Factory capacity utilisation: **50%**

Intellectual Capital
- Designs accepted: **73**
- Patents accepted: **10**
- New SKUs launched in Consumer Products: **467**
- New SKUs launched in Lighting Solutions: **553**

Human Capital
- Average age of the workforce: **38**
- Employee engagement score: **84**
- Turnover rate: **~20%**

Social and Relationship Capital
- Employee volunteering days for CSR: **2,040 days**
- Dealer base: **>700**
- Retailer base: **2 lakhs+**
- No. Of Customer Care Centers: **660**
- Pin codes served: **19,356**
- Complaints resolved within 2 days: **98.4%**

Natural Capital
- Waste recovered through recycling, reusing or other recovery operations: **98 %**
- Trees planted: **9,200**
- Renewable energy mix (Solar generation / Total electricity consumption): **25%**
- Waste to land fill: **<1%**

Risk Management

Tiding over challenges efficiently

At Bajaj Electricals, we remain proactive in identifying and mitigating potential risks. Our dedicated risk management team consistently tracks market trends, regulatory changes and internal processes to ensure that we are well-prepared for any unforeseen circumstances. Moreover, we ensure the proper implementation of our robust risk assessment frameworks and contingency plans, which enable us to overcome challenges and safeguard the interests of our stakeholders.

- Risk Identification
- Risk Assessment
- Risk Prioritisation
- Risk Response
- Monitoring and Reporting

How we approach risk mitigation

Risk Assessment	**Risk Mitigation**	**Risk Training**
Risk Management Framework	**Structured Risk Reporting Framework**	**Continuous Improvement and Deployment of New Controls**

Risks	Risk response	Capitals at risk
Economic risks Volatile currencies, commodity prices, and greater reliance on imports can affect both production levels and profit margins for the Company.	• Monitoring fluctuations in commodity prices and inflation trends. • Implementing strategies to minimise impacts on demand and profit margins. • Closely observing market conditions to adjust business operations as needed.	Financial Capital, Manufactured Capital
Market and channel risks Increasing dependence on specific geographic regions or distribution channels for essential product categories and customer bases heightens susceptibility to economic shifts and evolving consumer preferences.	• Enhancing efficiency and performance of sales operations. • Securing new listings and executing promotional activities. • Launching new product categories and exclusives.	Financial Capital, Human Capital, Social and Relationship Capital
Technological risks Inability to leverage advanced technologies to meet shifting customer needs renders the Company's products obsolete.	• Adopting advanced processes and technologies for product delivery. • Developing an innovation ecosystem for enhanced collaboration. • Integrating AI, ML, and analytics into internal systems.	Manufactured Capital, Intellectual Capital, Financial Capital
Reputational risks Unforeseen events or social media activities can adversely impact the Company's reputation and brand recall.	• Conducting extensive brand research to track awareness. • Improving brand differentiation with a focus on durability. • Strategising to enhance overall brand perception and value.	Intellectual Capital, Human Capital, Social and Relationship Capital
Quality risks Deviation from assured quality and performance expectations can significantly affect brand perception.	• Regularly auditing compliance with safety and quality standards. • Investing in initiatives to identify and mitigate quality concerns. • Ensuring continuous improvement in product safety and quality.	Social and Relationship Capital, Financial Capital
Cyber security risks Failure to safeguard data and ensure security can disrupt ongoing operations and incur legal action.	• Implementing strategies for mobile access and device management. • Protecting sensitive data and adhering to regulatory standards. • Enhancing security measures for mobile applications and devices.	Human Capital, Social and Relationship Capital, Financial Capital, Manufactured Capital
Supply risks Ineffective management of the supply chain can lead to delays in supply and the obsolescence of inventory.	• Evaluating suppliers on various performance metrics including ESG compliance. • Conducting regular compliance checks on critical supply partners. • Maintaining open communication with suppliers to adapt to business needs.	Financial Capital, Manufactured Capital, Social and Relationship Capital
Compliance risks The risk of failing to comply with laws and regulations, along with the challenges of poor governance.	• Upholding compliance with safety, quality, and environmental regulations. • Regularly reviewing and updating compliance strategies. • Ensuring all operations align with legal and regulatory standards.	Financial Capital, Intellectual Capital, Social and Relationship Capital

Financial Capital · Manufactured Capital · Intellectual Capital · Human Capital · Social and Relationship Capital · Natural Capital

Materiality Assessment

Evaluating our priorities

We follow a materiality-driven approach, which entails identifying key concerns, engaging with stakeholders, encouraging innovation and fostering the values of transparency and accountability, among others. Integrating materiality into our decision-making processes helps us effectively navigate potential challenges, create shared value and contribute to a more sustainable future for all.

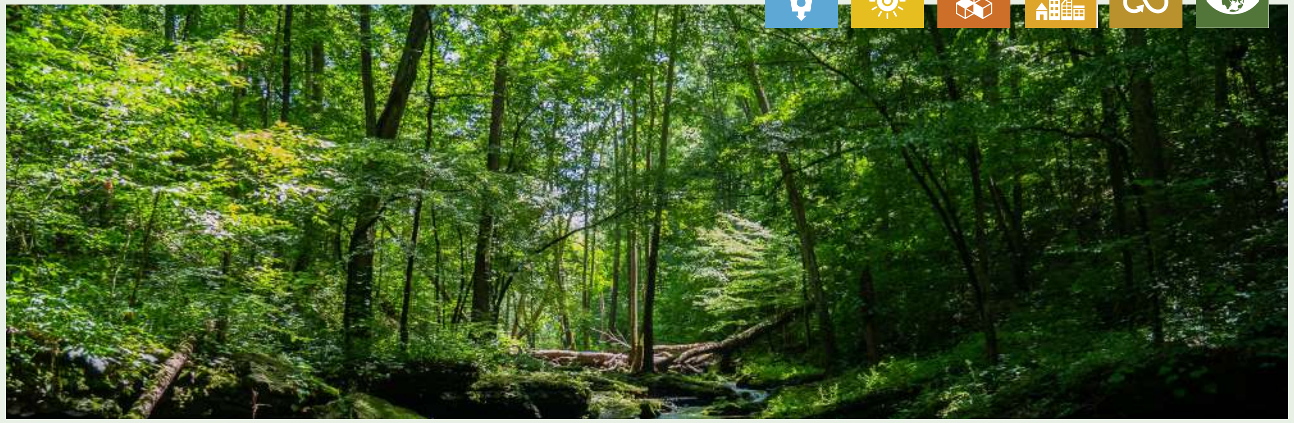
Following a four-pronged approach

Our strategy for managing crucial aspects of our business comprises four processes, ranging from identification to disclosure.

- Identification of material issues
- Preparing the materiality matrix
- Prioritisation of material issues
- Key stakeholder identification

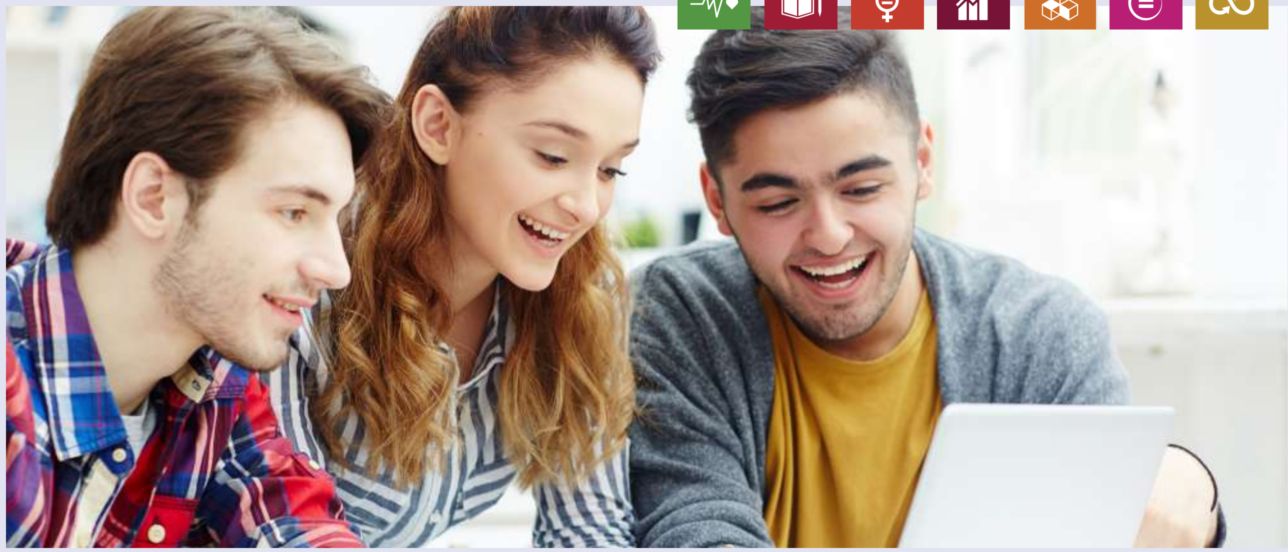
Material topics identified

Environment



	Rank	
Environment portfolio	(High)	Building a greener portfolio by developing energy efficient products
Energy management	(High)	Managing climate change risks through optimum energy utilisation
Product stewardship	(High)	Mitigating the harmful environmental impact of our products
Water management	(Low)	Emphasising prudent use of water resources
Supply chain management	(Low)	Ensuring the seamless flow of quality products to customers
Waste generation and recycling	(High)	Enabling proper disposal of waste and optimum raw material consumption

Social



	Rank	
Employee Health and Safety	(High)	Building a safe workplace to improve productivity and operational efficiency
Quality and Service Delivery	(Medium)	Improving brand image by ensuring customer satisfaction as well as customer safety

Governance

	Rank	
Fair Business Practices	(Medium)	Conducting our business ethically to build stakeholder trust
Corporate Governance, Transparency and Disclosures	(High)	Ensuring consistent communication to keep stakeholders well-informed
Regulatory Compliance and Integrity	(High)	Adhering to pertinent national or regional laws and regulations relevant to the business.
Business Ethics and Anti-corruption	(Low)	Preserving our brand value and fostering trust among our stakeholders.
Resilient Business Model and Long-term Profitability	(Low)	Pursuing continuous growth and achievement, creating greater value for all shareholders.
Environmental Risk Management	(High)	Identifying areas exposed to environment-related risks and developing mitigation strategies

ESG Strategy

Focused on driving inclusive growth

At Bajaj Electricals, we conduct a comprehensive materiality assessment that covers all our operational aspects. This approach provides us with a robust framework tailored to address Environmental, Social and Governance (ESG) factors. Further, this strategy guides us in seamlessly embedding ESG considerations into our primary business operations; thereby facilitating the implementation of our future initiatives. We have four strategic pillars that underpin our ESG endeavours. These pillars, in turn, are reinforced by ten distinct focus areas.

These pillars and focus areas collectively offer us a strong framework and precise guidance for efficiently integrating ESG factors into our daily business practices.

1
Vision – Inspiring Sustainable Living

4
Strategic pillars

10
Focus areas


Environment


Social


Governance

Strategic Pillars and focus areas with KPIs

Empowering Our Team

Ensuring Safety
- Lost Time Injury Frequency Rate
- Workplace Safety

Strengthening Human Capital
- Diverse and Inclusive workforce
- ESG Training
- Employee Delight

Preserving the Environment

Combating Climate change
- Energy and Emissions
- Carbon Sequestration
- Climate Risk Assessment

Enhancing Circularity
- Waste Management
- Reduce Single Use Plastic

Sustainable Supply Chain
- ESG-specific Vendor Assessment

Unlocking New Possibilities

Sustainable Product
- Product Life Cycle and Innovation
- Sustainable Products

Packaging Responsibly
- Eco-friendly Packaging

Guarding Integrity

Guarding Integrity
- ESG communication
- Business Ethics

Engaging with stakeholders
- Community Development
- Employee Volunteering Hours
- Inspiring Trust in Customers
- Inspiring Trust in Suppliers
- Customer Centricity

Respecting Human Rights
- Human Rights Assessments

Stakeholder Engagement

Building collaborative partnerships

We consider our stakeholders, essential partners in our mission to create enduring value. This conviction drives us to ensure consistent and effective communication across various platforms and understand the evolving stakeholder requirements. We also solicit their feedback on our performance and offerings to enhance our operational efficiency. Our business and ESG strategies are tailored to address the most pressing concerns of our stakeholders, which can have significant implications for both them and our business.

Internal stakeholders

- Board and leadership
- Employees

External stakeholders

- Investors
- Customers
- Suppliers
- Channel partners
- Communities

Stakeholders	Value proposition	Importance to us	Engagement activities	Frequency of engagement
Internal stakeholders				
Board and leadership	▸ Setting objectives ▸ Strategic planning ▸ Monitoring financial health ▸ Ensuring compliance ▸ Building risk mitigation strategies	Through strategic planning and the execution of various processes and cross-functional business operations, the Board and leadership team steer the Company towards long-term success.	▸ Board and Committee meetings	Board meetings held in FY 2023-2024: 6 Total Board Committee Meetings held in FY 2023-2024: 18
Employees	▸ Varied and extensive exposure to skill and knowledge enhancement programmes ▸ Leadership opportunities ▸ Professional and inclusive culture ▸ Opportunities for learning and growth ▸ Conducive work environment	Employees play a vital role in the Company's success, enhancing productivity, profitability, customer satisfaction, innovation, growth and brand reputation. They are essential for achieving our business and sustainability objectives.	▸ Employee satisfaction surveys ▸ Rewards and recognition ▸ Training and development programmes	Ongoing training and feedback
External stakeholders				
Investors	▸ Consistent returns on investment ▸ Transparent disclosures ▸ Ethical business conduct and comprehensive risk management	Investors and lenders serve as invaluable partners, offering crucial financial support for undertaking growth initiatives and contributing to the development and enhancement of our reputation.	▸ Annual general meetings ▸ Investor and analyst meets and conferences ▸ Quarterly earnings call and presentations ▸ Integrated reports and press releases	Total number of annual general meetings held: 1 Total one-on-one investor meets and conferences held in FY 2023-24: 65
Customers	▸ Strong brands and differentiated products ▸ Competitive pricing ▸ Quality assurance ▸ Value for money ▸ Premiumisation ▸ After-sales service	Customer satisfaction, feedback and loyalty are essential for sustaining our leadership position and competitiveness. Delivering on their expectations enables us to foster customer loyalty.	▸ Customer satisfaction surveys ▸ Brand Campaigns (ATL and BTL) ▸ Social media engagements ▸ Loyalty programmes	Regular customer feedback Need-based communication

Stakeholders	Value proposition	Importance to us	Engagement activities	Frequency of engagement
External stakeholders				
Suppliers (up-stream)	▸ Ethical and fair business conduct ▸ Growth opportunities driven by sustainability ▸ Prompt payment ▸ Regular orders to enable business growth	Suppliers offer us operational leverage to optimise the value chain, ensuring cost competitiveness and sustainability.	▸ Supplier meets ▸ Training programmes ▸ Quality enhancement programmes ▸ Feedback and surveys	Regular follow up Regular audits at supplier sites
Channel partners (down-stream)	▸ Ethical business practices ▸ Learning and skill enhancement ▸ Capacity building ▸ Customised portfolio meeting customer needs	Channel partners enable us to expand our reach. They provide us with market insights and help us boost our sales volume and revenue, while also enhancing our cost-effectiveness.	Retailers meet, Electrician meet, Market Placement drives, Tie up schemes	Regular follow up
Communities	▸ Empowering underserved communities ▸ Enhancing the quality of life with improved healthcare facilities ▸ Implementing safe work practices to protect our community members	Local communities are essential for fostering a supportive ecosystem, providing social support and facilitating smooth business operations.	▸ CSR activities ▸ Initiatives for the betterment of society	▸ Ongoing ▸ Need based

At Bajaj Electricals, we make products that are not just aspirational in nature, but are made to be durable and add value to life in a sustained manner.

We believe, our products must reflect and resonate with the consumers' evolving sense of aesthetics, lifestyles and the preferred home décor and live up to the brand promise of trust.

Hence, we deploy our capitals with the objective of creating a differentiated value proposition for our customers, business partners and the wider fraternity of stakeholders.

Financial Capital

Demonstrates our efficient capital structure

Bajaj Electricals is dedicated to achieving sustained financial growth by employing efficient capital allocation, optimising costs and maintaining steady operating cash flow generation.

We create long-term value for our stakeholders by leveraging growth opportunities through strategic investments, while bolstering risk mitigation strategies to enhance return on capital and facilitate dividend distribution.

Material topics

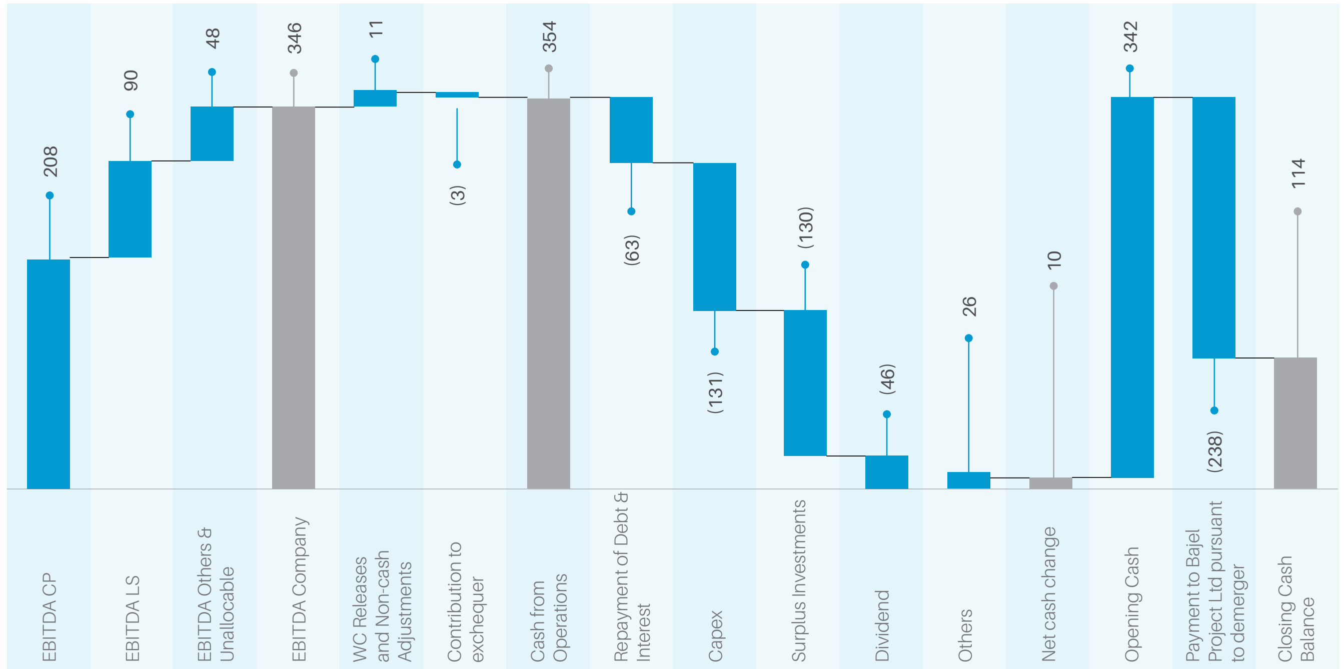
Resilient business model and long-term profitability

UN SDG linkage

FY 2023-24 was characterised by weakening rural consumer demand. A combination of prudent fiscal practices, operational excellence, and flexible business model enabled us to deliver stable performance. This is further enabled by our solid financial position, which assists in effectively deploying capital in growth opportunities.

The cash surpluses generated are invested in income generating debt instruments including mutual funds depending on economic conditions in line with the guidelines set out by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Further the objective of the Company's capital management is to safeguard its ability to continue as going concern, maintain strong credit rating, preserve cash and to ensure that it maintains an efficient capital structure and maximize shareholder value.

Cash flow generation & deployment (INR in crores)



Outcomes for the year

Corporate restructuring

- Demerger of EPC business into a new listed entity Bajel Projects Ltd w.e.f. 1st September' 23
- Merger of Nirlep Appliances Pvt Ltd into the Company w.e.f. from 31st March'24

Enhancing value

- Initiatives undertaken to improve working capital cycle across the value chain (Reverse factoring, Channel financing, Cooler financing and Warranty insurance)
- Closed legacy income tax assessments of **INR 126 crore** with interest realisation of **INR 41 crore**

Generated cashflow in operations of INR 354 crore

- Facilitated by release of working capital and operating profits
- Strong surplus position of **INR 305 crore** achieved through focused efforts and actions
- Continued capital expenditure to the tune of **INR 131 crore**
- Brand investment to the tune of **INR 113 crore** to support business growth
- Proposed dividend payout of **INR 35 crore** in line with Dividend Distribution Policy

Way forward

- Maintaining flexible capital structure
- Making sound investments towards the intellectual capital
- Continued focus on digitisation
- Focusing on shareholders' wealth maximisation

Manufactured Capital

Delivering futuristic, sustainable products

With consistent focus on delivering cutting-edge products that fulfil the promise of aesthetics, functionality and durability, we continue to enhance our manufacturing capabilities. Moreover, our emphasis on manufactured capital enables us to expand capacity, ensure optimum production of premium products and uphold sustainable manufacturing practices.

Material topics

Quality and service delivery

UN SDG linkage

3 Good health and well-being; 6 Clean water and sanitation; 9 Industry, innovation and infrastructure; 11 Sustainable cities and communities; 12 Responsible consumption and production

Natural Capital

Manufacturing energy-efficient products and ensuring strict adherence to environmental norms during the production process.

Financial Capital

Investments made to upgrade equipment required for manufacturing facilities and enhance the production capacity

Social and relationship Capital

Fulfilling customer expectations by delivering durable and best-in-class products to the market.

Intellectual Capital

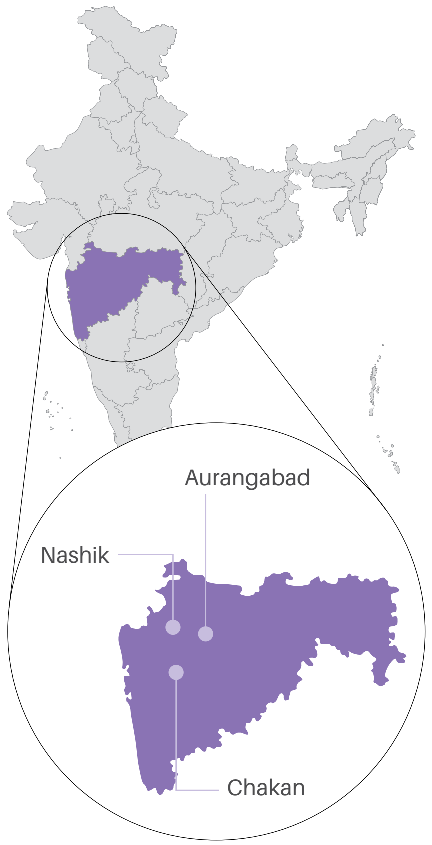
Consistently enabling the launch of new and improved models.

Human Capital

Upskilling our workforce with regular training to balance cross-functional processes and improve productivity.

Our manufacturing facilities

We have advanced manufacturing facilities in Chakan, Nashik and Aurangabad. Reiterating our commitment to quality and excellence, we have developed state-of-the-art manufacturing infrastructure to produce innovative and premium products. With a consistent focus on improving operational efficiency, we continue to upgrade the existing machinery and adopt technologically advanced processes. It not only helps us to adhere to rigorous quality parameters but also ensures optimum resource utilisation.



4

Manufacturing units

50%

Annual capacity utilisation of all units

Chakan Plant

Establishment year

1998

Product lines

LED	Fans
68.67 K units /month	**3.92** Lakh units /month
Total installed capacity	Total installed capacity
4.32 Lakh units/annum	**26.1** Lakh units/annum
Annual Production FY24	Annual Production FY24

Capacity utilisation

Certifications and awards

ZWL (Zero waste to Landfill)

ISO 9001

ISO 14001

Highlights of FY2024

The Chakan plant installed and stabilised new paint and assembly shops in FY2024.

The introduction of NEX brand featuring a super-premium and premium range of fans in both online and offline channels strengthened the capacity usage of the plant.

During March 2024, Chakan facility marked its highest ever production of 3.2 lakhs fans in a single month.

Volume growth achieved

37%

FAN

Productivity in terms of Equivalent Units Per Person Hour improved from 2.4 to 3.0, compared to previous fiscal year.

Sustainable operations

LPG to PNG changeover

As PNG is safer, cleaner and environment friendly than LPG with lower cost, we have switched from LPG to PNG. It does not require storage in tanks and are directed through piped connections.

Wet scrubber system

It helps in removing pollutants and contaminants from exhaust gases generated during the pre-treatment process, ensuring reduced emissions.

Fume Extraction System

This helps us to capture and remove harmful fumes and gases generated during the varnishing process. It further helps to reduce air pollution.

CO2 flooding system

We have installed a system in our liquid paint shop booths to improve fire safety and minimise environmental damage.

Centralised DG set-up

This ensures reliable and efficient power usage by LED and fan shops, thus enabling optimum energy usage and reduction of carbon footprint.

Nashik Plant

Establishment year

Starlite - 2000

Merged into Bajaj - Oct 2022

Product lines

Water heaters	LED	Mixers
SWH **60** K units / month IWH **30** K units / month Total installed capacity	LED **15** lakh units / month Total installed capacity	MG **50** K units /month HB **30** K units /month Total installed capacity
SWH **3.43** Lakh units/ annum IWH **87** K units/ annum Annual Production FY24	LED **98.5** Lakh units/annum Annual Production FY24	MG **2.71** Lakh units/annum HB **1.27** Lakh/ annum Annual Production FY24

Capacity utilisation

53%

Certifications and awards

ISO 9001

ISO 14001

ISO 45001

Highlights of FY2024

During FY2024, the Nashik plant enhanced its capacity for storage water heaters (SWH), instant water heaters (IWH) and LED products through the addition of new solar equipment, replicating lines and implementing new production setups.

Volume growth achieved-

103 %

LED

37%

Mixer grinders

73%

Instant water heaters

During February 2024, the Nashik facility achieved its highest ever production of 38K units of mixer grinders for the month.

Sustainable operations

Solar generation system

We have integrated an 809KWp solar generation system which ensures effective energy conservation and also sets a precedent towards adopting renewable energy.

Treatment plants

In our Nashik facility, we have implemented Effluent Treatment Plant (ETP), Sewage Treatment Plant (STP) and Zero Liquid Discharge (ZLD) facility during FY2024. This has strengthened the process for treating and discharging wastewater generated within the plant.

Aurangabad Plant

Establishment year

Nirlep Cookware - 1968

Nirlep Pressure Cooker - 2021

Both merged into Bajaj - March 2024

Product lines

Non-stick cookware

Pressure Cooker

2.5 lakh units/month
Total installed capacity

75K units / month
Total installed capacity

5.74 Lakh units/ annum
Annual Production FY24

3.92 lakh units / annum
Annual Production FY24

Capacity utilisation

25%

Certifications and awards

ZWL (Zero waste to Landfill)

ISO 9001 (NST)

Highlights of FY 2024

The Nirlep/Aurangabad plant underwent a significant transformation by revamping its cookware segment.

The plant expanded its product offerings with new stock keeping units (SKUs) supplied to both trade and e-commerce platforms, including designer aluminium pressure cookers (ALPC).

With renewed focus on innovation and customer satisfaction, Nirlep has launched Nirlep Pressure Cooker in August 2023.

Volume growth achieved

44%
Pressure Cooker

During Feb 2024, the Nirlep facility achieved its highest ever production of 55,000 units of pressure cooker for the month.

Sustainable operations

APFC (Automatic Power Factor Correction) Panel

This has been installed in the NST (Non-Standard Transformer) Plant which helps to enhance the power factor and reduces energy consumption by Avoiding heat and other losses.

STP plant

We have recently installed a Sewage Treatment Plant (STP) in our Aurangabad plant in March 2024. It has been streamlined with the production process, from the current fiscal year.

Expanding capacity

In line with the government's 'Make in India' initiative, we are bolstering our production capacity to manufacture superior quality indigenous products. To achieve this objective, we aim to enhance process efficiency and introduce low-cost automation into the production processes. Also, during the next fiscal year, we aim to transition to MES (Manufacturing Execution System) across all our factories to ensure seamless execution of our operations.

We have also initiated SKD (Semi Knocked Down) projects across all our manufacturing units to manufacture a wide range of home appliances such as steam irons, food processors and export blenders.

Improving productivity

With the growing market demand for convenient and energy-efficient home appliances, at Bajaj Electricals we have undertaken efforts to maximise our manufacturing capacity and productivity across all our product lines. Along with the development of an extensive product portfolio, we have expanded the number of press lines and assembly lines used in the manufacturing process. We have also integrated, wielding robots to eliminate manual work. Additionally, for the water heaters segment, we have implemented and stabilised own circle cutting and PTGE (Polytetrafluoroethylene) coating facilities that lend high heat resistance and water repelling properties to the water heaters. Our advanced manufacturing processes have also helped to optimise cost and has significantly increased the production capacity during FY2024.

50,000 → 60,000 Units per month

Increased production capacity of Storage Water Heater

21,000 → 30,000 Units per month

Increased production capacity of Instant Water Heater

We have demonstrated a focused effort to improve manufacturing capacity and productivity of fans. This has streamlined operations, optimised workflow and helped to integrate innovative technologies to improve efficiency and output.

37%
Volume growth of fans in FY 2024

During the year, we have also entered into collaborations to drive procurement transformation aimed at reducing both raw material and conversion costs.

Also, we have taken initiatives through engaging with external agencies to explore value engineering opportunities for BLDC fans. Towards this we have conducted pro-bono (no cost) diagnostic study by the experts in Value Stream Engineering (VSE) at our Chakan plant.

Also, to enhance productivity, we have adopted new automated processes. At Chakan plant, our new paint shop has transitioned from manual to fully automatic set-ups for executing the processes involved in the pre-treatment line, powder coating and enamel removing process in BLDC copper wire.

At our Nashik plant, to improve the efficiency in the lighting solutions segment, we have invested towards acquiring new equipment which includes double stroke deep draw power presses, robotic wielding machines and PTFE (Polytetrafluoroethylene) set-ups used for enhancing the resistance power against heat and corrosion.

Enhancing operational excellence

Our focus areas

Internal time and motion study

We conduct thorough internal time and motion studies to validate and rebalance processes, ensuring optimal manpower utilisation.

Debottlenecking processes

We focus on identifying and eliminating bottlenecks in our processes promptly, enabling better control over deviations from expected timelines.

Strengthening supply chain

With focused efforts to strengthen the supply chain, we strive to ensure uninterrupted supply of products and enhance overall operational efficiency.

Adherence to New Product Development guidelines

We adhere to New Product Development (NPD) guidelines and launch timelines to ensure timely entry to the market and to retain a competitive advantage.

Quality improvement

We prioritise quality improvements across our processes and strive to maintain consistent quality of products to ensure customer satisfaction.

Projects to enhance productivity

We have planned projects using techniques such as the Maynard Operation Sequence Technique (MOST) to measure work, improve productivity and balance operations effectively.

Regular gap analysis

Continuous benchmarking against competitors and vendors allows us to identify and implement best practices that encourage innovation and efficiency.

Ensuring quality assurance and safety

At Bajaj Electricals, we prioritise the assurance of quality and safety across all our facilities. By strictly adhering industry standards and regulations, we have implemented advanced procedures to ensure the highest levels of quality and safety. This includes rigorous quality control processes at every stage of the production process. Regular audits are also conducted to monitor compliance with safety standards. Additionally, we invest in continuous improvement initiatives to identify and address potential safety hazards or quality concerns.

Nasik plant

We have invested in equipment such as double stroke deep draw power presses, robotic welding machines, PTFE coating setups for water heater element and tank circle cutting setups at the Nasik plant.

Chakan plant- fan division

We have implemented ultrasonic fusion setups, soundproof STR rooms, automatic air delivery testing setups and ESD control measures for BLDC fan assembly at the Chakan plant. Additionally, safety audits are conducted regularly to ensure the safety of our people.

Fan facility of Chakan plant certified with new BEE regulations

Chakan plant- lighting division

We have arranged automated testing equipment such as SCR meters, surge testers and glow wire testing equipment at the lighting division of the Chakan plant.

New quality lab has been set up at the Chakan plant for testing the quality of luminaries.

Steps taken to ensure safety

One EHS portal

Integrated platform to monitor safety by tracking unsafe acts, hazardous conditions and near misses. This has helped us in identifying potential hazards and associated risks.

Digital display boards

Installed display boards to show real-time data of environmental conditions.

Daily plant audits

Regular plant audits are conducted to identify gaps in the safety and quality control process. It also ensures compliance with regulations.

Mental health check-up and stress management workshops

Implementing mental health check-ups and stress management workshops for employees fosters improved well-being, enhanced productivity, reduced absenteeism, a positive work environment, better retention and recruitment, and potential cost savings for the company.

Emergency response (Chemical spill & Fire mock drill)

We are regularly conducting chemical spill and fire mock drill as a part of emergency preparedness for facilities. This type of drill helps assess the effectiveness of emergency response procedures, identifies areas for improvement, and ensures that our personnel are adequately trained to respond to such critical incidents.

Awareness on Personal protective equipment (PPE) usage

Awareness campaign on use of PPE in manufacturing plants brings several advantages. It enhances safety by reducing the risk of workplace accidents and injuries, ensures compliance with regulations, and lowers healthcare costs associated with worker injuries.

Medical camp

Medical camps provides invaluable benefits to workers by offering convenient access to healthcare services, facilitating early detection and prevention of health issues, enhancing productivity, boosting morale, and fostering a positive work environment.

16%

Drop in market complaint for consumer products

Adopting technology

The manufacturing processes have undergone significant digital transformation. From automating production processes to streamlining inventory, advanced technology has been utilised to improve operational efficiency.

The introduction of Smart QR codes on finished products have enabled efficient tracking of product warranty and improved dispatch controls. Also, the adoption of a Compliance Monitoring System (CMS) has facilitated better oversight and timely closure of compliance related endeavours. An Attendance Management System (AMS) has also been successfully deployed for the contractual workforce to streamline attendance tracking. With the integration of state-of-the-art technology, we have significantly optimised our manufacturing efficiency.

Way forward

- Focused effort towards augmenting manufacturing capabilities for premium BLDC fans.
- Comprehensive resource optimisation by strengthening supplier ecosystem and manufacturing process.
- Swift acknowledgement of priorities by manufacturing facilities on the basis of mapped strategies and business requirements.
- 3 Years strategy roadmap set for taking manufacturing towards excellence.

Intellectual Capital

Drives meaningful innovation for life

We are pushing the envelope of innovation across different price points for various products to fulfil the aspirations of a wide spectrum of customers. Our primary objective is to develop a diverse range of products that stand out for their design, functionality, durability and energy efficiency. We are committed to delivering solutions that help enrich the quality of life.

Material topics

Environmental portfolio

Product stewardship

UN SDG linkage

Natural Capital

Innovative effort to use alternative materials, which are sustainable and bio-degradable in the product development and packaging process.

Manufactured Capital

Integration of advanced technologies in the manufacturing facilities and also across various range of offerings.

Social and relationship Capital

Regular collaboration with educational institutions to ensure consistent support on cutting-edge technologies and research, alongside partnering with supply partners and design houses for developments related to design.

Financial Capital

Significant fund investment resulted in improved R&D practices and new product development.

Human Capital

Strengthened team comprising individuals from esteemed educational institutions, having expertise in crafting innovative strategies and with technical proficiency.

Strengthened research and development

Our dedicated R&D team with high expertise towards product development and technical know-how empowers us to thrive and maintain a leadership position, even in the rapidly changing market landscape. We have targeted our efforts to embrace advanced processes and integrate high-end technologies to deliver products, which are durable and cater to customer requirements.

176
R&D employees

155
Engineers in technical roles

Our extensive research to identify market trends, bridge the gaps and capitalise on the opportunities serves as our growth catalyst and sustains in the highly competitive scenario. We are able to maintain an innovative edge over our industry peers with diligent market surveys to understand the evolving preferences of customers across various product categories and tailor our offerings accordingly.

Our R&D team seamlessly manages the Product Research Centre (PRC), Centre of Excellence (COE), and Design Quality Control (DQC) departments, which support innovation and operational excellence. We are also leveraging advanced engineering, digital simulations and proper Product Life-cycle Management (PLM) to minimise the defects and developmental errors. This has enabled us to gain the first mover advantage for launching any product with specific designs and functionality. Additionally, our COE team focuses on emerging technologies such as connected lighting and IoT-connected appliances, enriching our portfolio in IoT, AI, and digital solutions for consumer and lighting products.

3,489.3 sq. m.
Area of R&D centre

Innovation Ecosystem

Bajaj Electricals is developing an innovation ecosystem of internal and external stakeholders, which enables collaboration and partnerships with research institutions, universities, individual investors, market research consultancy and start-ups. External innovators can submit their ideas either through the consultancies online portal or through connections within our organisation.

The criteria for selecting innovations include factors such as novelty, business impact, technical feasibility, manufacturing feasibility and scalability. Through this collaboration, we derive a clear understanding of market dynamics which helps us in addressing authentic consumer needs by pursuing innovative concepts.

1,020
New SKUs Launched in FY 2024

553
Lighting products

467
Consumer products

73
Number of Designs Accepted

26
Number of patents filed

10
Patent accepted

R&D backed brand re-positioning

With the overarching objective of becoming the growth engine for Bajaj Electricals, our R&D focus is squarely aligned with the brand promise of 'Built for Life' for Bajaj Electricals and 'Feel the Future' for the newly introduced Nex brand.

Our R&D aims to achieve two primary goals. Firstly, we strive to develop innovative technological solutions that effectively cater to consumer demands, while ensuring our products are launched to meet business requirements. Secondly, we seek to integrate distinctive features into our products that align closely with our brand identity, thereby setting them apart in the market. To achieve these goals, we are leveraging collaborations with esteemed educational institutions through ongoing Memoranda of Understanding (MOUs).

These collaborations are anticipated to yield significant benefits, including the enhancement of technical expertise among our R&D personnel and access to state-of-the-art facilities at the partnering institutions for conducting crucial tests and experiments related to various R&D projects. Moreover, these engagements are expected to facilitate the creation of intellectual property rights (IPR) that will further bolster and safeguard our brand promise.

Sustainable product development

With the aim to ensure product stewardship we have embraced innovative methodologies in design and its overall development process. For this purpose, we have employed certain practices.

Reliability modelling

It helps us to easily understand the functional interdependencies of the products which streamline us to find the appropriate design alternatives.

Simulation-based predictability

We can undertake calculative actions based on the predictions received for the product's future value.

Digital Validation

This helps ensure the accuracy and correctness of the digital model and also helps us take corrective actions.

Our key focus areas

Reduction of product weight

The designing of the products is done by giving priority to reduce the overall weight. This approach aims to minimise material consumption, while enhancing energy efficiency. For this purpose, we have collaborated with external consultants to improve the casting for reaching an optimum weight and also minimise the errors in production process. By employing lighter materials and innovative design strategies, we seek to lower its environmental footprint and contribute to resource conservation.

Extension of product lifespan

Our innovations are supported by robust product lifespans, providing us with the opportunity to extend product warranties. This, not only, enhances customer trust, but also reflects our commitment to improving the durability and reliability of our offerings. By reducing the need for frequent replacements, we encourage sustainable consumption patterns and contribute to environmental conservation efforts.

Usage of sustainable alternatives

Incorporating alternative sustainable materials across our products and packaging underscores our commitment to environmental stewardship. By utilising bio-degradable and eco-friendly materials whenever possible, we aim to minimise our ecological footprint and promote the principles of a circular economy.

Innovative technologies in new products

Consumer products

Technology	Products
BLDC	Fans

Innovative qualities

Achieving a 5-star energy efficiency rating, this technology embodies cutting-edge energy-saving capabilities.

Technology	Products
DuraCoat Heating Elements and DuraAce Tanks	Water heaters

Innovative qualities

The heating element has a proprietary coating for improved heat transfer and long-term durability, ensuring a steady hot water supply and significant cost savings. Meanwhile, the tank is built with advanced materials, guaranteeing corrosion resistance, leak-proofing, and high-pressure endurance.

Technology	Products
DuraCut Blades and Military Jars	Mixer grinder

Innovative qualities

Our mixer grinder is equipped with DuraCut Blades, setting a new benchmark for durability by offering a lifetime warranty, guaranteeing consistent performance and reliability. Additionally, our jars are engineered to adhere to MIL 810H standards, ensuring unmatched toughness and resilience to withstand rigorous handling.

Technology	Products
Aeirology	Fans

Innovative qualities

Enhancing air thrust by 20%, Aeirology technology provides swift relief from discomfort, demonstrating our commitment to innovation and consumer comfort.

Technology	Products
Super5Tuff	Fans

Innovative qualities

Designed for longevity, our fans boast a 5-year warranty, underpinned by innovative Super5Tuff technology.

Technology	Products
DuraGlide sole plate	Irons

Innovative qualities

Featuring a long-lasting soleplate coating, our irons are equipped with Duraglide technology, ensuring smooth gliding and durability over time.

Lighting products

Technology	Products
Bonded heat sink	Stadium lighting

Innovative qualities

We have innovated and developed an advancement for our lighting solutions, which allow the construction of heat sink fins of varying heights while maintaining a consistent base. Owing to this technology we can accommodate diverse wattage in the lighting panel and such technological ingenuity is particularly well-suited for retrofitting stadium lighting systems, demonstrating our dedication towards minimising carbon footprint.

Technology	Products
UL VO Lens with PLCC	Tunnel lighting

Innovative qualities

This technology has sparked a revolution in tunnel lighting. Crafted from ULV0 grade polycarbonate, these lenses exceed the performance of conventional glass, providing outstanding durability and reliability. Also, the integration of PLCC facilitates seamless communication between lights in network-deprived environments such as tunnels, guaranteeing efficient operation and heightened safety.

Technology	Products
Visual Comfort	Consumer lighting

Innovative qualities

This technology ensures flicker-free operations with high efficacy. It also has a 90 CRI (Colour Rendering Index) rating, which ensures superior colour rendering while minimising energy usage.

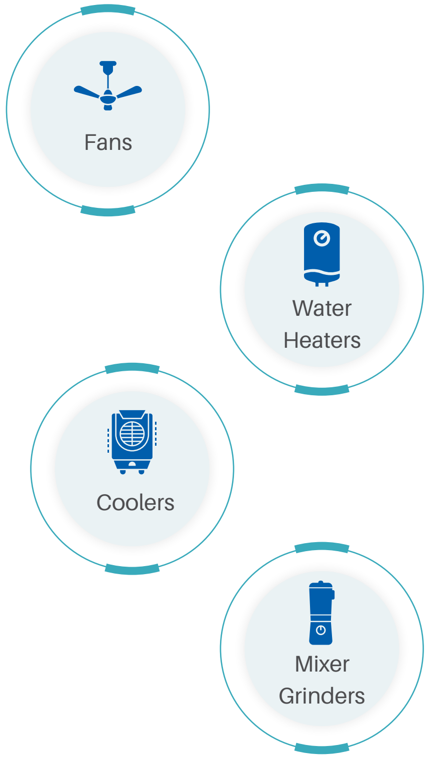
Technology	Products
PO optics	Street lighting/ area lighting

Innovative qualities

Pole-to-pole optics is a technology engineered to enhance the efficiency and effectiveness of LED lighting systems. By widening the spacing between poles in installations, it ensures uniform light distribution across larger areas, thereby minimising the need for additional luminaires.

Campaigns targeting specific sectors

We have executed marketing initiatives targeting four priority categories-



Recent consumer research shows a growing connection between Bajaj Electricals and the 'Built for Life' ethos. To capitalise on this association, we have launched campaigns closely tied to the 'Built for Life' philosophy, maintaining consistent visual language and tone. These campaigns have been strategically rolled out across various communication channels, including Below the Line, Above the Line and digital campaigns.

Extensive brand tracking research indicates significant improvements in brand awareness, consideration, and brand power for Bajaj Electricals across key categories. Notably, there is a clear enhancement in brand differentiation, particularly in terms of durability. This validates the effectiveness of our strategic approach.

Data security through mobile app

The integration of **Mobile Access Management** (**MAM**) and **Mobile Device Management** (**MDM**) strategies is harmonised with our fundamental business goals of safeguarding sensitive data, preserving intellectual property and adhering to regulatory requirements. Through the implementation of detailed controls over mobile applications and devices, we bolster security measures, while enabling smooth accessibility to our mobile app's features, thereby promoting user efficiency and contentment. These initiatives underscore our dedication to upholding the confidentiality and integrity of our corporate data, ultimately contributing to our sustained business prosperity.

Digital transformation

We have integrated our internal systems with Artificial Intelligence (AI), Machine Learning (ML) and advanced analytics. The adoption of AI/ML-driven demand forecasting has significantly improved national forecast accuracy. Our incorporation of a Power BI layer enriches insights, offering transparency into existing challenges and potential.

We are enhancing our operational efficiency by implementing Robotic Process Automation (RPA) to automate essential tasks such as payment reconciliation and cost sheet generation. This initiative reduces the need for manual intervention, thereby increasing overall workforce productivity. This comprehensive approach also facilitates informed decision-making.

Integration of modules with SAP S/4 HANA

Human Capital Management (HCM) solution

SuccessFactors, for Human Capital Management (HCM) solution, facilitates streamlined HR processes. Its integration with SAP S/4HANA ensures smooth data flow, encompassing talent management, employee performance, and workforce analytics. This integrated method of human resource operations enhances efficiency and enables strategic workforce management.

Distributor Management System (DMS)

The Distributor Management System (DMS) is seamlessly integrated to streamline end-to-end distributor-related processes. With secure storage, retrieval and collaboration capabilities, DMS synergises with SAP S/4HANA, ensuring a unified approach to managing distributor lifecycles. This integration improves information accessibility and aids in meeting compliance requirements, thereby nurturing stronger relationships with distributors.

Warehouse Management System (WMS)

Integrated with S/4HANA, WMS offers real-time visibility into inventory, order fulfilment, and logistics processes. This integration leads to a more agile and responsive supply chain, reducing lead times and improving overall warehouse efficiency.

Product Lifecycle Management (PLM)

Product Lifecycle Management (PLM) seamlessly integrates with SAP S/4HANA to oversee the complete product development lifecycle. This collaborative approach ensures all stakeholders, including distributors, share a unified view of product-related data, accelerating time-to-market and enhancing compliance with industry regulations.

Transportation Management System (TMS)

The Transportation Management System (TMS) is intricately integrated into the SAP framework to streamline transportation processes. By optimising route planning and logistics management, TMS boosts overall transportation efficiency. This integration leads to cost reduction and improved delivery timelines, benefiting distributors within the supply chain.

Customer Engagement

Customer Engagement (C4C) enhances operational efficiency through integration with SAP S/4HANA. This module prioritises optimising customer interactions and relationship management, ensuring a comprehensive approach to business operations.

Demand Forecasting

The Demand Forecasting module utilises advanced analytics to anticipate future demand patterns. Integrated with SAP S/4HANA, it improves inventory planning accuracy, minimising shortages and excess inventory costs. This seamless information flow supports distributors in effectively managing their inventory, responding adaptively to market demands.

Ariba, for Vendor

Ariba for vendors simplifies procurement by linking businesses to a global supplier network. Integrated with SAP S/4HANA, it improves vendor and distributor management, automating procurement workflows and ensuring transparency. This integration facilitates efficient and cost-effective procurement operations for both vendors and distributors.

Industry 4.0

Connected manufacturing

In Connected Manufacturing, the organisation is progressing with the implementation of Industry 4.0 across additional production lines in the Chakan Plant. Additionally, a Contract Attendance System has been effectively deployed across both the Chakan and Nashik locations. The primary emphasis is on optimising manufacturing costs by enhancing Overall Equipment Effectiveness (OEE), production efficiency, manpower efficiency, as well as maintenance and utilities management.

The initiative has demonstrated remarkable improvements in terms of OEE (Overall Equipment Effectiveness), OLE (Overall Line Efficiency) and plant efficiency. The availability of machinery has increased leading to enhanced operational uptime. The performance has notably improved primarily due to reduced changeover times. This decline in changeover times has also resulted in a significant increase in shift output, indicating a more efficient and streamlined production process.

Asset monitoring

Our emphasis towards Asset Monitoring has helped us to reduce Mean Time to Repair (MTTR), which resulted in reduced downtime and enhanced overall asset reliability. The identification and relocation of underutilised machines to other factories have also improved asset utilisation, particularly for alternate product lines.

Energy monitoring

Energy Monitoring has been a crucial aspect of this initiative, resulting in a significant reduction in energy cost per unit. This demonstrates our effective management of energy resources. Additionally, a contracted demand reduction has significantly contributed to operational cost savings.

Go-to-market strategy

In our Go-To-Market strategy, we have successfully implemented the Pragati Dealer Management System and DSO Apps across our distributor and sales network. We are now introducing order automation to enhance process efficiency further. Additionally, we have completed six projects in Bajaj Electricals Citisol and launched two products in CIoT (Consumer Internet of Things).

As part of our future roadmap, we are prioritising enhancements to sales force efficiency through several initiatives.

Geo-Coordinate Integration

This integration will enable better geographical tracking of sales activities, allowing for more targeted and efficient sales strategies. It ensures that sales teams can prioritise their efforts in areas with higher potential, leading to increased productivity and better resource allocation.

Incentive Module

The introduction of an Incentive Module will motivate sales teams by offering rewards and recognition based on performance metrics. This initiative not only boosts morale but also incentivises higher productivity and sales performance, ultimately driving revenue growth.

Automated branch commercialisation orders

By automating branch commercialisation orders, we reduce manual errors, accelerate order processing times and improve overall operational efficiency. This initiative frees up resources to focus on strategic tasks while ensuring smoother and more accurate order handling, ultimately contributing to increased customer satisfaction and loyalty.

Order Management Optimisation

Optimising the order management process streamlines workflows, reduces errors, and speeds up order fulfilment. This leads to improved customer satisfaction, increased repeat business and ultimately higher revenue generation.

Supervisor App for Real-Time Sales Monitoring

The introduction of a supervisor app enables real-time monitoring of sales activities, providing us with valuable insights into team performance and customer interactions. This facilitates prompt decision-making, coaching opportunities and the ability to address any issues promptly, leading to overall improved sales efficiency.

Way Forward

- Leveraging technologies such as Cloud, AI, IoT, Big Data and cybersecurity across business operations.
- Comprehensive AI literacy programmes to be launched for our employees along with the integration of the technology the HR practices to ensure better workforce management.
- Focused technology integration into critical operations domains to improve sales analysis and improve supply chain and logistics from forecasting to final delivery.
- Improve customer care through chatbots which will ensure to provide round-the-clock assistance and address issues raised by the customers.
- Developing new innovative products to enhance customer experiences through refining AI applications and integrating IoT.
- Focus on innovations which will offer superior functionalities along with cost-effectiveness.

Human Capital

Putting our strategy into action

At Bajaj Electricals, we believe our people are the key drivers of organisation's philosophy and growth. We consistently endeavour to create an inspiring workplace that empowers our people to catapult our transformation journey. We strive to create a skilled and engaged workforce by providing them with meaningful opportunities and implementing progressive initiatives and policies which cater to the expectations of our diverse talent pool.

Material topics

Employee health and safety

Business ethics and anti-corruption

UN SDG linkage

3, 4, 5, 8, 10

Natural Capital

Encouraging our team members to volunteer in environmental conservation programmes thereby creating employee engagement

Financial Capital

Judiciously investing in enhancing the skill sets and expertise of our team members through rigorous training sessions and skill development programmes

Social and Relationship Capital

Mandating the recruitment of a diverse mix of candidates across various demographic segments during the hiring process

Intellectual Capital

Offering assistance to our employees and leadership teams by developing e-learning platforms that optimise their training programmes

Manufactured Capital

Undertaking the scheduled maintenance of equipment as well as conducting safety trainings and audits to ensure an injury-free workplace

Our people serve as the vital link bridging our present efforts with our future aspirations. They have consistently remained some of our most cherished stakeholders and are our true differentiators. Dedicated to creating a strong employee value proposition, we aim to create a safe, flexible and inclusive work environment where our people feel valued, engaged and have equal opportunities for growth. We prioritise ongoing learning to equip our team members with the requisite skills to adapt to and thrive in an ever-changing operating environment.

Our diversity mix

Headcount (in Nos)

1,958
Permanent employees & workers

Gender-wise breakup (in %)

93%
Male

7%
Female

A robust employee value proposition

- Opportunities for innovation
- Open and transparent work culture
- Equal opportunities to learn and grow
- Empowerment across different levels
- Comfortable work-life balance

Hiring done right

At Bajaj Electricals, we remain resolute in nurturing a culture of innovation and excellence by finding the best talent from diverse channels. As an equal opportunity employer, our dedication to diversity and meritocracy hiring ensures that we build a team that reflects a variety of perspectives and diverse demographic segments.

We conduct placement drives at leading management and engineering institutions to recruit fresh talent, providing them with avenues for rapid career advancement into frontline and higher positions. This comprehensive recruitment strategy underscores our commitment to attracting and nurturing top talent to drive organisational success. Our talent acquisition team leverages various online platforms, external agencies and employee referrals to hire candidates for specialised and leadership roles. Also, during this year, we have transitioned to a system hiring process which helps us to manage the entire recruitment process in a seamless manner.

Streamlining the on-boarding process & new joiner experience

Our optimised onboarding process for the fiscal year 2024 dedicates two days each week to welcoming and integrating new talent. All new joiners attend weekly HR induction sessions scheduled across India which is followed by Managers having formal coaching conversations at 30-60-90 days. Employees are also nudged to share their feedback through Marvel AI through onboarding surveys and pulse surveys. Within 3 months of joining, employees are invited to Anugam Corporate induction wherein they have the opportunity to connect with leaders.

These initiatives ensure that employees feel valued and empowered from day one, setting the stage for a successful journey within our organisation.

96%

Hiring has been done in-house

52

Women employees joined in FY 2024 (Including Trainees)

447

Talent acquisition in FY 2024 (Including Trainees)

~80%

Employee retention

Facilitating ongoing learning and development

In our endeavour to cultivate a culture of consistent learning, we undertake numerous training and development initiatives for our personnel. During FY2024, training sessions were conducted to enhance both the functional and behavioural aspects of our employees' development. The functional programmes concentrated on equipping individuals with current and future skills essential to their roles, while the behavioural training sessions were aligned with our winning culture competency framework. Notably, we conducted our 'Be the Best' training sessions to enhance our core competencies. We prioritise the development of people managers and have launched the 'First Time Manager' initiative to provide essential guidance to new managers, facilitating their successful transition into managerial positions.

14,022

Man-hours of permanent employees' training during FY 2024

Our dynamic team possesses true intrapreneurial prowess, introducing innovative products and enabling us to delight consumers and stay true to our brand promise.

Ways we identify improvement areas

Detecting training needs is a crucial aspect of performance goal setting. Employees submit training requirements to their managers for approval, who then align these needs with their annual performance targets. Following this, the Learning and Development (L&D) team develops relevant functional and behavioural programmes to meet the identified training requirements. Employees can choose from a range of learning options, including e-learning courses, on-the-job training, classroom sessions and participation in certificate courses or seminars. Additionally, we emphasise personalising the learning experience for each team member.

Building the next line of leadership

Leadership development is the compass guiding us towards our future endeavours. It plays a pivotal role in empowering both managers and employees. Our leaders uphold our core values, inspiring teams to maintain a high-performance culture. The human resources team facilitates initiatives that align with our 'winning culture' framework, ensuring a tangible commitment from our leadership team. Moreover, we actively encourage our people to engage in conferences, seminars and networking events within their respective domains to enhance their competencies.

We have established a structured succession planning process to ensure that identified successors receive development opportunities to prepare for future transitions. In the fiscal year 2023-24, we successfully facilitated the transition of an employee into leadership positions, reinforcing our commitment to grooming talent from within.

Pygmalion

The Pygmalion programme aims at enhancing career development and fortifying our talent pipeline. Specifically designed for the top 50 candidates, these programmes nurture high-potential individuals for vital roles within the organisation. Over a duration of 10-11 months, participants undergo rigorous training to effectively assume essential roles within the Company.

160

Employees enrolled

Embracing diversity and inclusion

As an equal opportunity employer, we actively seek candidates from diverse backgrounds. Merit-based recruitment practices and inclusive policies ensure equal opportunities for all individuals, regardless of background or capability.

Supportive infrastructure for specially-abled employees is available in our new Mumbai and Delhi offices

5

Specially-abled employees

Focus areas of D&I

- Employee sensitisation on unconscious biases
- Creating inclusive policies and practices
- Creating communities

Diversity and Inclusion Council

Our Diversity and Inclusion Council, comprising leaders from diverse backgrounds, creates a culture of inclusion and consensus-driven decision-making.

Employee Resource Group

Women employees from various departments collaborate to propose and implement initiatives enhancing the working experience for women at Bajaj Electricals, serving as catalysts for our D&I efforts.

Employee sensitisation

During the reporting year, an e-learning module on Diversity, Equity and Inclusion (DEI) engaged 800 employees, with managers attending workshops aimed at encouraging inclusive workplaces. All leaders and managers also participated in a virtual session on unconscious bias, with a mandatory DEI e-learning programme conducted each year.

Women-centric policies

Our commitment to gender diversity is reflected in our women-centric policies and initiatives. From flexible work arrangements to travel support during unconventional hours and outstation journeys to extended maternity assistance, we strive to create an environment where every woman can thrive.

Currently, we offer nine months of extended maternity support, hybrid or remote work during the eighth month of pregnancy and three months of post-maternity leave to all women employees. Travel support during prenatal and postnatal stages is provided for medical needs and a review of performance appraisals ensures fairness for women returning from maternity breaks.

Nurturing a winning culture

Fostering employee engagement

Employee engagement lies at the core of our operational ethos. Through initiatives, including the Mulya programme we organise various cross-functional activities providing our personnel with numerous opportunities for growth. Besides celebrating various festivals, we also conduct annual sports tournaments, such as the Bajaj Champion League. To enhance employee satisfaction, we conduct frequent surveys using a chatbot AI platform, with HR business partners addressing feedback. Further, cross-functional projects are undertaken for offering employees exposure to critical roles.

84%

Employee engagement score

Bajaj Got Talent

Bajaj Got Talent is an employee-led initiative aimed at ensuring engagement within our team members. This internal programme promotes a vibrant and inclusive work culture, urging our people to participate in talent shows, sports, events and celebrations. Additionally, as part of this initiative, we conduct regular health check-ups.

40

Employees participated in Bajaj Got Talent

Upholding human rights

At Bajaj Electricals, we have instituted a Code of Conduct policy and a POSH (Prevention of Sexual Harassment) policy to maintain ethical standards within the organisation. We encourage our people to voice their concerns, which are promptly addressed and reviewed by the Code of Conduct Committee or the Internal Complaints Committee. Employees also have the option to anonymously report integrity-related issues to the Whistle Blower Committee. Further, we familiarise our teams with our human rights policies through an e-learning module on our Code of Conduct.

Our policies

- Code of Conduct Policy
- Whistle Blower Policy
- POSH Policy

Prioritising employee well-being

Throughout the year, we organise various wellness sessions to ensure the holistic well-being of our personnel. Our EHS teams rigorously oversee safety protocols for employees, whether in offices or plants, implementing diverse programmes and trainings to ensure a secure work environment.

40

Webinars conducted for employee well-being

3,425

Hours of EHS training conducted

Zero

Fatal accidents reported during FY 2024

Great Place To Work

Bajaj Electricals has once again received the Great Place to Work® certification for the fourth year in a row in FY 2024. Our commitment to transparency is evident as we work closely with GPTW partners to conduct surveys every year and share participation scores and results with all our team members.

Way forward

- Enhance recruitment and retention strategies to ensure business continuity and minimise disruptions to productivity and efficiency.
- Our commitment to diversity and inclusion remains steadfast, with a heightened emphasis on advancing gender diversity to facilitate inclusive workplace culture.
- Invest in Learning & Development initiatives tailored to the diverse talent pool within the organisation, addressing specific skill requirements.
- Integrate the Winning Culture framework and behaviour expectations into all HR practices, with multiple awareness sessions planned for employees.
- Conduct a thorough review of organisational design and structures, transitioning to a role-based approach. Future efforts will concentrate on boosting productivity and efficiency through various initiatives.

Social and Relationship Capital

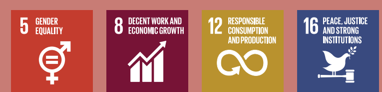
Strengthens the foundation of our stakeholder trust

At Bajaj Electricals, we are evolving in step with changing times and to better attune ourselves with the evolving aspirations and concerns of our customers, suppliers and communities. With consistent support and mutual trust from various stakeholders, we are creating a culture centred around focused business objectives. Through this approach, we aim to optimise value creation for all our internal and external stakeholders, thus continuing our journey as a responsible corporate entity.

Material topics

- Supply chain management
- Quality service and delivery

UN SDG linkage



Natural Capital

Procurement practices are aligned with the environmental regulatory compliances.

Manufactured Capital

Wider range of quality products with greater durability is being produced, enhancing customer experience.

Human Capital

Employees volunteering to drive the community development projects

Intellectual Capital

Sharper focus on new product development, based on market surveys to meet the evolving customer preferences.

Financial Capital

Increased investment towards community development programmes, sustainable procurement practices and customer engagements.

Being a responsible organisation

Our CSR strategy demonstrates our firm commitment to social responsibility. Through our increased investment in community development initiatives, including scaling up projects related to environmental sustainability, education, healthcare, arts and culture, the creation of innovation hub. Our employee volunteering Programme seeks to expand the outreach through greater connect with society and environment. We seek innovative ways to address societal needs, aligning our business operations with broader environmental and societal goals and make efforts towards a positive impact on the communities we serve.

INR 5.14 crore

Total CSR expenditure

Bajaj Electricals Foundation (BEF)

Bajaj Electricals through its philanthropic arm, the Bajaj Electricals Foundation (BEF), is dedicated to making a positive impact on the community through various CSR initiatives.

BEF collaborates closely with NGO partners and local stakeholders to create meaningful community-based projects.

18

CSR partnerships

Our focus areas

- Environmental Sustainability
- Women empowerment
- Education and skill development
- Quality Healthcare
- Art and Culture
- Innovation hub

Geographic spread of our CSR projects

Employee volunteering

The synergy between CSR projects and employee volunteering represents a formidable force for positive change. Through active participation in various CSR initiatives, our employees act as catalysts in the transformational journey of the community.

Our employees contribute their time, skill and expertise to set community development objectives, build a plan of action and involve themselves in the execution process. Their volunteering efforts elevate employee engagement due to the hands-on involvement in the volunteering, the employees also foster a sense of purpose and community within the workplace.

1,275

Employee participation in CSR projects

2,040

Total Employees volunteering days

Swasth Ghar Improved Cookstove Project

The Swasth Ghar Improved Cookstove Project of Bajaj Electricals delivers more efficient and cleaner cookstoves to local communities. This initiative aims to reduce indoor air pollution, curb deforestation and promote sustainable energy practices. Beneficiaries, primarily women and families, experience improved indoor air quality and better health outcomes. Through this project, we are not just addressing health and environmental issues, we are also making a difference in the lives of those we serve, promoting healthier homes and a greener future for all.

Together we make a difference

We empower our employees by engaging them in tree plantation programmes, cleanliness drives, education and skill development sessions in school, helping children in orphanages and senior citizens in old age.

Beneficial impact of Cookstove Project

The adoption of improved cookstoves significantly decreases indoor air pollution, thereby promoting better respiratory health among individuals. This is particularly significant in regions where traditional cooking methods are known to exacerbate respiratory illnesses. The users of improved cookstoves witness a notable reduction in dependency for forest firewood and drudgery. The usage of the improved cookstove has helped reduce the efforts of collecting firewood from the forest significantly.

50

Villages of Rajasthan covered through cookstove project

4,000

Women supported through cookstove project

The Bajaj Electricals Foundation has initiated a range of community programs aimed at making a positive impact. Starting with improved cookstoves, their flagship program, followed by solar electrification, providing sustainable energy to remote areas. The tree plantation and urban forestation projects promote green spaces and fight deforestation. In healthcare, they've set up tobacco cessation centers to help people quit smoking or chewing tobacco through its de-addiction programme. The establishment of milk dairy centres improved nutrition in local communities and empowered the women by providing economic opportunities. Other focus areas such as arts and culture are continued through its dedicated arts promotion programme and supporting budding artists, emphasizing creativity and heritage. Lastly, the innovation hub supports aspiring entrepreneurs, fostering creativity and technological advancement with an additional focus on women entrepreneurs and local crafts. These initiatives have significantly improved lives and enabled communities across various sectors.

9,200

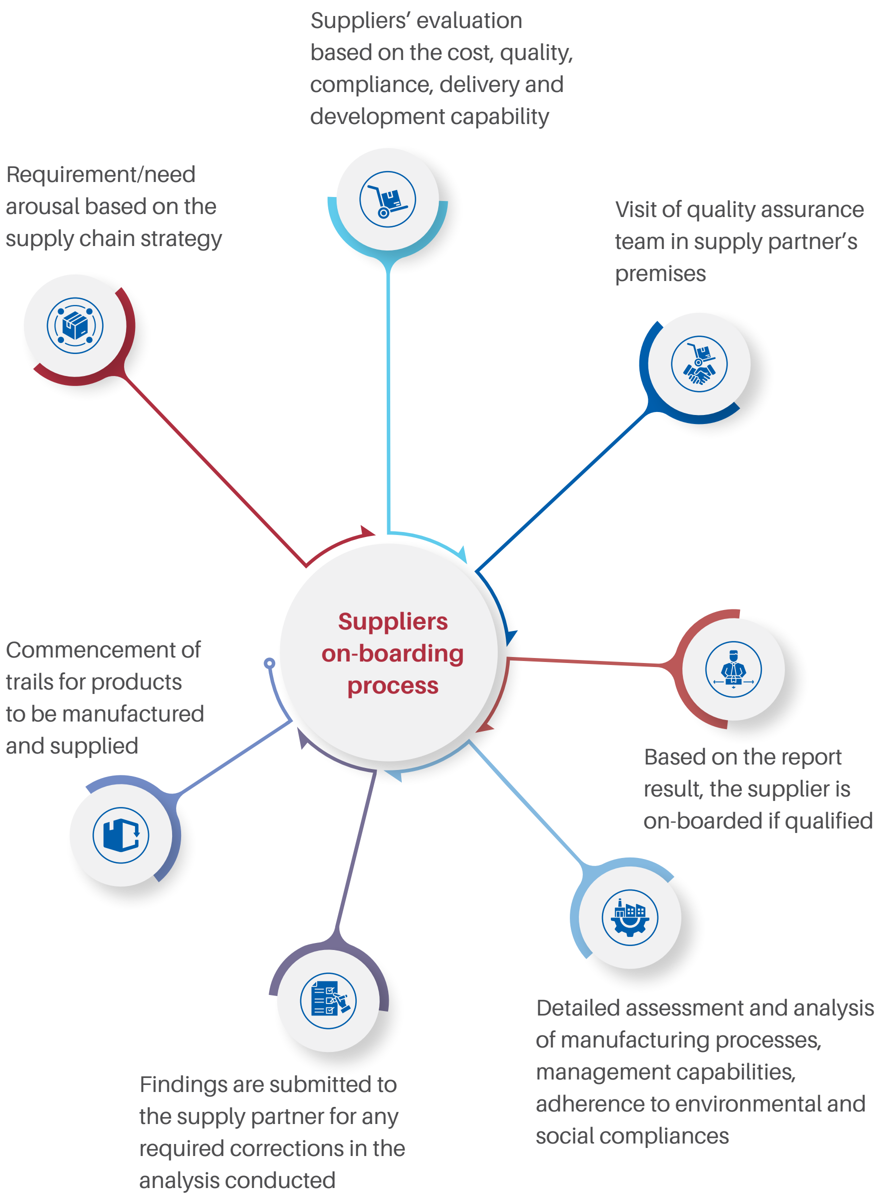
Trees planted

Value generation for supply partners

Recognising the paramount importance of delivering innovative, durable and high-quality products to our customers, we acknowledge the critical contribution of our value supply chain partners. The steadfast support we receive from our partners is instrumental in our ability to develop exceptional products and establish long-lasting customer connections.

255

Total supply partners



Supplier engagement

We utilise various channels to engage with our supply partners across different organisational levels.

Governance meetings

Semi-annually or quarterly

Engaging in dialogue with key management personnel of our supply partners, we conduct comprehensive reviews of performance and delve into discussions regarding concerns, expectations, and emerging developments.

Connect events

Yearly

We host supply partner connect events, utilising both online and offline formats to engage a broader spectrum of partners across our value chain. These events serve as valuable platforms for fostering collaboration, sharing insights, and strengthening relationships with our partners.

Operational meetings

Weekly

We also organise meetings to specifically address key processes, challenges, and solutions pertaining to new product development. Crucial events, alerts, or developments are communicated to our partners via email, ensuring clarity and setting forth clear expectations.

Site visits

Regular

Frequent visits to manufacturing facilities serve as a crucial element in strengthening our connect with the individuals on the ground. These visits, conducted by Bajaj Electricals, play a pivotal role in nurturing strong relationships with our supply partners. By physically engaging with the operations and personnel at these facilities, we gain valuable insights into their processes, challenges and capabilities. This first-hand experience not only creates trust and transparency, but also allows us to address any concerns or challenges more effectively.

Streamlining suppliers with business need

With our 'Make Vs. Buy' strategy, which facilitates a harmonious balance between in-house manufacturing and contract manufacturing, we collaborate closely with our supply partners. Given the dynamic nature of the market, forecasts, product testing and development, as well as design outcomes, may necessitate adjustments to our plans. Therefore, it becomes crucial for us to ensure the timely production of the correct quantity and type of products. Through continuous support and regular communication with our supply partners, we ensure they are informed about any changes in plans to accommodate evolving business requirements.

Sustainable procurement

In addition to our comprehensive evaluation process of supply partners, which assesses ESG regulatory compliance, we also conduct regular assessments of our top and critical supply partners to verify compliance and qualifications. These practices ensure that our procurement activities adhere to environmental and regulatory standards, underscoring our dedication to sustainability.

We have transitioned to RoHS (Restriction of Hazardous Substances) compliant materials across all the brands under Bajaj Electricals, ensuring our products meet regulatory standards.

Mulya - A platform for innovative ideas

We spearhead innovation and the integration of sustainable materials through Mulya within our Supply Chain management framework. Introducing sustainable packaging and materials represents a significant stride in our journey towards sustainable procurement. For logistics, we have implemented Electric Vehicles for deliveries in the NCR region, aimed at minimising the carbon footprint associated with our customer deliveries.

Supplier Screening

It is systematic desk research of suppliers' risk for negative ESG impacts and their business relevance. We have conducted suppliers screening for CP business on ESG grounds.

Supplier Screening (CP)	FY 2024
Total number of Tier-1 suppliers	100
Total number of significant suppliers in Tier-1	23
% of total spend on significant suppliers in Tier-1	80%
Total number of significant suppliers (Tier-1 and non Tier-1)	**23**

Supplier Assessment (CP)	FY 2024
Total number of suppliers assessed via desk assessments/on-site assessments	40
% of unique significant suppliers assessed	96%
Number of suppliers assessed with substantial actual/potential negative impacts	40
% Of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	39%
Number of suppliers with substantial actual/potential negative impacts that were terminated	0

Way forward

We are in the process of implementing a vendor assessment platform. By streamlining the evaluation process and reducing manual tasks, we aim to save time and ensure automated, error-free results.

Natural Capital

For a sustainable future for all

Our manufacturing process is dependent on various natural resources and also has its own impact on the environment. Therefore, we are continuously balancing sustainable practices and resource efficiency to preserve precious resources and minimise our ecological footprint. We are harnessing cutting-edge technologies and refining resource allocation strategies to streamline waste, water and energy management processes.

Material topics

- Energy management
- Water management
- Less than 1% waste sent to landfill

UN SDG linkage

Social and relationship Capital

Focus on providing energy-efficient products to customers, enabling them to be environment conscious.

Human Capital

Creating environmental awareness and promoting a culture of responsible usage of natural resources among our employees.

Manufactured Capital

Installation of treatment plants in the manufacturing units as a step towards environmental stewardship.

Intellectual Capital

Innovating and implementing methods to reduce material waste and mitigate environmental harm.

Financial Capital

Significant investments for efficient management of natural resources.

We are building a sustainable future by transitioning towards eco-friendly alternatives. Our concerted effort not only underscores our commitment to environmental stewardship, but also positions us at the forefront of responsible business practices, driving positive change for our planet and future generations.

Addressing Climate Change

We conduct monitoring of air emissions, ambient air quality, and work zone air quality through government-approved laboratories, ensuring stringent compliance and precision. To optimise resource usage, we have implemented sub-meters for electricity and water meters at key consumption points. Our Environmental Management System (EMS) holds ISO 14001:2018 certification, and our Chakan and Nirlep units have achieved Zero Waste to Landfill certification. Employing a proactive approach, we perform rigorous monitoring and conduct Aspect and Impact studies along with Hazard Identification and Risk Assessments (HIRA) to pre-emptively identify and mitigate potential risks.

Progressive Energy Management

Our commitment to sustainable energy is evident in our GoGreen initiatives. Rooftop solar systems installed at all our facilities and R&D centre facilities boost our renewable energy capacity and significantly reduce our carbon footprint. We leverage Variable Frequency Drives (VFDs) to fine-tune motor speed, greatly enhancing energy efficiency. Energy consumption is monitored through sub-meters, while innovative practices—such as sensor-based taps, washable alternatives to disposable cups, and Green Seal chemicals—further optimise our energy usage. Additionally, we maximise the use of natural light and employ motion sensors to conserve energy.

49,875 GJ

Energy consumption

2,096 KWp

Installed Renewable Capacity

Targeted Waste Management

Adhering to the 4R principles (Refuse, Reduce, Reuse, Recycle), we are committed to minimising waste generation. Waste is segregated at the point of generation, and we collaborate with authorised recyclers for plastic, batteries, and e-waste. Our awareness and collection drives, along with achieving Zero Waste to Landfill certification, demonstrate our commitment to environmental sustainability.

We engage suppliers in waste management through regular audits, capacity-building initiatives, and collaboration with industry associations to promote waste reduction. Our strategic initiatives include developing eco-friendly products and packaging that appeal to environmentally conscious consumers.

98 %

Waste Recovered through Recycling, Reusing or other Recovery Operations

Water management

Water conservation is crucial for preserving our planet's precious resources, and we are implementing initiatives to promote responsible water usage. This is being done through our various water conservation initiatives that we have focused on implementing during FY2024.

Smart water monitoring

The implementation of smart water monitoring involves the strategic installation of water meters at crucial points where water is consumed or withdrawn. These meters are equipped with advanced technology that enables precise tracking and monitoring of water usage in real-time. By collecting data from these meters, we gain insights into consumption patterns, identify areas of high usage or potential leaks and optimise our water conservation.

Zero Liquid Discharge (ZLD) systems

We have installed Zero Liquid Discharge (ZLD) system in both our Chakan and Nashik facilities which not only eliminate liquid discharge but also prioritise sustainability by repurposing recycled water for landscaping purposes. Additionally, our streamlined processes ensure that recycled water is efficiently redirected back to the user endpoint, resulting in a significant reduction in overall water consumption.

105 CMD
Total Installed Capacity of STP

At both our Chakan and Nashik plants, we have installed state-of-the-art Sewage Treatment Plants (STP) to responsibly use domestic water. These advanced facilities not only meet stringent quality standards, but also allow us to repurpose treated water efficiently. Through vigilant monitoring, we ensure optimal water usage. The treated water from our STPs is utilised in green belt development, fostering a closed-loop system that maximises resource efficiency.

Pipeline maintenance

Regular maintenance of our water pipelines is imperative to minimise water loss. We prioritise this proactive approach to ensure that any potential leakages are promptly identified and addressed. By consistently maintaining our pipelines, we prevent unnecessary wastage and enhance the overall efficiency of our water distribution system.

Modernised water taps

By embracing contemporary design and functionality, we have modernised water taps throughout our facilities. This enhancement not only improves user experience but also underscores our dedication to integrating the latest innovations in water conservation technologies.

22 KLD
Total Installed Capacity of ETP

At our Nashik plant, we have achieved a significant milestone with the completion of a comprehensive Effluent Treatment Plant (ETP), which includes primary, secondary and tertiary stages, along with state-of-the-art Reverse Osmosis (RO) treatment. Complementing this set-up is an advanced Evaporation plant seamlessly integrated into the system, resulting in a closed-loop approach where all ETP water is efficiently recycled within the plant. This comprehensive set-up, comprising the ETP, RO system, and Evaporation unit, works synergistically to treat process effluent, meeting stringent environmental standards.

Our manufacturing facilities are strategically located in regions unaffected by water scarcity, showcasing our environmental consciousness.

As a responsible organisation, we are currently undergoing the water footprint and risk assessment of our manufacturing and the research facilities by an external consultant. Post that BEL we will be implementing the Rainwater harvesting system at these facilities.

We also actively collaborate with our CSR team to aid in water harvesting projects within various communities, thereby enhancing local water resources.

6,292 kilolitres

Wastewater recycled

Biodiversity

At our Nashik plant, we are planning on a transformative initiative to enrich the ecological landscape through the creation of a captivating butterfly garden, aimed at enhancing biodiversity in the region, while also enhancing the aesthetic appeal to our surroundings.

Also, we have extended our involvement in planting native species of trees. By choosing indigenous flora, we not only enhance the natural beauty of our environment, but also contribute to the preservation of local biodiversity.

9,200

Native species of trees planted

Environmental audits

We conduct regular internal and external audits in compliance with ISO 14001 standards. These audits serve as thorough assessments of our Environmental Management System (EMS), guaranteeing our adherence to the highest levels of environmental responsibility.

Our Chakan unit is

ISO 14001

certified by TÜV SÜD South Asia Private Limited and Nashik unit is certified by Integral Certification Private Ltd.

Certified

Vendor sustainability

We have developed a comprehensive checklist for conducting Environmental, Social, and Governance (ESG) assessments of our vendors. This robust framework emphasises evaluating the supply chain impact, recognising its crucial role in shaping our overall sustainability endeavours. Particularly, we maintain vigilance in assessing greenhouse gas (GHG) emissions throughout the supply chain. This involves a thorough examination of carbon footprint and their potential effects on biodiversity. Through scrutinising these aspects, our aim is to minimise our environmental footprint and cultivate a supply chain that aligns with our commitment to preserving biodiversity. We have assessed 40 vendors of CP business and 9 vendors of lighting business during the reporting period.

Way forward

We plan to install rainwater harvesting systems within our facilities. Also, we will be expanding the number of water meters at consumption points to ensure meticulous monitoring of water usage.

Corporate Information

Board of Directors

Shekhar Bajaj
Chairman

Anuj Poddar
Managing Director & CEO

Madhur Bajaj
Non-Executive Director

Rajiv Bajaj
Non-Executive Director

Pooja Bajaj
Executive Director

Shailesh Haribhakti
Independent Director

Vikram Hosangady
Independent Director

Saurabh Kumar
Independent Director

Swati Salgaocar
Independent Director

Sudarshan Sampathkumar
Independent Director

Chief Financial Officer

E C Prasad

Company Secretary and Chief Compliance Officer

Prashant Dalvi

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.

Registered Office

45/47, Veer Nariman Road,
Mumbai - 400 001
CIN: L31500MH1938PLC009887

Corporate Office

27th Floor, One Unity Center,
Senapati Bapat Marg,
Prabhadevi West, Mumbai 400013
Mulla House, 51 M. G. Road,
Fort, Mumbai 400 001

Factories

Aurangabad Units | Chakan Unit | Nashik Unit

Branch Offices

Ahmedabad | Bangalore | Bhubaneswar | Chandigarh | Chennai | Cochin | Dehradun | Delhi | Guwahati | Hyderabad | Indore | Jaipur | Kolkata | Kundli | Lucknow | Mumbai | Nagpur | Noida | Patna | Pune | Raipur | Ranchi | Vijaywada

Depots

Ahmedabad | Bangalore | Coimbatore| Guwahati | Hyderabad | Kolkata | Lucknow | Mumbai | Nagpur | Noida | Patna | Sanpka | Zirakpur

Central Warehouses

Hyderabad | Kulana | Mumbai | Tepla | Vapi

Overseas Representative / Liaison Offices

China | Dubai

Notice of the Annual General Meeting

Notice is hereby given that the Eighty-fifth (85th) Annual General Meeting (AGM) of the members of Bajaj Electricals Limited (the "Company") will be held on Tuesday, August 6, 2024, at 3:00 PM (IST) via Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider, and adopt the:**

   A. Audited financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon; and

   B. Audited consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the report of the Auditors thereon.

2. To declare a dividend of ₹ 3.00 per equity share of face value of ₹ 2 each for the financial year ended March 31, 2024.

3. To appoint a director in place of Mr. Anuj Poddar (DIN 01908009), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To appoint Ms. Pooja Bajaj (DIN 08254455) as a Director of the Company, and, in this regard, to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), Ms. Pooja Bajaj (DIN 08254455) who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 14, 2024 in terms of Section 161 of the Act and who is eligible for appointment as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To appoint Ms. Pooja Bajaj (DIN 08254455) as a Whole-time Director of the Company, with the designation and title of 'Executive Director', and to approve the remuneration payable to her, and, in this regard, to consider and, if thought fit, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT, pursuant to the provisions of Sections 196, 197, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Articles of Association, and the Remuneration Policy of the Company, as amended, Ms. Pooja Bajaj (DIN 08254455) be and is hereby appointed as a Whole-time Director of the Company, with the designation and title of 'Executive Director', for a period of five (5) years, with effect from May 14, 2024 to May 13, 2029, upon such terms and conditions including remuneration as set out in the explanatory statement pursuant to Section 102(1) of the Act, annexed hereto.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include, unless the context otherwise requires, any committee of the Board or any director(s) or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) shall, in accordance with the statutory limits/approvals as may be applicable, be at full liberty to modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, as it may deem fit and to take such steps and do and perform all such acts, deeds, matters, and things as may be considered necessary, proper, or expedient to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

6. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2025, and, in this regard, to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 1,89,750/- (Rupees One Lakh Eighty-Nine Thousand and Seven Hundred Fifty only) plus applicable taxes and reimbursement of out-of-pocket expenses, as approved by the Board upon recommendation of the Audit Committee, to be paid to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No.000010), as Cost Auditors of the Company for conducting the cost audit for the financial year 2024-25, be and is hereby ratified, confirmed, and approved."

7. To approve the payment of remuneration to Non-Executive Directors, and, in this regard, to consider and, if thought fit, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT, pursuant to the provisions of Sections 197, 198, and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other prevailing law (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) approval of the members be and is hereby accorded to the payment of commission to Directors other than Managing Director(s) / Whole-time Director(s) (hereinafter referred to as the "Non-Executive Directors"), in addition to sitting fees for attending meetings of the Board of Directors, Independent Directors, Committee(s) of the Board, etc., or for any other purpose whatsoever as may be decided by the Board, not exceeding in the aggregate, one per cent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 and other applicable provisions, if any, of the Act, to be paid to and distributed amongst the

Non-Executive Directors in such amounts or proportions and in such manner as the Board of Directors (hereinafter referred to as the "Board", which term shall include, unless the context otherwise requires, any committee of the Board or any director(s) or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) may determine, and such payment shall be made in respect of the profits of the Company for each of the five years commencing from April 1, 2024.

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

8. To approve borrowing by way of issue of securities and, in this regard, to consider and, if thought fit, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT, pursuant to 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 made thereunder, as may be applicable, and other relevant guidelines and regulations issued by the Securities and Exchange Board of India or any other prevailing law (including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and in terms of the Articles of Association of the Company, the 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 include, unless the context otherwise requires, any committee of the Board or any director(s) or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) 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 on a private placement basis, in domestic and/or international markets, in one or more series/ tranches aggregating up to an amount not exceeding ₹ 500 crore (Rupees 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 decisions regarding 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.

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

By Order of the Board of Directors
of **Bajaj Electricals Limited**

Prashant Dalvi
Chief Compliance Officer & Company Secretary
ICSI Membership No. A51129
Mumbai, May 14, 2024

Registered Office:
45/47, Veer Nariman Road, Mumbai 400001, India.
CIN: L31500MH1938PLC009887
Website: www.bajajelectricals.com
E-mail: legal@bajajelectricals.com
Tel.: +91 22 6149 7000

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), setting out material facts concerning the business under Item Nos. 4 to 8 of the accompanying Notice, is annexed hereto. The Explanatory Statement also contains the relevant details of the Directors as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard – 2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India ("ICSI").

2. The Ministry of Corporate Affairs, Government of India ("MCA") vide General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022, 10/2022, and 9/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, and September 25, 2023, respectively ("MCA Circulars"), has allowed the conducting of Annual General Meetings ("AGM") by companies through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facility up to September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also, vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023 ("SEBI Circulars"), has provided certain relaxations from compliance with specific provisions of the SEBI Listing Regulations. In compliance with these circulars, provisions of the Act, and the SEBI Listing Regulations, the 85th AGM of the Company is being conducted through VC/OAVM, which does not require the physical presence of members at a common venue. The deemed venue for the 85th AGM shall be the Registered Office of the Company.

3. In terms of the MCA Circulars, physical attendance of members has been dispensed with, and therefore, there is no requirement for the appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 85th AGM. However, pursuant to Sections 112 and 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting, for participation in the 85th AGM through VC/OAVM facility, and for e-Voting during the 85th AGM.

4. In terms of the MCA Circulars and relevant circulars issued by SEBI, the Notice of the 85th AGM and the Annual Report for the financial year ended March 31, 2024 are being sent only through electronic mode to those members

whose email addresses are registered with the Company/ Depository Participants ("DPs"), and will also be available on the website of the Company at www.bajajelectricals.com, on the website of BSE Limited at www.bseindia.com, on the website of the National Stock Exchange of India Limited at www.nseindia.com, and also on the website of Link Intime India Private Limited ("LinkIntime") at www.instavote.linkintime.co.in. Since the 85th AGM will be held through VC/OAVM facility, the Route Map is not annexed in this Notice.

5. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, SS-2 issued by the ICSI, and Regulation 44 of the SEBI Listing Regulations read with MCA Circulars, the Company is providing a remote e-Voting facility to its members in respect of the businesses to be transacted at the 85th AGM, and a facility for those members participating in the 85th AGM to cast their vote through the e-Voting system. For this purpose, LinkIntime shall provide a facility for voting and participation through the VC/OAVM facility.

6. Members may join the 85th AGM through the VC/OAVM facility by following the procedure mentioned below, which shall be kept open for the members from 2:30 PM IST, i.e., 30 minutes before the time scheduled to start the 85th AGM.

7. Attendance of the members participating in the 85th AGM through the VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. An electronic copy of the Annual Report for the financial year ended March 31, 2024, along with the Notice of the 85th AGM of the Company, inter alia, indicating the process and manner of e-Voting, is being sent to all the members whose email addresses are registered with the Company/DPs for communication purposes, unless any member has requested a hard copy of the same. In case any member is desirous of obtaining a hard copy of the Annual Report for the financial year ended March 31, 2024, and the Notice of the 85th AGM of the Company, they may send a request to the Company's email address at legal@bajajelectricals.com, mentioning their Folio No./DP ID and Client ID. Members whose email addresses are not registered with the Company or with their respective DP and who wish to receive the Notice of the 85th AGM and the Annual Report for the financial year ended March 31, 2024, as well as all other communications sent by the Company from time to time, can get their email addresses registered by following the steps given below:

   a) Those Members, who are holding shares in physical form and have not updated their e-mail IDs with the Company, are requested to update the same by submitting a duly filled and signed Form ISR-1 along with a self-attested copy of the PAN Card, and self-attested copy of any document (eg.: Aadhaar Card, Driving License, Voter Identity Card, Passport) in support of the address of the Member, to Link Intime at Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

   b) Those Members, who are holding shares in demat form are requested to register/update their email addresses with their respective DPs.

9. The dividend for the financial year ended March 31, 2024, as recommended by the Board of Directors, if approved/declared by the members at the AGM, will be paid on or after August 10, 2024, to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as of July 19, 2024 ("Record Date").

10. Members holding shares in electronic form are hereby informed that the bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividends.

11. Members holding shares in physical form are required to submit their KYC details as per the Circulars issued by SEBI in this regard. In respect of physical folios wherein KYC details are not updated before the cut-off date, the dividend will be held back by the Company. Members may please note that the dividends will get credited to their bank account only after the KYC details are updated in the folio.

12. Members holding shares in dematerialised mode are requested to register complete bank account details with their DPs.

13. In case the Company is unable to pay the dividend to any member by electronic mode due to non-availability of bank account details, the Company shall dispatch the dividend warrants to such member by post.

14. As per the Income Tax Act, 1961 ("IT Act"), dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the members, and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to the members, subject to approval of members in the ensuing AGM. For the prescribed rates for various categories, please refer to the Finance Act, 2020, and its amendments.

15. A separate email communication has been sent to the members, informing them of the relevant procedure to be adopted and documents to be submitted for availing the applicable tax rate. This communication, along with drafts of the exemption forms and other documents, has been made available on the Company's website at www.bajajelectricals.com. Resident and non-resident members should upload the scanned copies of the requisite documents at https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before July 19, 2024, to enable the Company to determine the appropriate TDS/withholding tax rate, as applicable.

16. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund ("IEPF"):

   a. Pursuant to the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividends have not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

   b. During the Financial Year 2023-24, the Company has transferred the following unclaimed dividends and unclaimed shares to the IEPF:

Particulars	Dividend (₹)	No. of Shares
Interim Dividend FY 2015-16	17,48,597.20	2,347

   c. The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. Details of the unclaimed dividends are also available on the Company's website at www.bajajelectricals.com, and these details have also been uploaded to the website of the IEPF Authority, accessible through the link www.iepf.gov.in.

17. SEBI has mandated the updating of PAN, contact details, bank account details, specimen signature, and nomination details against each folio/demat account. PAN is also required to be updated for participating in the securities market, deleting the name of a deceased holder, and the transmission/transposition of shares. As per the applicable SEBI Circular, PAN details must be compulsorily linked to Aadhaar details by the date specified by the Central Board of Direct Taxes. Members are requested to submit their PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, email address, contact numbers, specimen signature (as applicable), etc., to their DP in the case of holdings in dematerialised form or to the Company's RTA, LinkIntime, through Form ISR-1, Form ISR-2, and Form ISR-3 (as applicable) available on the Company's website at www.bajajelectricals.com and on the website of LinkIntime at https://web.linkintime.co.in/.

18. Members may note that SEBI, vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that listed companies issue securities in dematerialised form only while processing certain prescribed service requests. Further, SEBI, vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022, has simplified the procedure and standardised the format of documents for the transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be, the formats of which are available on the Company's website at www.bajajelectricals.com and on the website of LinkIntime at https://web.linkintime.co.in/. Members are requested to note that any service request will only be processed after the folio is KYC Compliant.

19. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for the transfer of securities, including transmission and transposition requests, shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise their holdings.

20. Members may note that, in terms of the SEBI Listing Regulations, equity shares of the Company can only be transferred in dematerialised form.

21. In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at www.bajajelectricals.com. Members are requested to submit the said details to their respective DP, in the case the shares are held by them in dematerialised form and to the Company/LinkIntime, in the case the shares are held by them in physical form.

22. Documents referred to in the accompanying Notice of the 85th AGM and the Explanatory Statement shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 85th AGM. During the 85th AGM, members may access the scanned copy of these documents upon logging in to the LinkIntime e-Voting system at https://instavote.linkintime.co.in/.

23. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 85th AGM. During the 85th AGM, members may access the scanned copy of these documents upon logging in to the LinkIntime e-Voting system at https://instavote.linkintime.co.in/.

24. Details as required under Regulation 36 of the SEBI Listing Regulations and SS-2 issued by ICSI, in respect of the Director seeking re-appointment at the 85th AGM, are provided in the Annexure herewith and form an integral part of this Notice. Requisite declarations have been received from the Director seeking re-appointment.

25. General instructions for accessing and participating in the meeting through the VC/OAVM facility and voting through electronic means, including remote e-Voting:

A. Voting Through Electronic Means

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and the provisions of Regulation 44 of the SEBI Listing Regulations, the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by LinkIntime on all Resolutions set forth in this Notice.

The remote e-voting period commences on August 2, 2024 (9:00 A.M. IST) and ends on August 5, 2024 (5:00 P.M. IST). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of July 30, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LinkIntime for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

Pursuant to SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and DPs only. Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-Voting facility. Remote e-Voting Instructions for shareholders:

a. For Individual Shareholders holding securities in demat mode with NSDL: -

- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.

- After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

b. For Individual Shareholders holding securities in demat mode with CDSL: -

- Existing user who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com and click on quick links for 'Easi/Easiest' portal.
- After successful login of Easi/Easiest the user will also be able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration.
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress.

c. For Individual Shareholders holding securities in demat mode and login through their DPs:-

- You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility.
- Once logged in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

d. For Individual Shareholders holding securities in Physical mode and e-voting service Provider is LINKINTIME:-

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

   A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.

   B. PAN: Enter your 10-digit PAN. Members who have not updated their PAN with the DP/Company shall use the sequence number as provided.

   C. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   - Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.
   - Set the password of your choice (the password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
   - Click "confirm" (your password is now generated).

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e., Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

e. For Institutional shareholders: -

Institutional shareholders (i.e. other than Individuals, HUF, NRI, and custodians are required to log on the e-voting system of LinkIntime at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney, etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

f. If Individual Shareholders (holding securities in physical mode, and e-Voting service provider is LINKINTIME), have forgotten the password:-

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/member is having valid email address, password will be sent to his / her registered e-mail address.
- Shareholders/member can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

g. If Individual Shareholders (holding securities in demat mode with NSDL/ CDSL) have forgotten the password:-

- Shareholders/Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/DP website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

h. Helpdesk for Individual Shareholders holding securities in demat mode:-

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e., NSDL/CDSL, they may contact the respective helpdesk given below:

- Individual Shareholders holding securities in demat mode with NSDL: Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
- Individual Shareholders holding securities in demat mode with CDSL: Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

i. Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders & e-Voting service Provider is LINKINTIME:- In case shareholders/members holding securities in physical mode/Institutional shareholders have any queries regarding e-Voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

j. Process for those shareholders whose email addresses are not registered with the Company/Depositories for obtaining login credentials for e-Voting for the resolutions proposed in this notice:-

1. For physical shareholders – Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to rnt.helpdesk@linkintime.co.in.
2. For Demat shareholders – Members are requested to update their email address with the DPs by following the procedure advised by them and then follow the instructions as detailed above to login for e-Voting.

B. Instructions for attending the AGM through VC/OAVM

Shareholders/Members are entitled to attend the AGM through VC/OAVM provided by Linkintime by following the below mentioned process:

a. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

b. Select the 'Company' and 'Event Date' and register with your following details:

A. Demat Account No. or Folio No.: Enter your 16 digit Demat Account No. or Folio No., as below-

- Shareholders/Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- Shareholders/Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
- Shareholders/Members holding shares in physical form shall provide Folio Number registered with the Company.

B. PAN: Enter your 10-digit PAN. Members who have not updated their PAN with the DP/Company shall use the sequence number as provided.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

c. Click 'Go to Meeting' (you are now registered for InstaMeet and your attendance is marked for the meeting).

C. Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting

a. Shareholders/Members who would like to express their views/ask questions during the meeting may register themselves as 'speakers' by sending their request mentioning their name, demat account number/folio number, email id, mobile number at least 3 days in advance with the Company at legal@bajajelectricals.com.

b. Shareholders/Members will get confirmation on first cum basis depending on the availability of time for the AGM.

c. Shareholders will receive 'speaking serial number' for the meeting.

d. Shareholders/Members, who would like to ask questions, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at legal@bajajelectricals.com. The same will be replied by the Company suitably.

e. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

f. For a smooth experience of viewing the AGM proceedings, Shareholders/Members who are registered as speakers for the event are requested to download and install the 'Webex Meetings' application by clicking on the link: https://www.webex.com/downloads.html/

g. Shareholders/Members are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

Note: Those Shareholders/Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Shareholders/Members may use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

D. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet

Once the electronic voting is activated by the Scrutiniser during the meeting, Shareholders/Members who have not already exercised their vote through the remote e-Voting can cast the vote as under:

a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMeet and click on 'Submit'.

c. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under "Favour/Against'.

e. After selecting the appropriate option i.e. "Favour/ Against" as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

Other Instructions

a. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

b. The result declared along with the Scrutiniser's Report shall be placed on the Company's website www.bajajelectricals.com and on the website of LinkIntime https://instavote.linkintime.co.in immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

26. The Board of Directors has appointed Messrs MMJB & Associates LLP, Practising Company Secretaries, having FCS No. A43029 and CP No. 24580, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4 & 5

Based on the recommendation of the Nomination & Remuneration Committee ("NRC"), the Board of Directors at its meeting held on May 14, 2024, appointed Ms. Pooja Bajaj (DIN 08254455) as an Additional Director of the Company with effect from May 14, 2024, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act").

Pooja Bajaj's professional journey is defined by a holistic blend of academic excellence, strategic acumen, and a commitment to corporate governance and social responsibility. Armed with a Bachelor's Degree in Commerce with Specialisation in Foreign Trade, she also earned the prestigious Gold Medal (commerce) in her batch from Nasr School, Hyderabad and was the 'Head Girl' of the school for her leadership qualities.

Pooja embarked on a path of continuous learning. She did her Master's in Management from the University of Leeds, England, and her Postgraduate Diploma in Human Resource Management from Osmania University, Hyderabad, further equipped her with the skills necessary for navigating the complex landscape of modern business.

#Awarded Certificate of Merit for Academic Excellence in Vocational Education

#Awarded a Certificate of participation at the Fourth Commonwealth-India Small Business Competitiveness Development Programme in collaboration with Exim Bank India-National Small Industries Corporation (NSIC) & Commonwealth Secretariat

#Certificate of accomplishment for participating in the Mini MBA Management Essentials Programme from Think Education in collaboration with faculty from New York University-Columbia University.

Since joining the board of Bajaj Electricals Ltd. in November 2018, Pooja has been instrumental in getting trained on the company's strategic direction and learning about its culture of excellence.

Recognizing the importance of hands-on experience, she dedicated 2.5 years to immersive training in the consumer durable segment, gaining a comprehensive understanding of market dynamics, competitive landscapes, and financial nuances. This groundwork laid the foundation for her in-depth knowledge about the FMEG sector. In May 2022, she completed the 'ISB-EY Executive Programme on Board Effectiveness,' which empowered women leaders to develop board responsibilities and strategies to achieve corporate goals.

Pooja's commitment to Corporate Social Responsibility is evident through her multifaceted involvement in various initiatives. As a Trustee of the Bajaj Electricals Foundation, she worked on bringing focus to its portfolio of projects hence make a meaningful impact in the communities the company serves, while also championing the development of various initiatives for internal employee volunteering programs. Additionally, her role as a Trustee of the Laxmi Narayan Devasthanam Trust, Wardha, underscores her dedication to community development.

Beyond her corporate responsibilities, Pooja remains deeply engaged in fostering industry best practices and promoting ethical business conduct at her involvement as committee member in Ladies' Wing IMC Chamber of Commerce and Industry highlights her commitment to upholding the highest standards of integrity for social projects on women's rural entrepreneurship.

Pooja's recent involvement in operationalizing the Khadi Exhibition sponsored by Bajaj Electricals Ltd., aptly named Swadheen, exemplifies her hands-on approach to driving initiatives that resonate with the company's ethos and values. Her gentle leadership and dedication have allowed her to drive various such successful projects for the company.

Pooja Bajaj's creativity extends beyond the boardroom, as she is an accomplished artist. Her exhibition at Jehangir Art Gallery, titled 'Unleashed—Defining the Abstract,' defined the abstract beauty of nature and revolved around the valour of the horses, tigers, and elephants.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Ms. Pooja Bajaj for the office of Director of the Company. Ms. Pooja Bajaj has conveyed her consent to act as a Director of the Company and she also confirmed that she is not disqualified from being appointed as such in terms of Section 164 of the Act and she is not debarred from holding the office of Director by virtue of any order passed by SEBI or any such authority. The Company has also received other necessary disclosures from Ms. Pooja Bajaj.

Accordingly, it is proposed to appoint Ms. Pooja Bajaj as a Director of the Company liable to retire by rotation.

The Board of Directors, at the same meeting, as per the recommendations of the NRC and given the knowledge, background, experience and past performance of Ms. Pooja Bajaj, decided that it would be in the best interest of the Company to appoint her on the Board as a Whole-time Director as she fulfills the requisite criteria laid down by the Board in the Company's Nomination & Remuneration Policy for appointment as a Director of the Company and as required in the context of the Company's business and sector it operates in. In view of the same, the Board of Directors appointed Ms. Pooja Bajaj as a Whole-time Director of the Company, with the designation and title of 'Executive Director', for a period of 5 (Five) years, commencing from May 14, 2024, till May 13, 2029, subject to the approval of the Members of the Company.

Pooja Bajaj satisfies all the conditions set out in Part-1 of Schedule V to the Act as also the conditions set out under Section 196(3) of the Act for being eligible for this appointment.

The Board of Directors has, accordingly, considered the following terms and conditions of Pooja Bajaj's appointment as per the recommendations of the NRC which is in accordance with Schedule V of the Act:

i. **Term:** 5 years with effect from May 14, 2024, till May 13, 2029. Ms. Pooja Bajaj will be liable to retire by rotation.

ii. **Remuneration:**

   a) Basic Salary: ₹ 35,000/- per month.

   b) Other Allowance: ₹ 59,050/- per month.

   c) Provident Fund: The contribution towards Provident Fund as per the rules of the Company, will not be included in the computation of the ceiling on perquisites to the extent not taxable under the Income Tax Act, 1961 (at present, this is limited to 12% of the Basic Salary).

   d) Gratuity: As per the rules of the Company.

   e) Mobile Phone: Reimbursement at actual.

   f) Car: Provision of car for use of Company's business with reimbursement of fuel, maintenance and driver salary as per the rules of the Company.

   g) Other perquisites and emoluments, including Group Mediclaim, Group Personal Accident Insurance and Group Term Life Insurance, as per the rules of the Company.

   h) Severance fees: Not applicable.

   i) Notice period: Three (3) months.

   j) Other terms: The terms and conditions of the said appointment/remuneration 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 Whole time Director in accordance with the provisions of the Act or any amendments made hereinafter in this regard.

   k) Pooja Bajaj shall not be entitled to a sitting fee for attending the meetings of the Board of Directors or any committee thereof.

The above terms are subject to the applicable provisions of the Act, the Rules made thereunder and approval of the members.

As per the provisions of Sections 152, 196 and 197 of the Act and the Rules thereunder, a Director / Whole-time Director can be appointed with the approval of the Members in the General Meeting. Accordingly, approval of the Members is sought for the appointment and remuneration of Pooja Bajaj as a Director and Whole-time Director of the Company.

As required under Regulation 36 of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed as Annexure hereto, and forms a part of this Notice.

The terms and conditions set out in Item Nos. 4 & 5 may also be treated as disclosure in compliance with the requirement of Section 190 of the Act.

Except Ms. Pooja Bajaj and her relative Shekhar Bajaj (father-in-law) (to the extent of their shareholding), none of the other Directors and/or KMP's or their relatives are concerned or interested, financially or otherwise, in the Item Nos. 4 & 5 set out in this Notice.

The Board recommends the Ordinary and Special Resolutions set out at Item Nos. 4 & 5 of the Notice respectively for approval by the members.

Item No.6

The Board of Directors, at its meeting held on May 14, 2024, upon the recommendation of the Audit Committee, approved the appointment of Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration Number: 000010), to conduct the audit of the cost records of the Company on a consolidated remuneration of ₹1,89,750/- (Rupees One Lakh Eighty-Nine Thousand and Seven Hundred Fifty only) (excluding all applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the audit) for the financial year ending March 31, 2025.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), the remuneration as mentioned above, payable to the Cost Auditor, is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel, and their relatives are in any way concerned or interested, financially or otherwise, in this resolution, except to the extent of their respective shareholdings, if any, in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No.7

The Company at its 80th Annual General Meeting held on August 7, 2019, had sought approval from members for the payment of remuneration by way of commission to the Non-Executive Directors ("NEDs") of the Company, not exceeding one (1) percent per annum of the Annual Net Profits of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Companies Act, 2013 ("Act") for a period of five (5) financial years commencing from April 1, 2019, to March 31, 2024.

Considering the rich experience and expertise brought to the Board by the NEDs, and to acknowledge their contribution to the growth of the Company, it is proposed to continue paying commission to the NEDs of the Company based on the Annual Net Profits of the Company for a period not exceeding five years, effective from April 1, 2024, as set out in the Resolution.

Such payment will be in addition to the sitting fees for attending the Board/Committee meetings or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board/Committee meetings.

Pursuant to Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all fees or compensation (excluding sitting fees within the limits of the Act), if any, paid to NEDs, including Independent Directors, shall require approval of the members in a general meeting.

Accordingly, the approval of the members is being sought for the payment of commission to the NEDs of the Company, not exceeding one (1) percent per annum of the Annual Net Profits of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Act for a period of five (5) financial years commencing from April 1, 2024, to March 31, 2029, by way of a Special Resolution as set out at Item No. 7 of the Notice.

All the NEDs of the Company and their relatives may be deemed to be concerned or interested in this resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

Item No.8

In terms of Section 42 of the Companies Act, 2013 (the "Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"), a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe has been previously approved by the members of the company by a special resolution. In the case of an offer or invitation for the 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, 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 markets, 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 ₹ 500 crore (Rupees Five Hundred Crore only), at a discount, 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.

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

Particulars	As at 31-Mar-24	As at 31-Mar-23
Paid-up Capital and Free Reserves	761.67	1,243.69
Outstanding Borrowings	0.00	0.17

The approval sought for the 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. Subject to the approval of the members, the Board of Directors of the Company has approved the aforesaid proposal vide its resolution dated May 14, 2024.

None of the Directors, Key Managerial Personnel, and their relatives are in any way concerned or interested, financially or otherwise, in this resolution, except to the extent of their respective shareholdings, if any, in the Company.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board of Directors
of **Bajaj Electricals Limited**

Prashant Dalvi
Chief Compliance Officer & Company Secretary
ICSI Membership No. A51129
Mumbai, May 14, 2024

Registered Office:
45/47, Veer Nariman Road, Mumbai 400001, India.
CIN: L31500MH1938PLC009887
Website: www.bajajelectricals.com
E-mail: legal@bajajelectricals.com
Tel.: +91 22 6149 7000

ANNEXURE

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 85TH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Mr. Anuj Poddar

DIN : 01908009

Date of Birth and Age : July 15, 1974 (49 years)

Category / Designation	Managing Director & Chief Executive Officer
Date of Appointment	August 12, 2022
Date of first appointment on the Board of the Company	May 30, 2016
Qualifications	Mr. Anuj Poddar is a rank-holding Chartered Accountant. He is a Fellow of Ananta Aspen Centre's Kamalnayan Bajaj Fellowship, member of Aspen Global Leadership Network, Trustee of Ananta Centre, member of BMW Foundation's World Responsible Leaders' Forum, member of Confederation of Indian Industry's Economic Affairs Council and holds honorary positions across multiple bodies including Indian Society of Advertisers, CEAMA (Consumer Electronics & Appliances Manufacturers Association), IFMA (Indian Fan Manufacturers Association), ELCOMA (Electric Lamp & Component Manufacturers' Association of India) and IMC (Indian Merchants Chamber).
Experience and Expertise	Prior to joining Bajaj Electricals Limited, he was a part of the Leadership Team at Viacom18. In his over a decade long stint with Viacom18 he had a string of accomplishments. He spearheaded the formation of Viacom18 and has been a key architect in making it one of India's leading media and entertainment conglomerate. He also set-up Viacom18's operations in USA and UK, enabled the set-up of Viacom18 Motion Pictures and has led strategy for MTV Networks Asia.
Brief Resume	Prior to joining Viacom 18, he has had over a decade of myriad professional experience in strategy consulting, mergers & acquisitions and assurance with Arthur Andersen and KPMG, besides running his own entrepreneurial ventures. In all his pursuits, he brings to fore a unique blend of business acumen, diverse professional experience and deep insight into human and consumer behaviour that enable him to build and run strong successful businesses and organisations. Details of the core skills, expertise, and competencies of Board members are available on the Company's website.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	He has been serving as the Managing Director & Chief Executive Officer of the Company since August 12, 2022, prior to which he held the position of Executive Director of the Company since November 1, 2018.
Number of Meetings of the Board attended during the year (FY 2023-24)	6/6
List of Directorship on other Boards	• The Indian Society of Advertisers
List of Membership / Chairmanship of Committees on other Boards	Nil
Listed entities from which the person has resigned in the past 3 years	Nil
Shareholding in Bajaj Electricals Limited	8,010 equity shares
Number of Equity Shares held in the Company for any other person on a beneficial basis	Nil

Relationship with other directors, manager and other Key Managerial Personnel of the Company	None.
Terms and Conditions of appointment/re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Anuj Poddar who was appointed as the Managing Director & Chief Executive Officer on August 12, 2022, is liable to retire by rotation.
Details of remuneration last drawn (FY 2023-24)	₹ 990.75 lakhs
Details of remuneration sought to be paid	As per existing approved terms and conditions.
Justification for choosing the appointee for appointment as an Independent Director	Not Applicable.

Ms. Pooja Bajaj

DIN : 08254455

Date of Birth and Age : May 6, 1982 (42 years)

Category / Designation	Executive Director
Date of Appointment	May 14, 2024
Date of first appointment on the Board of the Company	November 1, 2018
Qualifications	Please refer to the Explanatory Statement forming a part of this Notice. Details of the core skills, expertise, and competencies of Board members are available on the Company's website.
Experience and Expertise	
Brief Resume	
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	
Number of Meetings of the Board attended during the year (FY 2023-24)	6/6
List of Directorship on other Boards	Nil
List of Membership / Chairmanship of Committees on other Boards	Nil
Listed entities from which the person has resigned in the past 3 years	Nil
Shareholding in Bajaj Electricals Limited	15,41,875 equity shares

Number of Equity Shares held in the Company for any other person on a beneficial basis	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Daughter-in-law of Mr. Shekhar Bajaj, Executive Chairman of the Company.
Terms and Conditions of appointment/re-appointment	Please refer to the Explanatory Statement forming a part of this Notice.
Details of remuneration last drawn (FY 2023-24)	₹ 13.50 lakh (sitting fees and commission)
Details of remuneration sought to be paid	Please refer to the Explanatory Statement forming a part of this Notice.
Justification for choosing the appointee for appointment as an Independent Director	Not Applicable.

INFORMATION AT A GLANCE

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Day, date, and time of AGM</td><td>Tuesday, August 6, 2024, at 03:00 p.m. (IST)</td></tr>
<tr><td>Mode</td><td>Video conference and other audio-visual means (VC)</td></tr>
<tr><td>Weblink for participation through VC</td><td>https://instameet.linkintime.co.in/</td></tr>
<tr><td>Helpline number for VC participation</td><td>022-49186175</td></tr>
<tr><td>Dividend record date</td><td>Friday, July 19, 2024</td></tr>
<tr><td>Closure of register of members and share transfer books</td><td>From Saturday, July 20, 2024, to Tuesday, August 6, 2024 (both days inclusive)</td></tr>
<tr><td>Dividend payment date</td><td>On or after Saturday, August 10, 2024</td></tr>
<tr><td>Cut-off date for e-Voting</td><td>Tuesday, July 30, 2024</td></tr>
<tr><td>E-Voting start time and date</td><td>Friday, August 2, 2024, at 09:00 A.M. IST</td></tr>
<tr><td>E-Voting end time and date</td><td>Monday, August 5, 2024, at 05:00 P.M. IST</td></tr>
<tr><td>E-Voting website</td><td>Refer to Point 25 in the notes to the Notice.</td></tr>
<tr><td>Name, address, and contact details of e-Voting service provider</td><td rowspan="2">Link Intime India Private Limited
C 101, 247 Park, Lal Bahadur Shastri Rd, Surya Nagar,
Gandhi Nagar, Vikhroli West, Mumbai 400083.
Tel.: 022 4918 6000.</td></tr>
<tr><td>Name, address, and contact details of Registrar and Transfer Agent</td></tr>
</table>

Board's Report

Dear Members,

The Board of Directors is pleased to present the Company's 85th Annual Report and the Company's audited financial statements for the financial year ended March 31, 2024.

FINANCIAL RESULTS

The highlights of the Standalone Financial Results are as under:

(₹ in crore, except for EPS)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations & Other Income	4,727.74	4,934.28
Profit before Finance Cost and Depreciation	346.16	419.79
Less: Finance Cost	63.48	43.62
Less: Depreciation	109.58	73.78
Profit/(Loss) before Taxes	173.10	302.39
Less: Provision for Tax expenses	37.22	86.95
Profit/(Loss) after Tax from continuing operations	135.88	215.44
Profit/(Loss) after Tax from discontinued operations	(4.09)	0.90
Profit/(Loss) after Tax from continuing and discontinued operations	**131.79**	**216.34**
Add: Other Comprehensive Income/(Loss) from continuing operations	(0.62)	1.73
Add: Other Comprehensive Income/(Loss) from discontinued operations	0.71	-
Total Comprehensive Income	**131.88**	**218.07**
Opening Balance in Retained Earnings	**760.99**	**576.44**
Add: Total Comprehensive Income transferred to Retained Earnings	131.95	218.38
Add: Transferred to retained earnings for vested cancelled options	0.55	0.64
Amount transferred to General Reserves	-	-
Dividend Paid	(46.04)	(34.46)
Derecognized pursuant to the Scheme of Demerger	(568.50)	-
Balance available for appropriation	**278.95**	**760.99**
Basic EPS (₹)	11.45	18.82
Diluted EPS (₹)	11.42	18.79

The highlights of the Consolidated Financial Results are as under:

(₹ in crore, except for EPS)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations & Other Income	4,727.74	4,934.28
Profit/(Loss) before Taxes	173.10	302.39
Share of Profit/(Loss) of subsidiaries, associates & joint ventures	-	-
Profit/(Loss) before Taxes	173.10	302.39
Less: Provision for Tax expenses	37.22	86.95
Profit/(Loss) for the period from continuing operations	135.88	215.44
Profit/(Loss) for the period from discontinued operations	(4.80)	0.74
Profit/(Loss) for the period from continuing and discontinued operations	131.08	216.18
Basic EPS (₹)	11.39	18.80
Diluted EPS (₹)	11.37	18.77

Return on Net Worth, Return on Capital Employed and EPS for the financial year ended March 31, 2024, and for the last four financial years, are given below:

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Return on Net Worth (%)	7.83	11.97	9.06	12.31	(0.01)
Return on Capital Employed (%)	13.90	19.20	14.01	13.85	8.20
Basic EPS (after exceptional items) (₹)	11.39	18.80	13.38	16.08	(0.01)

The financial results of the Company are elaborated in the Management Discussion and Analysis Report, which forms part of the Annual Report.

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the financial year 2023-24:

- Revenue from operations on standalone basis decreased to ₹ 4,641.27 crore as against ₹ 4,889.24 crore in the previous year - a degrowth of 5.07%.
- Revenue from Consumer Product Segment decreased by 4.26% to ₹ 3,603.90 crore.
- Revenue from Lighting Segment decreased by 7.79% to ₹ 1,037.37 crore.
- Exports for the year was ₹ 71.62 crore.
- Employee cost as a percentage to revenue from operations increased to 7.86% (₹ 364.93 crore) as against 7.03% (₹ 343.71 crore) in the previous year.
- Other expense as a percentage to revenue from operations decreased to 15.72% (₹ 729.60 crore) as against 16.14% (₹ 789.31 crore) in the previous year.
- The Profit after Tax for the current year is ₹ 131.79 crore as against ₹ 216.34 crore in the previous year - a degrowth of 39.08%.
- On a consolidated basis, the group achieved revenue of ₹ 4,641.27 crore as against ₹ 4,889.24 crore - a degrowth of 5.07. Net profit for the group for the current year is ₹ 131.08 crore as against ₹ 216.18 crore in the previous year - a degrowth of 39.37%.

As at March 31, 2024, the carrying value of the property, plant and equipment, investment property, capital work-in-progress, intangible assets under development, other intangible assets, and leased assets, stood at ₹ 789.28 crore. Net Capital Expenditure during the year amounted to ₹ 130.65 crore (₹ 56.34 crore in the previous year).

The Company's cash and cash equivalent as at March 31, 2024 was ₹ 114.02 crore. The Company manages cash and cash flow processes assiduously, involving all parts of the business. The Company continues to focus on judicious management of its working capital. Receivables, inventories, and other working capital parameters were kept under strict check through continuous monitoring.

Foreign Exchange transactions are partly covered and there are no materially significant uncovered exchange rate risks in the context of the Company's imports and exports. The Company accounts for mark-to-market gains or losses every quarter end, in line with the requirements of Ind AS 21.

Except for the transfer by way of demerger of the Power Transmission and Power Distribution Business pursuant to the effectiveness of the Scheme of Arrangement between Bajaj Electricals Limited and Bajel Projects Limited and their respective shareholders, the details of which are covered in this report, there has been no other change in the nature of the business of the Company during the year under review.

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

TRANSFER TO RESERVES

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

DIVIDEND & DIVIDEND DISTRIBUTION POLICY

Your directors are pleased to recommend a dividend of 150% (₹ 3.00) on 11,51,96,078 equity shares of ₹ 2 each for the financial year 2023-24. The amount of dividend aggregates to ₹ 34.56 crore (previous year ₹ 46.04 crore). The dividend on equity shares, subject to the approval of the Members at the Annual General Meeting ("AGM") to be held on August 6, 2024, will be paid on or after August 10, 2024 to the Members whose names appear in the Register of Members as of the close of business hours on July 19, 2024; and, 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. The Board of Directors, at its meeting held on May 17, 2022, had last amended the Dividend Distribution Policy of the Company. In terms of the amendment, and subject to the parameters/circumstances given in the said revised Dividend Distribution Policy, the Board would endeavor to maintain a dividend pay-out in the range of 20-40% of the Company's Profit After Tax on standalone financials. The revised Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the SEBI Listing Regulations is attached as **Annexure A** and forms part of this Report. This Policy can also be accessed on the Company's website at: https://www.bajajelectricals.com/media/7301/dividend-distribution-policy.pdf.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2024 was ₹ 23.04 crore. The increase in number of shares during the year is on account of allotment of 1,20,440 equity shares of ₹ 2 each to the employees upon their exercise of stock options. These shares were included, on a weighted average basis, for the computation of EPS. The Company has not issued shares with differential voting rights. No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 ("Act"), in respect of voting rights not exercised directly by the employees of the Company, as the provisions of the said Section are not applicable.

The equity shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited (collectively "Stock Exchanges"). The listing fees for the financial year 2024-25 have been paid to the Stock Exchanges.

DEPOSITORY SYSTEM

The Company's shares are compulsorily tradable in electronic form. As on March 31, 2024, 99.72% of the Company's total paid up capital representing 11,48,71,683 equity shares are in dematerialised form.

In light of the provisions of Regulation 40 of the SEBI Listing Regulations, read with a Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, as issued by the Securities and Exchange Board of India ("SEBI"), Members may please note that the transfer of shares, issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition will be in dematerialised form only. In view of the above and to avail 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 and Central Depository Services (India) Limited.

DEPOSITS

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

CREDIT RATING

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

Instrument	Rating Agency	Rating
Short Term Debt	CRISIL Ratings Limited	CRISIL A1+
Bank Loan Facilities (long-term)	CRISIL Ratings Limited	CRISIL AA-/Stable
Bank Loan Facilities (short-term)	CRISIL Ratings Limited	CRISIL A1+

RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a Policy on Materiality of Related Party Transactions which is also available on the Company's website at: https://www.bajajelectricals.com/media/7307/policy-on-materiality-of-dealing-with-related-party-transactions.pdf. The Policy intends to ensure that proper reporting, approval, and disclosure processes are in place for all transactions between the Company and its Related Parties.

All transactions entered into with related parties for the year under review were on an ordinary course of business and at arm's length basis. No Material related party transactions i.e., transactions exceeding ₹ 1,000 crore or 10% of the annual consolidated turnover whichever is less, as per the last audited financial statements, were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2, is not applicable. Further, there are no material related party transactions during the year under review with the Promoters, Directors, or Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

The related party transactions are mentioned in the notes to the accounts. The Directors draw attention of the members to Note No. 38 to the standalone financial statements which sets out related party disclosure.

The disclosures in respect of loans and advances pursuant to the provisions of Regulation 34(3), read with clause 2 of Part A of Schedule V of the SEBI Listing Regulations, in compliance with the Accounting Standard on Related Party Disclosures, are not applicable since the Company does not have any holding or subsidiary companies at the end of the year under review.

During the year under review, the following person(s) or entity(ies) belonging to the promoter/promoter group held 10% or more shares in the paid-up equity share capital of the Company:

Name of the person/entity	Shareholding (%)
Jamnalal Sons Private Limited	19.57
Bajaj Holdings and Investment Limited	16.61

Disclosure of transactions pursuant to the provisions of Regulations 34(3) read with clause 2A of Part A of Schedule V of the SEBI Listing Regulations is attached as **Annexure B** and forms part of this Report.

PARTICULARS OF LOANS AND ADVANCES, GUARANTEES OR INVESTMENTS

Pursuant to the provisions of Section 186 of the Act and the rules framed thereunder, the particulars of the loans given, investments made or guarantees given or security provided are given in the Notes to the standalone financial statements.

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.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE TILL THE DATE OF THIS REPORT

There are no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year for the Company i.e., March 31, 2024, and the date of this Board's Report i.e., May 14, 2024.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No application has been made under the Insolvency and Bankruptcy Code against the Company; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there was no instance of one-time settlement with banks or financial institutions; hence the requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

CORPORATE SOCIAL RESPONSIBILITY

The Company is having a Policy on Corporate Social Responsibility ("CSR") and has constituted a CSR Committee as required under the Act for implementing various CSR activities. The CSR Committee is comprised of Ms. Pooja Bajaj, as the Chairperson of the Committee, with Mr. Shekhar Bajaj, Mr. Sudarshan Sampathkumar and Mr. Saurabh Kumar, as the members of the Committee. The CSR policy is available on the website of the Company at: https://www.bajajelectricals.com/media/7071/corporate-social-responsibility-policy.pdf.

Other details about the CSR Committee are provided in the Corporate Governance Report which forms part of this Report. The Company has implemented various CSR projects directly and/or through implementing partners and the said projects undertaken by the Company are in accordance with its CSR Policy and Schedule VII to the Act. Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is given in **Annexure C**, which forms part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Pursuant to amendment in the SEBI Listing Regulations, the top 1,000 listed entities based on market capitalisation are required to submit a Business Responsibility and Sustainability Report ("BRSR") with effect from the FY 2022-23.

Accordingly, a detailed BRSR in the format prescribed by SEBI describing various initiatives, actions, and process of the Company in conducting its business in line with its environmental, social and governance obligations has been hosted on Company's website and can be accessed at https://www.bajajelectricals.com/annual-reports/.

A physical copy of the BRSR will be made available to any shareholder on request.

CORPORATE GOVERNANCE

Maintaining high standards of Corporate Governance has been fundamental to the business of the Company since its inception. As per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate section on corporate governance practices followed by the Company, together with the following declarations/certifications forms an integral part of this Corporate Governance Reporting:

a. A declaration signed by Mr. Anuj Poddar, Managing Director & Chief Executive Officer, stating that the members of board of directors and senior management personnel have affirmed compliance with the Company's Code of Conduct.

b. A compliance certificate from the Company's Statutory Auditors confirming compliance with the conditions of Corporate Governance.

c. A certificate of Non-Disqualification of Directors from the Secretarial Auditor of the Company.

d. A certificate from the CEO and CFO of the Company, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the financial year ended March 31, 2024, can be accessed at https://www.bajajelectricals.com/annual-reports/.

VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievances about any poor or unacceptable practice and any event of misconduct and to provide adequate safeguards against victimisation of persons who may use such mechanism. The Whistle Blower Policy has been posted on the website of the Company at: https://www.bajajelectricals.com/media/7816/whistle-blower-policy.pdf.

EMPLOYEES STOCK OPTION SCHEME

The Company implemented the Employees Stock Option Scheme ("ESOP Scheme") in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, read with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations"), as a measure to reward and motivate employees, and also to attract and retain talent. During the financial year under review, 2,55,000 stock options were granted to eligible employees at the market price prevailing on the National Stock Exchange of India Limited as of the date of their grant. During the year under review, there has been no change in the Company's ESOP Scheme.

In line with Regulation 14 of the SEBI SBEB Regulations, a statement giving complete details as at March 31, 2024, is available on the Company's website at https://www.bajajelectricals.com/annual-reports/. The Company has obtained a Certificate from the Secretarial Auditors stating that the ESOP Scheme has been implemented in accordance with the SEBI SBEBSE Regulations. This Certificate will be available for inspection through electronic mode by writing to the Company at legal@bajajelectricals.com from the date of circulation of the AGM Notice until the date of the AGM, i.e., August 6, 2024. Details of options vested, exercised, and cancelled are provided in the notes to the standalone financial statements.

During the year under review, with the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on November 6, 2023, and with the approval of the shareholders via a special resolution dated January 25, 2024, the Company adopted the new 'Bajaj Electricals Limited - Performance Stock Option Plan- 2023' ("PSOP Plan") for the issuance of equity shares of the Company in the form of Performance Stock Options ("PSOP Options") to its eligible employees, in accordance with the SEBI SBEB Regulations. The PSOP Plan will result in the grant of up to 575,510 PSOP Options in one or more tranches to eligible employees, representing 0.50% of the issued share capital of the Company.

SCHEME OF ARRANGEMENTS UNDER SECTIONS 230-232 OF THE ACT

- **Scheme of Arrangement between Bajaj Electricals Limited and Bajel Projects Limited and their respective shareholders:**

  During the year under review, the Hon'ble National Company Law Tribunal, Mumbai Bench, by its order dated June 8, 2023, has approved the Scheme of Arrangement between Bajaj Electricals Limited (the "Company" / "Demerged Company") and Bajel Projects Limited ("Bajel" / "Resulting Company") and their respective shareholders under Sections 230 to 232 of the Act ("Demerger Scheme"), whereby and where under inter alia, the Demerged Undertaking (as defined in the Demerger Scheme), consisting of the Power Transmission and Power Distribution Business (as defined in the Demerger Scheme), was transferred by way of demerger into Bajel effective from August 31, 2023 ("Effective Date"). Subsequently, in accordance with the provisions of the Demerger Scheme, Bajel, at its meeting held on September 16, 2023, issued and allotted New Equity Shares in the ratio of 1 (One) fully paid-up equity share of Bajel having a face value of ₹2 (Rupees Two) each for every 1 (One) fully paid-up equity share of ₹2 (Rupees Two) each of the Company to the shareholders of the Company whose names were recorded in the register of members and/or records of the depository as on the Record Date (i.e., Thursday, September 14, 2023), and accordingly, as per the terms of the Demerger Scheme, immediately with effect from the Effective

Date and upon allotment of New Equity Shares by Bajel, the entire pre-demerger paid-up equity share capital, as on the Effective Date, of the Resulting Company stands cancelled, extinguished, and annulled on and from the Effective Date, and consequently, Bajel ceased to be a wholly owned subsidiary of the Company.

- **Scheme of Merger by Absorption of Nirlep Appliances Private Limited with Bajaj Electricals Limited and their respective shareholders:**

  During the year under review, the Hon'ble National Company Law Tribunal, Mumbai Bench, by its order dated March 1, 2024, approved the Scheme of Merger by Absorption of Nirlep Appliances Private Limited ("Transferor Company") into Bajaj Electricals Limited (the "Company" / "Transferee Company") and their respective shareholders under Sections 230 to 232 of the Act ("Nirlep Merger Scheme"), whereby and where under inter-alia the Transferor Company was merged with the Company, effective from March 31, 2024, and consequently, the Transferor Company was dissolved (without being wound up) and ceased to be a wholly owned subsidiary of the Company, as per the terms of the Nirlep Merger Scheme.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE

As on March 31, 2024, your Company has one (1) associate company, viz. Hind Lamps Limited ("Hind Lamps").

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

Name	% of shareholdingof the Company as on March 31, 2024	Status
Hind Lamps Limited	19.00	Associate

Performance of Subsidiary, Joint Venture, and Associate

Hind Lamps: Total income of Hind Lamps in the financial year 2023-24 stood at ₹ 3.93 crore (Previous Year: ₹ 3.71 crore). Profit for the year was at ₹ 0.06 crore (Previous Year Profit: ₹ 0.05 crore).

Pursuant to the provisions of Section 129(3) of the Act, a Report on the performance and financial position of the subsidiary, associate and joint venture are included in the Consolidated Financial Statement and their contribution to the overall performance of the Company in Form AOC-1 is given in **Annexure D**, which forms part of this Report.

In accordance with the fourth 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 at: https://www.bajajelectricals.com/annual-reports/. Further, as per fifth proviso to the said Section, the annual accounts of the subsidiary, joint venture and associate of the Company are also available on the Company's website at: https://www.bajajelectricals.com/annual-reports/. Any member who may be interested in obtaining a copy of the aforesaid documents may write to the Company Secretary at the Company's Registered Office. Further, the said documents will be available for examination by the shareholders of the Company at its Registered Office during all working days except Saturday, Sunday, Public Holidays and National Holidays, between 11.00 a.m. and 01.00 p.m.

The Policy for Determining Material Subsidiary as approved by the Board may be accessed on the Company's website at: https://www.bajajelectricals.com/media/6127/policy-for-determining-material-subsidiary-wef-1st-april-2019.pdf.

FINANCIAL STATEMENTS

The financial statements of the Company for the year ended March 31, 2024, as per Schedule III to the Act forms part of this Report.

CONSOLIDATED FINANCIAL STATEMENTS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments/Re-appointments and Director coming up for retirement by rotation

- **Appointment of Mr. Sudarshan Sampathkumar as an Independent Director for a term of five consecutive years from May 23, 2023**

  The Board of Directors based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Sudarshan Sampathkumar as an Additional Director, designated as an Independent Director of the Company, with effect from May 23, 2023 and at the annual general meeting of the Company held on August 10, 2023, the shareholders approved his appointment as an Independent Director of the Company for a period of five (5) consecutive years upto May 22, 2028.

- **Completion of the term of Mr. Munish Khetrapal as an Independent Director on the Board of Directors; he did not seek re-appointment**

  Mr. Munish Khetrapal, an Independent Director of the Company whose first term expired on October 31, 2023, had conveyed his decision not to seek reappointment for a second term due to increasing professional commitments. Consequently, Mr. Khetrapal's tenure as an Independent Director of the Company concluded on October 31, 2023. The Board places on record its sincere appreciation for the contribution made by him during his tenure on the Board of the Company.

- **Appointment of Mr. Vikram Hosangady as an Independent Director for a term of five consecutive years from November 6, 2023**

  The Board of Directors based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Vikram Hosangady as an Additional Director, designated as an Independent Director of the Company, with effect from November 6, 2023, and the shareholders approved his appointment as an Independent Director of the Company for a period of five (5) consecutive years upto November 5, 2028, by way of resolution passed through postal ballot on January 25, 2024.

- **Appointment of Ms. Swati Salgaocar as an Independent Director for a term of five consecutive years from November 6, 2023**

  The Board of Directors based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Ms. Swati Salgaocar as an Additional Director, designated as an Independent Director of the Company, with effect from November 6, 2023, and the shareholders approved her appointment as an Independent Director of the Company for a period of five (5) consecutive years upto November 5, 2028, by way of resolution passed through postal ballot on January 25, 2024.

- **Appointment of Mr. Saurabh Kumar as an Independent Director for a term of five consecutive years from March 20, 2024**

  The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Saurabh Kumar as an Additional Director, designated as an Independent Director of the Company, effective from March 20, 2024. The approval of the shareholders for his appointment as an Independent Director of the Company for a period of five (5) consecutive years up to March 19, 2029, is sought through postal ballot process.

- **Re-appointment of Mr. Shailesh Haribhakti as an Independent Director for a second term of five consecutive years starting from August 7, 2024**

  The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, approved the re-appointment of Mr. Shailesh Haribhakti as an Independent Director of the Company for a second term of five (5) consecutive years starting from August 7, 2024. The approval of the shareholders for his re-appointment as an Independent Director of the Company for a period of five (5) consecutive years up to August 6, 2029, is sought through postal ballot process.

- **Appointment of Ms. Pooja Bajaj as an Executive Director for a term of five consecutive years from May 14, 2024**

  The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of shareholders at the forthcoming AGM, approved the appointment of Ms. Pooja Bajaj as a Whole-time Director of the Company, with the designation and title of 'Executive Director', for a term of five (5) consecutive years starting from May 14, 2024. The Board recommends the appointment of Ms. Pooja Bajaj for the consideration of the Members of the Company at the forthcoming AGM. The relevant details, including the profile of Ms. Pooja Bajaj, are included separately in the Notice of AGM and Report on Corporate Governance of the Company, forming part of the Annual Report.

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

  In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Anuj Poddar is the Director liable to retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment. The Board recommends the re-appointment of Mr. Anuj Poddar for the consideration of the Members of the Company at the forthcoming AGM. The relevant details, including the profile of Mr. Anuj Poddar, are included separately in the Notice of AGM and Report on Corporate Governance of the Company, forming part of the Annual Report.

As on the date of this Report, the Company's Board comprises of ten (10) Directors, out of which, seven (7) are Non-Executive Directors (NEDs) including one (1) Woman Director. NEDs represent 70% of the total strength. Further, out of the said seven (7) NEDs, five (5) are independent directors representing 50% of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and with the provisions of the Act.

Independent Directors

All Independent Directors of the Company have given declarations under Section 149(7) of the Act that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provisions of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. All Independent Directors of the Company have valid registration in the Independent Director's databank of Indian Institute of Corporate Affairs as required under Rule 6(1) of the Companies (Appointment and Qualification of Director) Fifth Amendment Rules, 2019. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provisions of the SEBI Listing Regulations.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company at: https://www.bajajelectricals.com/media/6937/letter-of-appointment-to-independent-directors.pdf.

In compliance with the requirement of SEBI Listing Regulations, the Company has put in place a familiarisation programme for the independent directors to familiarise them with their role, rights and responsibility as directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. The details of familiarisation programme are explained in the Corporate Governance Report and the same are also available on the website of the Company at: https://www.bajajelectricals.com/media/7815/familiarization-program-for-independent-directors-march-31-2024.pdf.

Key Managerial Personnel

During the year under review, there has been a change in the key managerial personnel of the Company. The Board of Directors of the Company, at its meeting held on May 23, 2023, has:

a. Taken on record the cessation of Mr. Ajay Nagle, Company Secretary & Chief Compliance Officer and Key Managerial Personnel of the Company, with effect from the close of business hours on June 30, 2023; and

b. Considered and approved the appointment of Mr. Prashant Dalvi, then Vertical Head - Corporate Secretarial & Compliance of the Company, as the new Company Secretary & Chief Compliance Officer and Key Managerial Personnel of the Company with effect from the start of business hours on July 1, 2023.

As on March 31, 2024, the Board has designated Mr. Anuj Poddar, Managing Director & Chief Executive Officer, Mr. E C Prasad, Chief Financial Officer, and Mr. Prashant Dalvi, Chief Compliance Officer & Company Secretary, as Key Managerial Personnel of the Company, pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Rules framed thereunder.

NUMBER OF MEETINGS OF THE BOARD

Six (6) Board meetings were held during the financial year 2023-24. The intervening gap between the meetings was within the period prescribed under the Act and SEBI Listing Regulations. The details of meetings of the Board held during the financial year 2023-24 forms part of the Corporate Governance Report.

COMMITTEES OF THE BOARD

As on March 31, 2024, the Board of Directors had the following Committees:

a. Audit Committee;

b. Nomination and Remuneration Committee;

c. Stakeholders' Relationship Committee;

d. Risk Management Committee;

e. Corporate Social Responsibility Committee; and

f. Finance Committee.

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

BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors. The manner in which the evaluation was conducted by the Company and evaluation criteria has been explained in the Corporate Governance Report which forms part of this Annual Report.

The Board of Directors has expressed its satisfaction with the evaluation process.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors has framed a Nomination and Remuneration Policy which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company ("Policy"). The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The Policy also provides for the Board Diversity, the criteria for determining qualifications, positive attributes and independence of Director and criteria for appointment of Key Managerial Personnel/Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors whilst taking a decision on the potential candidates.

The above Policy is given in **Annexure E**, which forms part of this Report, and has also been posted on the website of the Company at: https://www.bajajelectricals.com/media/6722/nomination-and-remuneration-policy.pdf.

RISK AND INTERNAL CONTROLS ADEQUACY

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

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

COMPLIANCE WITH SECRETARIAL STANDARDS

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

REPORTING OF FRAUD

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

RISK MANAGEMENT

The Company has formulated a risk management policy and has in place a mechanism to inform the Board about risk assessment and minimisation procedures along with a periodical review to ensure that executive management controls risk by means of a properly designed framework.

The Risk Management Framework is reviewed periodically by the Risk Management Committee, which includes discussing the Management submissions on risks, prioritising key risks and approving action plans to mitigate such risks.

Detailed discussion on risk management forms part of the Management Discussion and Analysis, which forms part of this Annual Report. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. Shailesh Haribhakti as the Chairman of the Committee, with Mr. Sudarshan Sampathkumar, and Mr. Vikram Hosangady, as the members of the Committee.

During the year under review all the recommendations of the Audit Committee were accepted by the Board. Details of the role and responsibilities of the Audit Committee, the particulars of meetings held, and attendance of the Members at such Meetings are given in the Report on Corporate Governance, which forms part of the Annual Report.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditors

The Members at their 83rd Annual General Meeting ("83rd AGM") of the Company held on August 12, 2022, had appointed Messrs S R B C & Co. LLP, Chartered Accountants (ICAI Registration No.324982E/E300003) as the Statutory Auditors of the Company to hold office for a second term of five years i.e. from the conclusion of 83rd AGM till the conclusion of 88th Annual General Meeting of the Company to be held in 2027.

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

Cost Auditors

Pursuant to the provisions of Section 148 of the Act read with the Rules framed thereunder, the cost audit records maintained by the Company in respect of its manufacturing activities are required to be audited. Messrs R. Nanabhoy & Co. (Firm Registration No.000010), Cost Accountants, carried out the cost audit for applicable businesses during the year.

Based on the recommendation of the Audit Committee, the Board of Directors has appointed Messrs R. Nanabhoy & Co. (Firm Registration No.000010), Cost Accountants, as the Cost Auditors for the financial year 2024-25. The Company has received a certificate from Messrs R. Nanabhoy & Co., confirming that they are not disqualified from being appointed as the Cost Auditors of the Company. 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. 6 of the Notice of the ensuing AGM.

The particulars of the Cost Auditors and cost audit conducted by them for financial year 2022-23 are furnished below:

ICWA Membership No.	7464
Registration No. of Firm	000010
Address	Jer Mansion, 70, August Kranti Marg, Mumbai 400036.
Cost Audit Report	Financial year 2022-23
Due date of filing of Report	September 30, 2023
Actual date of filing of Report	August 30, 2023

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records are maintained.

Secretarial Auditors

The Board had appointed Messrs Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No. FCS 3198; CP No. 1860) as the Secretarial Auditors to conduct the secretarial audit of the Company for the financial year ended March 31, 2024, as per the provisions of Section 204 of the Act read with Rules framed thereunder. The Secretarial Audit Report in Form MR-3 is given as **Annexure F** and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per SEBI Listing Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Messrs Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No. FCS 3198; CP No. 1860) has been submitted to the Stock Exchanges within 60 days of the end of the financial year.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Unpaid/Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended, unpaid and/or unclaimed dividend of ₹ 17,48,597.20 pertaining to the financial year ended on March 31, 2016, were transferred during the year to the Investor Education and Protection Fund ("IEPF").

Transfer of shares to IEPF

Pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, 2,347 equity shares of face value of ₹ 2/- each, in respect of which dividend was not paid or claimed by the members for seven consecutive years or more, have been transferred by the Company to IEPF during the year. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

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

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

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The 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, coupled with 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, the Company has also focused on employee engagement initiatives and drives aimed at increasing the culture of innovation and collaboration across all strata of the workforce. These are discussed in detail in the Management Discussion and Analysis Report forming part of the Annual Report.

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

KEY INITIATIVES WITH RESPECT TO STAKEHOLDER RELATIONSHIP, CUSTOMER RELATIONSHIP, ENVIRONMENT, SUSTAINABILITY, HEALTH, SAFETY AND WELFARE OF EMPLOYEES

The key initiatives taken by the Company with respect to stakeholder relationship, customer relationship, environment, sustainability, health, and safety are provided separately under various Capitals in this Annual Report.

The Environment, Health and Safety Policy and Human Rights Policy are available on the website of the Company viz. www.bajajelectricals.com

PROTECTION OF WOMEN AT WORKPLACE

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

Number of cases filed and their disposal under Section 22 of the POSH Act, as at March 31, 2024, is as follows:

Particulars	Numbers
Number of complaints pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	1
Number of complaints pending as on the end of the financial year	Nil

PARTICULARS OF EMPLOYEES

Disclosures relating to remuneration and other details as required in terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure H**, which forms part of this Report.

Further, in accordance with the provisions of Sections 197(12) & 136(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list pertaining to the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, is kept open for inspection during working hours at the Registered Office of the Company. Any member who is interested in obtaining these, may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

a. in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

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

d. they have prepared the annual accounts on a going concern basis;

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

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

OTHER DISCLOSURES / CONFIRMATIONS

a. Neither the Chairman nor the Managing Director & Chief Executive Officer of the Company received any remuneration or commission from any of the subsidiaries of the Company.

b. The Company has not issued any sweat equity shares to its directors or employees.

c. The Company has not failed to implement any corporate action during the year under review.

d. The disclosure pertaining to an explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.

e. The Company's securities were not suspended during the year under review.

f. There was no revision of financial statements and Board's Report of the Company during the year under review.

ANNEXURES

a. Dividend Distribution Policy – **Annexure A;**

b. Disclosures of transactions pursuant to the provisions of Regulation 34(3) read with clause 2A of Part A of Schedule V of the SEBI Listing Regulations – **Annexure B**;

c. Annual Report on CSR Activities – **Annexure C**;

d. Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures – **Annexure D**;

e. Nomination and Remuneration Policy of the Company – **Annexure E**;

f. Secretarial Audit Report – **Annexure F**;

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

h. Disclosures under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – **Annexure H**.

APPRECIATION AND ACKNOWLEDGEMENT

The Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

The Board places on record its appreciation for the support and co-operation the Company has been receiving from its suppliers, distributors, business partners and others associated with it as its trading partners. The Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be the Company's endeavour to build and nurture strong links with trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests. The Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government Regulatory Authorities and Stock Exchanges, for their continued support.

For and on behalf of
the Board of Directors of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Mumbai
May 14, 2024

Annexure A

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

As per the provisions of Regulation 43A of the Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors (the **"Board"**) of Bajaj Electricals Limited (the **"Company"**) had approved the Company's first Dividend Distribution Policy at its meeting held on March 29, 2017.

In the endeavour to provide more clarity to stakeholders on the Company's dividend distribution framework, this revised Dividend Distribution Policy (**"Dividend Policy"**) has been framed for adoption by the Board of the Company. This Dividend Policy shall supersede the earlier policy and shall be effective from May 17, 2022.

2. DIVIDEND DISTRIBUTION PHILOSOPHY AND OBJECTIVE

This Dividend Policy of the Company aims to strike a balance between the dual objectives of rewarding shareholders through Dividends and ploughing back earnings to support sustained growth.

The management endeavours to divide 'net earnings' into dividends and retained earnings in an optimum way to achieve the objective of wealth maximisation for shareholders.

3. DIVIDEND

The 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. PARAMETERS FOR DECLARATION OF DIVIDEND

External and Internal factors (strategic and financial) that would be considered for declaration of dividend includes:

External Factors	Internal Factors
• State of Economy- in case of uncertain or recessionary economic and business conditions;	• Distributable surplus available and liquidity position of the Company
• Market conditions and consumer trends;	• Present & future capital requirements of the existing businesses including any acquisition;
• Prevailing taxation policy or any amendments expected thereof, with respect to dividend distribution;	• Expansion / Modernisation of existing businesses;
• Statutory Obligations, Government Regulations and Taxation policies;	• Outstanding Borrowings and covenants thereof;
• Dividend pay-out ratios of companies in the same industry; and	• Likelihood of crystallisation of contingent liabilities, if any; and
• Other external factors.	• Other internal factors.

Circumstances under which shareholders may not expect a dividend includes:

Adverse market conditions & business uncertainty;

- Inadequacy of profits earned during the fiscal year;
- Inadequacy of cash balance;
- Large forthcoming capital requirements which are funded through internal accruals;
- Changing Government regulations; and
- Any other relevant circumstances.

Even under such (unfavorable) circumstances, the Board may, at its sole discretion, and subject to applicable rules, choose to recommend a dividend, including out of accumulated profits of any previous financial year(s) in accordance with provisions of the Companies Act, 2013 and SEBI Listing Regulations, as may be applicable.

5. DIVIDEND PAYOUT

The Board would endeavor to maintain a **Dividend pay-out in the range of 20-40%** of the Company's Profit After Tax on **standalone financials**. However, the Board, at its sole discretion, may pay dividend which is higher or lower than this dividend pay-out range.

The Board may also consider declaring or recommending special dividends or 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 SEBI Listing Regulations.

6. 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 requirement, capital expenditure, repayment of the debt, etc. The Company can consider venturing into new markets/geographies/verticals;

- Research and Development of new products, investment in emerging technologies, etc. to increase market share;
- Capital Expenditure by way of state of art factories, technology upgradation, platform development, etc.
- Mergers and acquisitions;
- Buyback of shares subject to applicable limits;
- Payment of dividends in future years;
- Issue of Bonus Shares; and
- Any other permissible purpose.

7. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has only one class of shares at this point.

8. DIVIDEND POLICY EXCLUSION

The Dividend Policy shall not be applicable in the following circumstances:

(a) Any distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

(b) Distribution of dividend in kind i.e. by the issue of fully or partly paid bonus shares or other securities.

(c) Determination and declaring dividends on preference shares, if any.

9. DISCLOSURES

The Dividend Policy shall be disclosed on the website of the Company i.e., www.bajajelectricals.com.

10. REVIEW AND AMENDMENT

Any or all provisions of this Dividend Policy would be subject to the revision/amendment to the SEBI Listing Regulations or related circular, notification, guidance notes issued by the Securities and Exchange Board of India or relevant authority, on the subject from time to time.

Any such amendment shall automatically have the effect of amending this Dividend Policy without the need for any approval by the Board or any of its Committees. This Dividend Policy is subject to review from time to time.

11. DISCLAIMER

This Dividend Policy 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.

Shekhar Bajaj

Mumbai, May 17, 2022 Chairman

Annexure B

DISCLOSURES OF TRANSACTIONS OF THE COMPANY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER/ PROMOTER GROUP WHICH HOLD(S) 10% OR MORE SHAREHOLDING IN THE COMPANY PURSUANT TO THE PROVISIONS OF REGULATION 34(3) AND 53(F) READ WITH CLAUSE 2A OF PART A OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

(Amount: ₹ in lakh)

Name of the person or entity	Nature of Transaction	FY 2023-24		FY 2022-23	
		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
Jamnalal Sons Private Limited	Rent Paid	49.56	-	49.56	-
	Rent Deposit Advanced	-	200.00	-	200.00
	Reimbursement of Expenses	4.79	-	4.79	-
	Dividend Paid	901.93	-	676.45	-
Bajaj Holdings and Investment Limited	Dividend Paid	765.47	-	574.11	-

For and on behalf of
the Board of Directors of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Mumbai
May 14, 2024

Annexure C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company:

   The Corporate Social Responsibility (CSR) policy of the Bajaj Group is deeply rooted in the visionary philosophy of its Founding Father, late Shri Jamnalal Bajaj. Guided by the principle of Trusteeship, the Company believes in utilizing business as a tool for societal welfare and common good, placing emphasis on the collective benefit over individual gain. This philanthropic ethos, established over a century ago, has endured through successive generations, propelling the Company to greater heights of success and esteem. Beyond conventional measures of corporate achievement, the Bajaj Group views true progress as synonymous with the positive impact it makes on people's lives. Through strategic social investments, the Company addresses community needs in areas such as health, education, environment conservation, infrastructure, and disaster response. Recognizing society as a critical stakeholder, the Company's CSR policy reflects its commitment to ethical business practices, environmental stewardship, and enhancing the well-being of all stakeholders, especially the marginalized and underprivileged. Additionally, the policy underscores the Company's dedication to regulatory compliance and diligent adherence to all CSR-related laws and regulations.

   CSR Policy: A detailed CSR Policy was last amended by the Company on May 25, 2021, with approvals of the CSR Committee and Board of Directors. The Policy, inter alia, covers the following:

   - Philosophy
   - Preamble / Objective of the CSR Policy
   - Vision
   - Corporate Social Responsibility Committee
   - Responsibilities of the Board
   - CSR Programmes/Projects
   - Implementation and Monitoring
   - Engagement of International Organisations
   - CSR Annual Action Plan
   - Information Dissemination

   The CSR Policy is placed on the Company's website at: https://www.bajajelectricals.com/media/7071/corporate-social-responsibility-policy.pdf

2. Composition of CSR Committee*:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shekhar Bajaj	Chairperson – Executive Chairman	2	2 / 2
2.	Dr. Indu Shahani	Member – Independent Director		2 / 2
3.	Dr. Rajendra Prasad Singh	Member – Independent Director		2 / 2
4.	Ms. Pooja Bajaj*	Member – Non-Executive Director		1 / 1

*Note: Ms. Pooja Bajaj was appointed as a member of the Corporate Social Responsibility Committee in the Board Meeting held on May 23, 2023. As of March 31, 2024, the Corporate Social Responsibility Committee was composed of four Directors, namely Mr. Shekhar Bajaj as the Chairperson, with Dr. Indu Shahani, Dr. Rajendra Prasad Singh, and Ms. Pooja Bajaj as its members. Further, effective April 1, 2024, the Corporate Social Responsibility Committee was reconstituted with Ms. Pooja Bajaj as the Chairperson, and Mr. Shekhar Bajaj, Mr. Sudarshan Sampathkumar, and Mr. Saurabh Kumar as its members.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.bajajelectricals.com/miscellaneous/

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Nil	

6. Average net profit of the Company as per Section 135(5): ₹ 25,701.91 lakh.

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 514.04 lakh.

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil.

(c) Amount required to be set off for the financial year, if any: Nil.

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 514.04 lakh.

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lakh)	Amount Unspent (₹ in lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
396.24	117.78	April 25, 2024	Not Applicable	Nil	Not Applicable
	0.02	April 30, 2024			

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in lakh)	Amount spent in the current financial year (₹ in lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1.	Scholarship Program	Education	No	Maharashtra	Wardha	2023-2024	18.36	6.12	12.24	No	BEF	CSR00003537
2.	Urban Forestation	Environment Sustainability	Yes	Maharashtra	Mumbai and other near locations	2023-2024	44.05	29.24	14.81	No	BEF	CSR00003537
3.	Environmental Awareness and education	Environment Sustainability	Yes	Maharashtra	Mumbai	2023-2024	29.00	26.10	2.90	No	BEF	CSR00003537
4.	Solar electrification project	Environment Sustainability	Yes	Maharashtra	Mumbai and other near locations	2023-2024	46.94	37.42	9.52	No	BEF	CSR00003537
5.	Swasth Ghar Improved Cookstove Project	Environment Sustainability	No	Rajasthan	Karauli	2023-2024	100.95	72.28	28.67	No	BEF	CSR00003537
6.	Tobacco Control among Railway Police	Health	Yes	Maharashtra	Mumbai	2023-2024	21.05	13.77	7.27	No	BEF	CSR00003537
7.	Mobile Van for tobacco cessation	Health	Yes	Maharashtra	Khalapur, Raigad	2023-2024	28.31	26.96	1.35	No	BEF	CSR00003537
8.	Setting up of Tobacco Cessation Center	Health	Yes	Delhi	New Delhi	2023-2024	22.11	11.06	11.06	No	BEF	CSR00003537
9.	Tobacco cessation center	Health	Yes	Maharashtra	Mumbai and other near locations	2023-2024	38.00	11.57	26.43	No	BEF	CSR00003537
10.	Livelihood Creation	Woman Empowerment	No	Maharashtra	Beed, Osmanabad	2023-2024	12.32	11.09	1.23	No	BEF	CSR00003537
11.	Sadanand, Kalanand and Balanand	Art and Culture	Yes	Maharashtra	Mumbai and other near locations	2023-2024	23.00	20.70	2.30	No	BEF	CSR00003537
	Total						**384.09**	**266.31**	**117.78**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the Project (₹ in lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	School refurbishment project	Education	Yes	Maharashtra	Mumbai	52.00	No	BEF	CSR00003537
2.	Sports		Yes	Telangana	Hyderabad	11.00	No	BEF	CSR00003537
3.	Creation of Innovation Hub for Social Entrepreneurs – Anant Bajaj Limitless Ideas Hub		Yes	Rajasthan	Jaipur	41.25	No	BEF	CSR00003537
	Total					**104.25**			

(d) Amount spent in Administrative Overheads: ₹ 25.68 lakh.

(e) Amount spent on Impact Assessment, if applicable: Not Applicable.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 396.24 lakh.

(g) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (₹ in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	514.04
(ii)	Total amount spent for the Financial Year	396.24
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakh)	Amount spent till the start of reporting Financial Year (₹ in lakh)	Amount spent in the reporting Financial Year (₹ in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any (₹ in lakh)	Amount remaining to be spent in succeeding financial years (₹ in lakh)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	2020-21	204.59	131.28	73.31	Nil	Nil
2.	2021-22	129.18	81.59	44.76	Nil	2.83
3.	2022-23	54.39	Nil	52.89	Nil	1.50

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (₹ in lakh)	Amount spent on the project in the reporting Financial Year (₹ in lakh)	Cumulative amount spent at the end of reporting Financial Year (₹ in lakh)	Status of the project - Completed / Ongoing
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	TC/20-21/002	Model Tobacco Cessation Centers, Maharashtra	2020-21	2020-2024	114.40	52.88	114.40	Completed
2.	TC/20-21/003	Tobacco Cessation Program, Navi Mumbai	2020-21	2020-2024	14.45	7.23	14.45	Completed
3.	TC/20-21/004	Training and Capacity Building on Tobacco Cessation and Tobacco Free Workplace, Bengaluru	2020-21	2020-2024	26.40	13.20	26.40	Completed
4.	SV/21-22/006	Scholarship program	2021-22	2021-2025	56.54	28.27	53.41	Ongoing
5.	GI/21-22/003	Urban Forestation Project	2021-22	2021-2024	24.75	7.25	24.75	Completed
6.	GI/21-22/004	Urban Forestation Project	2021-22	2021-2024	13.36	2.00	13.36	Completed
7.	GI/21-22/005	Urban Forestation Project	2021-22	2021-2024	22.01	2.20	22.01	Completed
8.	CI/21-22/003	Project Cloth Bag - Alternate to plastics	2021-22	2021-2024	10.15	1.02	10.15	Completed
9.	DR/21-22/013a	Post COVID-19 Livelihood Support to women entrepreneurs	2021-22	2021-2024	16.22	1.62	16.22	Completed
10.	DR/21-22/013c	Post COVID-19 Response - support for education to students	2021-22	2021-2024	4.16	0.87	4.16	Completed
11.	DR/21-22/013d	Post COVID-19 response school refurbishment and education support for students	2021-22	2021-2024	8.55	1.53	8.55	Completed
12.	GI/22-23/006	Farmer Livelihood Enhancement Project	2022-23	2022-2025	15.00	2.00	13.50	Ongoing
13.	GI/22-23/007	Environmental Rejuvenation Project	2022-23	2022-2024	26.85	2.55	26.85	Completed
14.	GI/22-23/008	Urban forestation project	2022-23	2022-2024	30.13	9.06	30.13	Completed
15.	GI/22-23/009	Environmental Awareness and education	2022-23	2022-2024	33.85	3.39	33.85	Completed
16.	AC/22-23/003	Balanand, Sadanand, Kalanand Program	2022-23	2022-2024	23.00	2.30	23.00	Completed
17.	TC/22-23/007	Tobacco Cessation in IPD patients	2022-23	2022-2024	9.45	4.22	9.45	Completed
18.	TC/22-23/008	Tobacco Control among Railway Police	2022-23	2022-2024	19.80	9.28	19.80	Completed
19.	TC/22-23/009	Capacity Building for Tobacco Cessation and Intervention	2022-23	2022-2024	30.28	20.08	30.28	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year-Nil.

    (asset-wise details).

    (a) Date of creation or acquisition of the capital asset(s). – Not Applicable.

    (b) Amount of CSR spent for creation or acquisition of capital asset. - Not Applicable.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Not Applicable.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- Not Applicable.

	Anuj Poddar	Shekhar Bajaj	Pooja Bajaj
	Managing Director & CEO	Chairman	Chairperson of CSR Committee
Mumbai, May 14, 2024	(DIN: 01908009)	(DIN: 00089358)	(08254455)

Annexure D

FORM AOC-1

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

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

Part A: Subsidiary

Sr. No.	Particulars	
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable.
2.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	
3.	Share capital	
4.	Reserves & surplus	
5.	Total assets	
6.	Total liabilities	
7.	Investments	
8.	Turnover	
9.	Profit before taxation	
10.	Provision for taxation	
11.	Profit after taxation	
12.	Proposed dividend	
13.	% of shareholding of the Company in the subsidiary	

Names of subsidiaries which are yet to commence operation: Not Applicable.

Names of subsidiaries which have been liquidated or sold during the year: (i) Bajel Projects Limited, which ceased to be a wholly owned subsidiary of the Company effective from August 31, 2023; and (ii) Nirlep Appliances Private Limited, which dissolved without undergoing the winding-up process effective from March 31, 2024.

Part B: Associate and Joint Venture

Sr. No.	Particulars	Hind Lamps Limited (Associate)
1.	Date on which the associate or joint venture was associated or acquired	January 7, 1952
2.	Latest audited Balance Sheet date	March 31, 2024
3.	Shares of associate/joint venture held by the Company on the year end:	
	Number of equity shares	11,40,000
	Amount of investment in associate / joint venture	Nil
	Extent of holding %	19.00
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 20% 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 this company, its financial statements are consolidated with the Company's financial statements.

Sr. No.	Particulars	Hind Lamps Limited (Associate)
5.	Reason why the associate / joint venture is not consolidated	Impaired post Demerger
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 23.91 lakh
7.	Profit / (Loss) for the year	
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	₹ 0.89 lakh

Names of associates or joint ventures which are yet to commence operations: Nil.

Names of associates or joint ventures which have been liquidated or sold during the year: Nil.

For and on behalf of
the Board of Directors of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Mumbai
May 14, 2024

Annexure E

NOMINATION AND REMUNERATION POLICY

1. REGULATORY FRAMEWORK

1.1. This policy (**"Policy"**) of Bajaj Electricals Limited (**"Company"/"BEL"**) has been prepared and adopted in accordance with the Companies Act, 2013 (**"Act"**) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**) alongwith circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

1.2. Section 178(3) of the Act and Part D of Schedule II of SEBI LODR Regulations requires the Nomination and Remuneration Committee ("Committee") to formulate the criteria for determining qualifications, positive attributes and independence of a director, recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees, criteria for evaluation of performance, board diversity etc.

1.3. The Committee shall review the Policy periodically and may amend the same from time to time, as deemed necessary.

2. OBJECTIVES OF THIS POLICY

This policy aims to formulate certain criteria for the following activities with regards to its directors, key managerial personnel, senior management and employees:

2.1. Selection, appointment and removal;

2.2. Remuneration;

2.3. Evaluation of performance;

2.4. Board diversity.

3. DEFINITIONS

3.1. **"Key Managerial Personnel"** or **"KMP"** in relation to the Company, means-

3.1.1. the Chief Executive Officer or the managing director or the manager;

3.1.2. the company secretary;

3.1.3. the whole-time director;

3.1.4. the Chief Financial Officer;

3.1.5. such other officer, not more than one level below the directors who is in Whole-time employment, designated as key managerial personnel by the Board; and

3.1.6. such other officer as may be prescribed.

3.2. **"Net Profit"** shall be calculated as per section 198 of the Act.

3.3. **"Senior Management"** shall comprise officers/personnel of the Company who meet the criteria established under the provisions of the Act and SEBI LODR Regulations, pertaining to the definition of senior management.

4. CRITERIA FOR APPOINTMENT OF DIRECTORS, KMP AND SENIOR MANAGEMENT

4.1. The Committee shall formulate criteria for determining qualifications, positive attributes and independence of a director. The Committee may consider this Policy and the below provisions of this Policy as guidance.

4.2. The person to be appointed as a Director, KMP or in the senior management should possess adequate qualification, experience and expertise for the position he or she is considered for, considering various factors including the Company's strategy and requirements.

4.3. The Committee shall have the discretion to decide whether such qualification, experience and expertise of the person is sufficient for him or her to effectively discharge duties of the concerned position.

4.4. The person to be appointed as Director, KMP or in the senior management, should possess impeccable reputation for integrity, efficiency, expertise and insight in sectors or areas relevant to the Company's industry or otherwise demonstrate relevant qualities.

4.5. In case of a Director, such person's personal and professional standing must be such that it helps him or her to best complement the other Board members thereby contributing effectively towards Company's growth.

4.6. The Committee shall consider the potential candidates on merit alone.

4.7. In case of a Director, such person must also fulfil the minimum and/or maximum age criteria as applicable under the provisions of the Act and SEBI LODR Regulations and take necessary approvals from the shareholders in this regard in case of directors above the maximum age criteria as well as comply with other requirements of law at the time.

4.8. In case of an Independent Director, he or she should meet the requirements of the Act and SEBI LODR Regulations concerning independence of directors.

5. APPOINTMENT AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT

5.1. The Committee shall ensure that the size and composition of the Board satisfies the applicable law including provisions of the Act and SEBI LODR Regulations.

5.2. The Committee shall identify persons who are qualified to become directors, KMP's and who may be appointed in the senior management with regard to the attributes as specified under clause 4 of this Policy and such other qualifications or attributes as the Committee or board may deem necessary from time to time.

Explanation – For the purpose of this clause, "appointed in the senior management" means:

(i) induction/appointment of persons/officers/personnel of the Company as members of the core management team of the Company as on date called as the 'Executive Committee'; and

(ii) appointment of person/officer/personnel as the company secretary or chief financial officer of the Company.

5.3. The Committee while considering a person for appointment as director, shall verify that the said person has not been debarred or disqualified from being appointed as directors of companies by the Securities and Exchange Board of India ("SEBI") and/or Ministry of Corporate Affairs or any other statutory authority.

5.4. The Committee shall then recommend the identified candidates to the Board for final selection and appointment.

5.5. In case of directors, the Committee shall ensure that the number of directorships held by each director in other companies is below the specified limit under the Act and SEBI LODR Regulations and amendments made from time to time.

5.6. The Committee shall also ensure that any person appointed as independent director does not have any material pecuniary relationship with the Company, its holding, subsidiary or associate company, or company's promoters or directors, except receiving remuneration as a director or having transaction not exceeding 10% of his total income or such amount as prescribed, during the current financial year or two immediately preceding financial years and also satisfies other criteria for determining independence as specified under the Act, SEBI LODR Regulations and amendments made from time to time.

5.7. A whole-time KMP of the Company shall not hold office at the same time in more than one Company except in its subsidiary company. However, a whole-time KMP can be appointed as a director in any company subject to the provisions of the Act and/or SEBI LODR Regulations and in accordance with the policy of the Company.

5.8. The Committee shall review the performance of the Board from time to time.

5.9. The Board shall ensure and satisfy itself that plans are in place for orderly succession of the board of directors and senior management.

5.10. The Committee may recommend removal of any director or KMP to the Board with reasons in writing explaining the breach of company policy or any disqualifications or other such criteria for removal in line with the provisions of the Act and/or SEBI LODR Regulations or for other reasons.

5.11. The Board will have the discretion to retain the whole-time directors, KMP and senior management personnel in the same position/remuneration or otherwise, even after attaining the retirement age, if they deem fit for the benefit of the Company.

6. TERMS OF APPOINTMENT

6.1. Managing Director / Whole – Time Director / Executive Director / Non-executive Director

6.1.1. The Board shall appoint or re-appoint any person as a managing director, whole-time director, executive director or manager for a term not exceeding five years (5 years) at a time subject to approval by the members at the next general meeting.

6.1.2. Not less than two-thirds of the total number of directors (excluding independent directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation and be appointed by the Company in general meeting; and at every annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office as per the provisions of the Act.

6.1.3. The directors retiring by rotation at every annual general meeting shall be those who have been longest in the office since last appointment; the retiring director amongst directors appointed on the same day shall be determined by a lot.

6.1.4. At the annual general meeting at which a director retires by rotation, the Company may fill up the vacancy either by appointing the retiring director or some other person as may be deemed fit.

6.2. Independent Director

6.2.1. The term of appointment of an Independent Director shall be up to five (5) years but he or she shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment shall be made in the Board's Report.

6.2.2. No independent director shall hold office for more than two consecutive terms but shall become eligible for appointment after expiration of three years (3 years) cool off period, provided that he or she shall not be appointed or associated with the Company in any other capacity, either directly or indirectly during such period.

6.3. KMP and senior management

6.3.1. The term of appointment and subsequent retirement of KMPs and senior management shall be as per the provisions of the law including the Act, SEBI LODR Regulations, and prevailing policy of the Company.

7. CRITERIA FOR RECOMMENDATION OF REMUNERATION

7.1. Executive Directors / Whole- Time Directors / Managing Directors

7.1.1. The remuneration to the Managing Director and other Executive directors shall be broadly divided into fixed and variable components. The fixed components shall comprise of monthly salary, allowances, perquisites, amenities and other retirement benefits. The variable component shall comprise of performance based annual commission and/or incentives. The performance criteria are individual performance based on annual targets, Company's performance and recent compensation trends in the industry.

7.1.2. Subject to provisions of the Act and SEBI LODR Regulations, the remuneration payable shall be approved by the Board of Directors at the time of appointment subject to approval by shareholders of the Company.

7.1.3. The overall remuneration payable to all the directors of the Company including managing director and whole-time directors in respect of any financial year shall not exceed 11% of the net profits of the Company.

7.1.4. Remuneration payable to any one managing director; or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there is more than one such director, the remuneration shall not exceed 10% of the net profits of all such directors and manager taken together.

7.1.5. Payment of remuneration in excess of the above statutory limits shall be done by recording of clear reason and justification and obtaining approval of shareholders through special resolution as per the provisions of the

Act, SEBI LODR Regulations and amendments made thereto from time to time.

7.1.6. The fees and compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting if –

i. The annual remuneration payable to such executive director exceeds rupees five crore (5 crore) or 2.5 percent (2.5%) of the net profits of the Company, whichever is higher; or

ii. Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 percent (5%) of the net profits of the Company.

Such approval shall be valid only till the expiry of the term of such director.

7.1.7. In any financial year, if the Company has no profits or its profits are inadequate, the remuneration payable to its directors, including Managing Director and/or other Executive Director(s), shall be governed by the provisions of Schedule V to the Act subject to the approval of the shareholders of the Company.

7.2. Independent Directors / Non-executive Directors

7.2.1. The remuneration to Non-Executive Directors shall consist of sitting fees for attending Board/ Committee meetings, commission and other reimbursements.

7.2.2. Non-Executive Directors shall be paid commission upto an aggregate amount not exceeding 1 % of the net profits of the Company for the year. The payment of commission shall be based on their attendance at the board and the committee meetings as member.

7.2.3. All the Non-executive Directors shall be paid commission on uniform basis.

7.2.4. The Independent directors shall not be entitled to any stock options under the stock option scheme of the Company.

7.2.5. The Company shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by the board of directors.

7.3. KMP, Senior Management and other employees

7.3.1. In respect KMPs, senior management and other employees the remuneration shall be payable based on the person's performance, Company's performance, targets achieved, industry benchmark and compensation trends in the industry.

7.3.2. The remuneration shall consist of monthly salary, bonus, perquisites, KPI and other retirement benefits as per the prevailing policy of the Company.

7.3.3. The Committee shall recommend to the Board and finalise the salary and other perks remuneration in whatever form payable to the senior management.

7.4. Employee Stock Options

As permissible under the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 (as re-enacted), the eligible permanent employees and directors (other than promoter directors and independent directors) of the Company shall be eligible for Stock Options pursuant to Employee Stock Option Scheme of the Company.

7.5. Other common criteria

The Committee shall also consider the following criteria with regards to recommendation of remuneration:

7.5.1. the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate potential candidates of the quality required to run the Company successfully;

7.5.2. relationship of remuneration to performance shall be clear and able to meet appropriate performance benchmarks;

7.5.3. in line with best governance practices and legal requirements;

7.5.4. remuneration to directors, KMPs and senior management shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and

7.5.5. ensure high quality of work.

8. CRITERIA FOR EVALUATION OF PERFORMANCE OF DIRECTORS

8.1. The evaluation process for performance of the Board, its Committees and directors shall be carried out as per the provisions of the Act and the SEBI LODR Regulations.

8.2. The Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out by the Board and also review its implementation and compliance.

8.3. Each director shall be provided with a questionnaire to be filed up, providing feedback on the overall functioning of the Board and its committees.

8.4. The questionnaire shall cover various parameters such as composition structure with independent directors and woman director with relevant skills, experience, knowledge and diversity, understanding of members on their respective roles and responsibilities, discharge of key functions & other responsibilities under the law, etc.

8.5. The directors shall also be asked to provide their suggestions for areas of improvements to ensure higher degree of engagement with the management.

8.6. The Independent Directors shall have a meeting at least once in a year to review the performance and evaluation of the non-independent directors and the entire Board as a whole including the Chairman.

8.7. The evaluation of individual directors shall be carried out considering factors such as their attendance & participation, approach to board & senior management especially for risk management & meeting competition challenges, maintaining confidentiality and other related factors as may be deemed necessary in this exercise.

8.8. The evaluation of independent directors shall be done by the entire board of directors (excluding the directors being evaluated) with respect to –

8.8.1. performance of the directors; and

8.8.2. fulfillment of the independence criteria as per the provisions of the Act and SEBI LODR Regulations and their independence from the management.

9. BOARD DIVERSITY

9.1. Board diversity is an important aspect that makes use of differences in the skills, regional and industrial experience, background, gender and other distinctions to gain competitive advantage in the market.

9.2. Board diversity shall be such that it ensures that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company.

9.3. The Committee shall periodically review the size and composition of the Board to ensure its structure in terms of different perspectives, skills and expertise in the board room.

9.4. The Committee shall strive to maintain a proper balance in terms of diversity in gender, thought, experience, knowledge and perspective when recommending persons for appointment to the Board.

10. DISCLOSURE REQUIREMENTS

10.1. The Company shall disclose in its Corporate Governance Report, a chart or a matrix setting out the skills/expertise/ competence of the board of directors specifying the following:

10.1.1.The list of core skills/ expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board; and

10.1.2.The names of directors who have such skills/ expertise/ competence.

10.2. The Company shall also disclose in its Corporate Governance Report a confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in SEBI LODR Regulations and are independent of the management.

10.3. The Corporate Governance Report shall also include detailed reasons for the resignation of any independent director who resigns before the expiry of his or her tenure along with a confirmation by such director that there are no other material reasons other than those provided.

10.4. This policy shall be uploaded on the website of the Company i.e. www.bajajelectricals.com.

10.5. The salient features of this policy and any changes made therein in brief along with a weblink to the policy shall be provided in the Board's Report.

11. LIMITATION AND AMENDMENT

11.1. In the event of any conflict between the provisions of this policy and the Act or SEBI LODR Regulations or any other statutory requirements, rules, regulations, enactments, the provisions of such Act or SEBI LODR Regulations or any other statutory requirements, rules, regulations, enactments, the provisions shall prevail over this policy.

11.2. Any subsequent amendment/modification in SEBI LODR Regulations, Act and/ or applicable laws in this regard shall automatically apply to this policy.

Shekhar Bajaj
Chairman

Mumbai, May 17, 2022

Annexure F

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2024

[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.

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 with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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, 2024 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 there under;
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, 2018;
    d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    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, 2021 – Not applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review;
    h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable as the Company has not bought back / proposed to buyback its securities during the financial year under review; and
    i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. **OTHER APPLICABLE LAWS :**
    a. The Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder;
    b. The Environment (Protection) Act,1986;
    c. The Water (Prevention & Control of Pollution) Act, 1974 read with water (Prevention & Control of Pollution) Rules, 2011;
    d. The Legal Metrology Act, 2009 read with the Legal Metrology (Packaged Commodity) Rules, 2011;
    e. The Indian Copyright Act, 1957;
    f. The Patents Act, 1970;
    g. The Trade Marks Act, 1999;
    h. The Contract Labour (Regulations and Abolition) Act, 1970 & its Central Rules / concerned State Rules;
    i. Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules/ Scheme thereunder;
    j. Employers Liability Act, 1938;
    k. Equal Remuneration Act, 1976;
    l. Employees State Insurance Act, 1948 and Rules made thereunder;
    m. The Minimum Wages Act, 1948 & its Central Rules / concerned State Rules/ Notification of Minimum Wages applicable to various class of industries /Trade;

n. The Payment of Wages Act, 1936 & its Central Rules / concerned State Rules, if any;

o. The Payment of Bonus Act, 1965 & its Central Rules / concerned State Rules, if any;

p. The Payment of Gratuity Act, 1972 & its Central Rules / concerned State Rules, if any;

q. The Maternity Benefit Act, 1961 & its Rules;

r. The Industrial Employment (Standing Orders) Act, 1946 & its Rules;

s. The Apprentices Act, 1961 & its Rules;

t. The Workmen's Compensation Act, 1923;

u. The Industrial Disputes Act, 1947;

v. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

w. The Information Technology Act, 2000;

x. The Competition Act, 2002;

y. The Goods and Services Tax, 2017;

z. The Customs Act, 1972;

aa. The Income Tax Act, 1961 and

bb. The Central Excise Act, 1944.

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, Independent Directors and a Woman Director. 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.

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, following are the events/actions:

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT, Mumbai"), vide its order dated June 08, 2023 has approved the Scheme of Arrangement between Bajaj Electricals Limited ("Demerged Company") and Bajel Projects Limited ("Resulting Company") and their respective Shareholders ("Scheme") under Sections 230 to 232 (read with other applicable provisions) of the Companies Act, 2013, and rules framed thereunder (which was approved by the Board in its meeting held on February 8, 2022). The said scheme became operative on September 01, 2023.

2. The Company during the financial year 2023-2024 has allotted 1,20,440 (One Lakh Twenty Thousand Four Hundred and Forty) 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 2011 / ESOP 2015 Schemes and vested in their favour:

Sr. No.	Date of Allotment	No of Equity Shares
1.	June 13, 2023	26,315
2.	February 29, 2024	94,125

3. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT, Mumbai"), vide its order dated March 1, 2024, approved the Scheme of Merger by Absorption of Nirlep Appliances Private Limited ("Transferor Company") with Bajaj Electricals Limited ("Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the rules framed thereunder (which was approved by the Board in its meeting held on September 29, 2022). This scheme became effective on March 31, 2024.

FOR **ANANT B KHAMANKAR & CO.**
COMPANY SECRETARIES.

ANANT B. KHAMANKAR
PROPRIETOR
FCS No. - 3198 |CP No. - 1860
UDIN: F003198F000314289

DATE: MAY 06, 2024
PLACE: MUMBAI

Annexure to Secretarial Auditors' Report

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

Our Secretarial Audit Report for the Financial Year ended March 31, 2024, of even date is to be read along with this letter.

Management's Responsibility

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

Auditor's Responsibility

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

FOR **ANANT B KHAMANKAR & CO.**
COMPANY SECRETARIES.

ANANT B. KHAMANKAR
PROPRIETOR
FCS No. – 3198 |CP No. – 1860
UDIN: F003198F000314289

DATE: MAY 06, 2024
PLACE: MUMBAI

Annexure G

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:

- At Chakan Unit, added a new air compressor of 75 kW with a VFD-controlled system, which automatically reduces compressor speed based on demand.
- At Chakan Unit, installed motion sensors in the mezzanine floor storage area; lights turn off automatically when no motion is detected, saving energy.
- At Chakan Unit, installed an APFC (Automatic Power Factor Control) panel to improve the power factor and save energy.
- At Chakan Unit, replaced a normal HT transformer with a new transformer featuring an OLTC (On Load Tap Changer), reducing power failures and saving on diesel consumption for the DG set.
- At Nashik Unit, an average of 1,800 units of renewable energy is utilised in-house, thereby reducing overall energy consumption. Training regarding energy conservation and efficient use is provided to all employees.
- At Aurangabad (NST) Unit, Air Compressors are switched to ON/OFF mode during lunch breaks and shift changes to conserve energy.
- At Aurangabad (NST) Unit, a Variable Frequency Drive (VFD) has been installed on the Finishing Line to optimise energy usage.
- At Aurangabad (NST) Unit, regular monitoring and surveys are conducted to identify and repair air leakages, ensuring efficient energy use.
- At Aurangabad (NST) Unit, an APFC Panel has been installed to maintain the power factor within the range of 0.970 to 0.980, thus improving energy efficiency.
- At Aurangabad (PC) Unit, Air Compressors are switched to ON/OFF mode during lunch breaks and shift changes to conserve energy.
- At Aurangabad (PC) Unit, installation of smart LED streetlights with automatic ON/OFF scheduling.
- At Aurangabad (PC) Unit, adjustment of contract demand based on actual power consumption monitoring from the previous year.
- At Aurangabad (PC) Unit, regular monitoring and surveys are conducted to identify and repair air leakages, ensuring efficient energy use.

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

- Rooftop solar panels are installed at Chakan, Nashik, Aurangabad (NST), and Aurangabad (PC) units.

(iii) The capital investment on energy conservation equipments:

- At Chakan Unit, capital investment of ₹ 42 lakh was made during the year under review.
- At Nashik Unit, capital investment of ₹ 35 lakh was made during the year under review.

(iv) Total energy consumption and energy consumption per unit of production:

- The total energy consumption at the Chakan Unit was 18,52,381 kWh, with an energy consumption of 0.61 kWh per unit of production.
- The total energy consumption at the Nashik Unit was 18,37,820 kWh, with an energy consumption of 0.16 kWh per unit of production.
- The total energy consumption at the Aurangabad (NST) Unit was 6,06,149 kWh, with an energy consumption of 1.06 kWh per unit of production.
- The total energy consumption at the Aurangabad (PC) Unit was 2,33,574 kWh, with an energy consumption of 0.60 kWh per unit of production.

(v) Impact of the energy conservation measures for reduction of energy consumption and consequent impact on the cost of production of goods:

- Roof-Top Solar Panels: Energy savings achieved through the installation of roof-top solar panels.
- APFC Panel: Reduced energy consumption by maintaining the power factor.
- Air Monitoring: Improved compressor efficiency and performance.
- VFD: Reduced maintenance requirements and extended motor life.
- Smart LED Street Light: Reduced energy consumption.
- Contract Demand: Energy consumption savings resulting in reduced billing amounts.

B. Technology Absorption

(i) The efforts made towards technology absorption:

- At Aurangabad (PC) Unit, technical analysis and feasibility studies for the automatic pressure cooker line were conducted at the Pressure Cooker Plant.
- At Nashik Unit, multiple automation initiatives were implemented, including an AI tool for duplicate invoice booking controls, the Vendor Management Portal (DICE), and AP Booking and Invoice storage.
- At Nashik Unit, multiple cost-saving projects were undertaken, including process improvements such as

line balancing of SWH lines and efficiency enhancements in mixer lines.

- At Nashik Unit, low-cost automation projects and space utilisation improvements, such as the installation of a mezzanine floor, were also implemented.
- At Nashik Unit, backward integration efforts in water heater production included press shop capacity enhancement and the installation of a circle cutting machine.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Improvement in production and reduction in the cost.

(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):

(Amount: ₹ in lakh)

Particulars	Amount
(a) Capital	5,162.28
(b) Recurring	4,034.00
(C) Total	9,196.28
(d) Total R&D expenditure as a percentage of turnover (in %)	1.98

C. Foreign Exchange Earnings and Outgo

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

(Amount: ₹ in lakh)

Particulars	Amount
Earned (Export)	6,749.72
Used (Import)	20,211.11

For and on behalf of
the Board of Directors of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Mumbai
May 14, 2024

Annexure H

INFORMATION PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Particulars
1.	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	(see table below)

Name of the Director	Category	Ratio to median Remuneration
Mr. Shekhar Bajaj	Executive	67.75 : 1
Mr. Anuj Poddar		78.43 : 1
Mr. Madhur Bajaj	Non-Executive	0.95 : 1
Mr. Rajiv Bajaj		0.63 : 1
Ms. Pooja Bajaj		1.07 : 1
Mr. Shailesh Haribhakti	Independent	2.18 : 1
Mr. Sudarshan Sampathkumar*		0.83 : 1
Ms. Swati Salgaocar*		0.67 : 1
Mr. Vikram Hosangady*		0.67 : 1
Mr. Saurabh Kumar*		0.16 : 1
Mr. Munish Khetrapal*		0.36 : 1
Mr. Harsh Vardhan Goenka*		0.47 : 1
Dr. Indu Shahani*		2.41 : 1
Dr. Rajendra Prasad Singh*		2.26 : 1

Sr. No.	Requirements	Particulars
2.	Percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	(see table below)

Name of the Director, Chief Financial Officer, Chief Executive Officer, Company Secretary	Percentage increase / (decrease) in remuneration
Mr. Shekhar Bajaj	(26.81)
Mr. Anuj Poddar	(3.32)
Mr. Madhur Bajaj	0.00
Mr. Rajiv Bajaj	(33.33)
Ms. Pooja Bajaj	(3.57)
Mr. Shailesh Haribhakti	5.77
Mr. Sudarshan Sampathkumar*	N.A.
Ms. Swati Salgaocar*	N.A.
Mr. Vikram Hosangady*	N.A.
Mr. Saurabh Kumar*	N.A.
Mr. Munish Khetrapal*	(65.38)
Mr. Harsh Vardhan Goenka*	(33.33)
Dr. Indu Shahani*	15.09
Dr. Rajendra Prasad Singh*	32.56
Mr. E C Prasad (CFO)	31.92
Mr. Prashant Dalvi (CS)*	N.A.
Mr. Ajay Nagle (CS)*	(56.71)

Sr. No.	Requirements	Particulars
3.	Percentage increase in the median remuneration of employees in the financial year	20.31%
4.	Number of permanent employees on the rolls of Company	1,958
5.	Average percentile increase/(decrease) 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 point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration of Managerial Personnel - (12.72)% Average increase in remuneration of employees other than the Managerial Personnel – 17.13% The Managerial Personnel compensation is linked to Profit Before Tax and linked to the performance of the Company.

Sr. No.	Requirements	Particulars
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013.

*Note: During the financial year 2023-24, Mr. Sudarshan Sampathkumar was appointed as an Independent Director of the Company with effect from May 23, 2023. Mr. Vikram Hosangady and Ms. Swati Salgaocar were appointed as Independent Directors with effect from November 6, 2023. Mr. Saurabh Kumar was appointed as an (Additional) Independent Director with effect from March 20, 2024. Further, the tenure of Mr. Munish Khetrapal as an Independent Director concluded on October 31, 2023. The tenures of Mr. Harsh Vardhan Goenka, Dr. Indu Shahani, and Dr. Rajendra Prasad Singh as Independent Directors also concluded on March 31, 2024. Also, the Board of Directors of the Company, at its meeting held on May 23, 2023, recorded the cessation of Mr. Ajay Nagle, Chief Compliance Officer & Company Secretary and Key Managerial Personnel, effective from the close of business on June 30, 2023, and in the same meeting, the Board also considered and approved the appointment of Mr. Prashant Dalvi, then Vertical Head - Corporate Secretarial & Compliance, as the new Chief Compliance Officer & Company Secretary and Key Managerial Personnel of the Company, effective from the start of business on July 1, 2023.

For and on behalf of
the Board of Directors of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Mumbai
May 14, 2024

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the financial year ended March 31, 2024, in terms of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Ethical values are the foundation of the Company's governance philosophy, which, over the past eight decades of the Company's existence, has become a part of its culture. We are proud to belong to a company whose visionary founders laid the foundation stone for good governance long ago and made it an integral principle of the business. We strongly believe that in business, there is something more important than just the top line and the bottom line; hence, each of us needs to strive towards producing our very best in all we do, so that we not only fulfil 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 making business decisions and acting in a manner that is ethical and in compliance with applicable legislation.

The Company emphasises the need for complete transparency and accountability in all its dealings to protect stakeholders' interests. The governance framework encourages the efficient utilisation of resources and accountability for stewardship. The Board considers itself the custodian of trust and acknowledges its responsibilities towards stakeholders for sustainably and responsibly creating wealth.

GOVERNANCE STRUCTURE

The Corporate Governance structure of the Company is as follows:

Board of Directors: The Board is entrusted with the ultimate responsibility for the management, direction, and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective, and independent views to the Company's management while discharging its responsibilities. This ensures that the management adheres to ethics, transparency, and disclosure.

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

Executive Chairman: The primary role of the Executive Chairman is to provide leadership to the Board in achieving the goals of the Company. He is responsible for transforming the Company into a world-class organisation. Among other duties, he is responsible for the functioning of the Board and for ensuring that all relevant issues are placed before the Board. Additionally, he ensures that all Directors are encouraged to provide their expert guidance on the issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board.

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

Non-Executive Directors including Independent Directors: Non-Executive Directors play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings, such as the formulation of business strategies, monitoring of performances, etc.

Core Management Committee: The main function of the Core Management Committee is the strategic management of the Company's businesses within the Board-approved direction and framework. It ensures that effective systems are in place for appropriate reporting to the Board on important matters. The Core Management Committee, headed by the Executive Chairman and comprising functional heads, manages the day-to-day affairs of the Company.

BOARD OF DIRECTORS

The Company's Board comprises people of eminence and repute who bring the required skills, competence, and expertise that enable them to make effective contributions to the Board and its Committees.

The Board safeguards the business and stakeholders' interests. The Non-Executive Directors, including the Independent Directors, are well-qualified, experienced, and renowned individuals from the fields of industry, manufacturing, general corporate management, finance, law, media, corporate strategy, technical expertise, marketing, and other allied backgrounds. The Board Members actively participate in Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, governance, and compliance, among others. The Board's guidance provides foresight, enhances transparency, and adds value to decision-making. The Company is managed by the Board in coordination with the senior management team.

None of the Non-Executive Directors have attained the age of seventy-five (75) years.

Composition and Category of the Board as of March 31, 2024

As per Regulation 17(1)(b) of the SEBI Listing Regulations, where the Chairman is an executive or a promoter, at least one half of the Board of the Company should consist of independent directors.

The composition and strength of the Board are reviewed from time to time to ensure that it remains aligned with statutory and business requirements.

During the financial year 2023-24, the following appointments and conclusions of tenure occurred within the Company: Mr. Sudarshan Sampathkumar was appointed as an Independent Director effective May 23, 2023; Mr. Vikram Hosangady and Ms. Swati Salgaocar were appointed as Independent Directors effective November 6, 2023; Mr. Saurabh Kumar was appointed as an Additional Independent Director effective March 20, 2024; and Mr. Shailesh Haribhakti was reappointed as an Independent Director for a second term of five years starting from August 7, 2024. Additionally, the tenure of Mr. Munish Khetrapal as an Independent Director concluded on October 31, 2023, and the tenures of Mr. Harsh Vardhan Goenka, Dr. Indu Shahani, and Dr. Rajendra Prasad Singh as Independent Directors also concluded on March 31, 2024. There were no instances of an independent director resigning before the expiry of his or her tenure during the year under review.

The Board of Directors, as at the end of March 31, 2024, comprised ten (10) Directors: one (1) Executive Director - Promoter, one (1) Executive Director – Non-Promoter, three (3) Non-Executive Directors – Promoter and Promoter Group, including one Woman Director, and five (5) Non-Executive Directors – Independent, including one (1) Independent Woman Director. Accordingly, it has the following composition:

Category of Directors	No. of Directors	%
Executive Directors	2	20.00
Non-Executive Directors, Non-Independent	3	30.00
Non-Executive Directors, Independent	5	50.00

The Chairman of the Board is an Executive Director. Independent Directors constitute half of the total Board strength.

Board Diversity

Over the years, the Company has been fortunate to have eminent persons from diverse fields serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination and Remuneration Policy of the Company ensures diversity of the Board in terms of experience, knowledge, perspective, background, gender, age, and culture. The Policy is available on the Company's website at: https://www.bajajelectricals.com/media/6722/nomination-and-remuneration-policy.pdf.

Directors' Profile

The brief profiles of all the members of the Board are available on the Company's website: https://www.bajajelectricals.com/board-of-directors/.

Core skills/expertise/competencies

As stipulated under Schedule V of the SEBI Listing Regulations, the core skills, expertise, and competencies required in the context of the business and sector for effective function, as well as those possessed by the Board, have been identified by the Board of Directors.

As a green initiative, a chart/matrix of these core skills, expertise, and competencies, along with the names of directors who possess them, has been placed on the Company's website at: https://www.bajajelectricals.com/miscellaneous/.

Board meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. Board meetings are pre-scheduled, and a tentative annual calendar of board meetings is circulated to the directors well in advance to enable them to plan their schedules accordingly. In case of business exigencies, approval is sought from the board through circular resolutions, which are then noted at the subsequent Board meeting.

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

Number of meetings of the Board

During the financial year 2023-24, the Board met six times, viz. May 23, 2023, August 10, 2023, November 6, 2023, December 21, 2023, February 5, 2024, and March 20, 2024. The gap between any two meetings has been less than one hundred and twenty days.

Attendance record of directors

Composition of the Board and attendance record of directors for the financial year 2023-24:

Name of the director	Category	Relationship with other directors	No. of Board meetings attended out of the total eligible meetings	Whether attended last annual general meeting (AGM)
Mr. Shekhar Bajaj	Executive Chairman	Brother of Madhur Bajaj, father-in-law of Pooja Bajaj	6 / 6	Yes
Mr. Anuj Poddar	Managing Director & Chief Executive Officer	-	6 / 6	Yes
Mr. Madhur Bajaj	Non-executive	Brother of Shekhar Bajaj	6 / 6	Yes
Mr. Rajiv Bajaj	Non-executive	-	4 / 6	Yes
Ms. Pooja Bajaj	Non-executive	Daughter-in-law of Shekhar Bajaj	6 / 6	Yes
Mr. Shailesh Haribhakti	Non-executive, independent	-	6 / 6	Yes
Mr. Sudarshan Sampathkumar*	Non-executive, independent	-	5 / 6	Yes
Ms. Swati Salgaocar*	Non-executive, independent	-	4 / 4	N.A.
Mr. Vikram Hosangady*	Non-executive, independent	-	4 / 4	N.A.
Mr. Saurabh Kumar*	Non-executive, independent	-	1 / 1	N.A.

Name of the director	Category	Relationship with other directors	No. of Board meetings attended out of the total eligible meetings	Whether attended last annual general meeting (AGM)
Mr. Munish Khetrapal*	Non-executive, independent	-	2 / 2	Yes
Mr. Harsh Vardhan Goenka*	Non-executive, independent	-	3 / 6	Yes
Dr. Indu Shahani*	Non-executive, independent	-	6 / 6	Yes
Dr. Rajendra Prasad Singh*	Non-executive, independent	-	6 / 6	Yes

**Note:* *During the financial year 2023-24, Mr. Sudarshan Sampathkumar was appointed as an Independent Director of the Company with effect from May 23, 2023. Mr. Vikram Hosangady and Ms. Swati Salgaocar were appointed as Independent Directors with effect from November 6, 2023. Mr. Saurabh Kumar was appointed as an (Additional) Independent Director with effect from March 20, 2024. Further, the tenure of Mr. Munish Khetrapal as an Independent Director concluded on October 31, 2023. The tenures of Mr. Harsh Vardhan Goenka, Dr. Indu Shahani, and Dr. Rajendra Prasad Singh as Independent Directors also concluded on March 31, 2024.*

Information placed before the Board

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

Post meeting mechanism

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

Board support

The Company Secretary attends the Board meetings and advises the Board on compliance with applicable laws and governance.

Duties and functions of the Board

The duties of the Board of Directors have been enumerated in the SEBI Listing Regulations, as well as Section 166 (read with Schedule IV) of the Companies Act, 2013 (the "Act") — Schedule IV is specifically for Independent Directors. There is a clear demarcation of responsibility and authority amongst the Board of Directors.

Meeting of Independent Directors

During the financial year 2023-24, the independent directors met on May 23, 2023, and March 20, 2024, inter alia, to discuss: (i) the evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole; (ii) the evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; (iii) the evaluation of the quality, content, and timeliness of the flow of information between the Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties; and (iv) other related matters. All the eligible independent directors, except Mr. Harsh Vardhan Goenka, attended these meetings.

Directorships and Memberships of Committees

Number of directorships/committee positions of directors as on March 31, 2024:

Name of the director	Directorships			Committee positions held in listed and unlisted public limited companies	
	In equity listed companies	In unlisted public limited companies	In private limited companies	As Member (including as Chairman)	As Chairman
Mr. Shekhar Bajaj	4	4	5	4	2
Mr. Anuj Poddar	1	1	-	-	-
Mr. Madhur Bajaj	3	-	4	-	-
Mr. Rajiv Bajaj	5	2	6	1	1
Ms. Pooja Bajaj	1	-	-	1	1
Mr. Shailesh Haribhakti	6	4	12	10	5
Mr. Sudarshan Sampathkumar	1	-	1	-	-
Ms. Swati Salgaocar	1	1	18	-	1
Mr. Vikram Hosangady	5	-	-	-	-
Mr. Saurabh Kumar	1	-	1	-	-

Note:

None of the directors hold office as a director, including as an alternate director, in more than twenty companies at the same time. None of them has directorships in more than ten public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included and directorships in dormant companies are excluded. No Independent Director holds any alternate directorship.

As per declarations received, none of the directors serves as an independent director in more than seven equity listed companies. Further, the Managing Director and Executive Director of the Company does not serve as an independent director in more than three equity listed companies and in fact not even in a single entity.

None of the directors was a member in more than ten committees, nor a chairperson in more than five committees across all companies in which he/she was a director.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded. Only audit committee and stakeholders' relationship committee are considered for the purpose of reckoning committee positions.

Directorships in equity listed companies

Name of equity listed entities where directors of the Company held directorships as on March 31, 2024:

Name of the director	Name of listed entities	Category
Mr. Shekhar Bajaj	Bajaj Electricals Limited	Chairman, Executive Director-Chairperson related to Promoter
	Bajel Projects Limited	Chairman, Non-Executive - Non-Independent-Chairperson related to Promoter
	Hercules Hoists Limited	Chairman, Non-Executive - Non-Independent-Chairperson related to Promoter
	Bajaj Holdings & Investments Limited	Chairman, Non-Executive, Non-Independent-Chairperson related to Promoter
Mr. Anuj Poddar	Bajaj Electricals Limited	Managing Director & Chief Executive Officer, Executive
Mr. Madhur Bajaj	Bajaj Electricals Limited	Non-Executive, Non-Independent
	Bajaj Holdings & Investment Limited	Non-Executive, Non-Independent
	Bajaj Finserv Limited	Non-Executive, Non-Independent
Mr. Rajiv Bajaj	Bajaj Electricals Limited	Non-Executive, Non-Independent
	Bajaj Holdings & Investments Limited	Non-Executive, Non-Independent
	Bajaj Finance Limited	Non-Executive, Non-Independent
	Bajaj Finserv Limited	Non-Executive, Non-Independent
	Bajaj Auto Limited	Managing Director and CEO, Executive
Ms. Pooja Bajaj	Bajaj Electricals Limited	Non-Executive, Non-Independent
Mr. Shailesh Haribhakti	Bajaj Electricals Limited	Non-Executive, Independent
	Torrent Pharmaceuticals Limited	Non-Executive, Independent
	Blue Star Limited	Non-executive, Independent- Chairperson
	Adani Total Gas Limited	Non-executive, Independent
	L&T Finance Holdings Limited	Non-executive, Independent
	Protean eGov Technologies Limited	Non-Executive - Non-Independent- Chairperson
Mr. Sudarshan Sampathkumar	Bajaj Electricals Limited	Non-Executive, Independent
Ms. Swati Salgaocar	Bajaj Electricals Limited	Non-Executive, Independent
Mr. Vikram Hosangady	Bajaj Electricals Limited	Non-Executive, Independent
	MRF Limited	Non-Executive, Independent
	Rane (Madras) Limited	Non-Executive - Non-Independent
	Chemplast Sanmar Limited	Non-Executive - Non-Independent
	Rane Engine Valve Limited	Non-Executive - Non-Independent
Mr. Saurabh Kumar	Bajaj Electricals Limited	Non-Executive, Independent

D&O Insurance

The Company has taken Directors and Officers Insurance (D&O) for all its directors and senior management members, covering amounts and risks as determined by the Board.

Familiarisation Programme for Independent Directors

At the time of appointing an Independent Director, a formal letter of appointment is given to them, which, inter alia, explains the roles, functions, duties, and responsibilities expected of them as a Director of the Company. The Director is also thoroughly briefed on the compliances required under the Act, the SEBI Listing Regulations, and other statutes, and an affirmation is obtained. The Chairman and the Managing Director & Chief Executive Officer also have one-to-one discussions with the newly appointed Director to familiarise them with the Company's operations. Additionally, as part of the agenda of Board/Committee meetings, presentations are regularly made to the Independent Directors, covering various matters including the Company's and its subsidiaries', associates', and joint venture companies' operations, industry and regulatory updates, strategy, finance, risk management framework, and the roles, rights, and responsibilities of the Independent Directors under various statutes, among other relevant topics.

Details of the familiarisation programme for Directors are available on the Company's website: https://www.bajajelectricals.com/media/7815/familiarization-program-for-independent-directors-march-31-2024.pdf.

Plans for orderly succession for appointments

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee works along with the Human Resources team of the Company to develop a structured leadership succession plan.

Opinion of the Board

The Board hereby confirms that, in its opinion, the independent directors on the Board fulfil the conditions specified in the SEBI Listing Regulations and the Act and are independent of the management. A formal letter of appointment given to independent directors as provided in the Act has been issued and disclosed on website of the Company: https://www.bajajelectricals.com/media/6937/letter-of-appointment-to-independent-directors.pdf.

COMMITTEES OF THE BOARD

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

(A) Audit Committee

The Audit Committee is entrusted with the responsibility of supervising the Company's financial reporting process and internal controls. The composition, quorum, powers, role, and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the SEBI Listing Regulations. As of March 31, 2024, the Audit Committee was composed of three Directors, namely Mr. Shailesh Haribhakti as the Chairperson, with Dr. Indu Shahani and Dr. Rajendra Prasad Singh as its members. Further, effective April 1, 2024, the Audit Committee was reconstituted with Mr. Shailesh Haribhakti as the Chairperson, and Mr. Sudarshan Sampathkumar and Mr. Vikram Hosangady as its members.

All members of the Audit Committee are financially literate and bring expertise in finance, taxation, economics, legal, risk, and international finance. The Committee functions in accordance with its terms of reference, which define its authority, responsibilities, and reporting functions. The Company Secretary acts as the convener of the Audit Committee.

Meetings and Attendance

The Audit Committee met six times during the financial year 2023-24. The maximum gap between two meetings was not more than 120 days. The Committee met on May 23, 2023, August 10, 2023, November 6, 2023, December 21, 2023, February 5, 2024, and March 20, 2024. The requisite quorum was present at all meetings. The Chairperson of the Audit Committee was present at the last AGM of the Company held on August 10, 2023.

The attendance of the Audit Committee members:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended out of the total eligible meetings
1.	Mr. Shailesh Haribhakti	Chairperson	Independent Director	6 / 6
2.	Dr. Indu Shahani	Member	Independent Director	6 / 6
3.	Dr. Rajendra Prasad Singh	Member	Independent Director	6 / 6

Terms of reference and functions of Audit Committee

The terms of reference of the Audit Committee as stated below is in line with what is mandated in Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.
   e. Compliance with listing and other legal requirements relating to financial statements.
   f. Disclosure of any related party transactions.
   g. Modified Opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval including the financial statements, in particular, the investments made by unlisted subsidiary(ies);
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of the related party transactions;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To review the utilization of loans, advances or both in the subsidiary company(ies) which shall not exceed ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. Appointment, removal and terms of remuneration of the Chief Internal Auditor;
6. Statement of deviations:
    (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations, 2015; and
    (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice in terms of Regulation 32(7) of SEBI Listing Regulations, 2015.
7. Compliance with the provisions of Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

Internal Controls and Governance Processes

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

(B) Nomination and Remuneration Committee

As of March 31, 2024, the Nomination and Remuneration Committee was composed of four directors, namely Dr. Indu Shahani as the Chairperson, with Mr. Shekhar Bajaj, Mr. Shailesh Haribhakti, and Dr. Rajendra Prasad Singh as its members. Further, effective April 1, 2024, the Nomination and Remuneration Committee was reconstituted with Mr. Sudarshan Sampathkumar as the Chairperson, and Mr. Shekhar Bajaj, Mr. Shailesh Haribhakti, and Mr. Vikram Hosangady as its members. The Company Secretary acts as the convener of the Committee.

Meetings and Attendance

The Nomination and Remuneration Committee met five times during the financial year 2023-24. The Committee met on May 23, 2023, August 10, 2023, November 6, 2023, February 5, 2024, and March 20, 2024. The requisite quorum was present at all meetings. The Chairperson of the Nomination and Remuneration Committee was present at the last AGM of the Company held on August 10, 2023.

The attendance of the Nomination and Remuneration Committee members:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended out of the total eligible meetings
1.	Dr. Indu Shahani	Chairperson	Independent Director	5 / 5
2.	Mr. Shekhar Bajaj	Member	Executive Chairman	5 / 5
3.	Mr. Shailesh Haribhakti	Member	Independent Director	5 / 5
4.	Dr. Rajendra Prasad Singh	Member	Independent Director	5 / 5

Terms of reference and functions of Nomination and Remuneration Committee

The broad terms of reference of the Nomination and Remuneration Committee, as stated below, are in compliance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. While formulating the policy, to ensure that:
    a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
4. To take into account financial position of the Company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders while approving the remuneration payable to managing director, whole time director or manager.
5. To lay down / formulate the evaluation criteria for performance evaluation of independent directors and the Board.
6. To devise a policy on Board diversity.
7. To ensure 'Fit & Proper' status of the proposed/ existing directors.
8. To recommend to Board, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
9. To review and approve the remuneration and change in remuneration payable to whole-time directors.
10. To recommend to Board, all remuneration payable to senior management (i.e., members of the core management team one level below the chief executive officer/managing director/whole time director and shall specifically include Company Secretary and Chief Financial Officer).
11. To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof) to determine the quantum of Employee Stock Options to be granted to the employees under Company's ESOP Plans; determine eligibility for grant of ESOPS; decide the procedure for making a fair and reasonable adjustment in case of corporate actions; procedure and terms for the grant, vest and exercise of Employee Stock Option; procedure for cashless exercise of Employee Stock Options, etc.
12. To undertake specific duties as may be prescribed by the Board from time to time.

Performance Evaluation

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

The performance evaluation of independent directors was conducted by the entire Board, excluding the director being evaluated. A separate exercise was undertaken to evaluate the performance of individual Directors. The Chairman of the Board of Directors interacted with all Directors individually to get an overview of the functioning of the Board/Committees, inter alia, on the following broad criteria: attendance and level of participation in meetings of the Board and committees, independence of judgment exercised by independent directors, interpersonal relationships, and so on. The detailed criterion for such an evaluation is available on the Company's website at: https://www.bajajelectricals.com/media/7069/evaluation-criteria-of-directors-and-committee.pdf.

The performance evaluation of the Non-Independent Directors and the Board as a whole was conducted by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive and Non-Executive Directors.

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

Based on the inputs received from the Directors, an action plan is being drawn up in consultation with the Directors to encourage their greater engagement with the Company.

(C) Stakeholders' Relationship Committee

As of March 31, 2024, the Stakeholders' Relationship Committee was composed of three directors, namely Ms. Pooja Bajaj as the Chairperson, with Dr. Indu Shahani and Mr. Shekhar Bajaj as its members. Further, effective April 1, 2024, the Stakeholders' Relationship Committee was reconstituted with Ms. Pooja Bajaj as the Chairperson, and Mr. Sudarshan Sampathkumar and Mr. Shekhar Bajaj as its members. The Company Secretary acts as the convener of the Committee. The Committee is governed by a Charter.

Mr. Prashant Dalvi, Chief Compliance Officer & Company Secretary, has been designated as the Compliance Officer of the Company. He has also been appointed as the nodal officer in line with statutory requirements.

Meetings and Attendance

The Stakeholders' Relationship Committee met twice during the financial year 2023-24, on June 13, 2023, and February 29, 2024. The requisite quorum was present at all meetings. The Chairperson of the Stakeholders' Relationship Committee was present at the last AGM of the Company held on August 10, 2023.

The attendance of the Stakeholders' Relationship Committee members is as follows:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended out of the total eligible meetings
1.	Ms. Pooja Bajaj	Chairperson	Non-Executive Director	1 / 2
2.	Mr. Shekhar Bajaj	Member	Executive Chairman	2 / 2
3.	Dr. Indu Shahani	Member	Independent Director	2 / 2

Terms of reference

The terms of reference of Stakeholders' Relationship Committee are as under:

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

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

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

Details of Shareholders' complaints received, resolved, and pending during the financial year 2023-24 are as follows:

Investors Complaints	No. of Complaints
Pending at the beginning of the year	Nil
Received during the year	9
Disposed-off during the year	9
Remaining unresolved at the end of the year	Nil

(D) Risk Management Committee

As of March 31, 2024, the Risk Management Committee was composed of three Directors and two management personnel, namely Mr. Shekhar Bajaj as the Chairperson, with Mr. Anuj Poddar, Dr. Indu Shahani, Mr. E C Prasad (Chief Financial Officer), and Mr. Rishiraj Haldankar (Head of Department - Audit) as its members. Further, effective April 1, 2024, the Risk Management Committee was reconstituted with Mr. Shekhar Bajaj as the Chairperson, and Mr. Anuj Poddar, Ms. Swati Salgaocar, Mr. E C Prasad, and Mr. Rishiraj Haldankar as its members. The composition of the Committee conforms to the SEBI Listing Regulations, with the majority of members being Directors of the Company. The Committee is governed by a Charter. The Company Secretary acts as the convener of the Committee.

During the financial year 2023-24, the Committee met twice, on August 17, 2022, and February 5, 2024. The requisite quorum was present at all meetings. The gap between any two meetings was less than one hundred and eighty days.

The attendance of the Risk Management Committee members is as follows:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended out of the total eligible meetings
1.	Mr. Shekhar Bajaj	Chairperson	Executive Chairman	2 / 2
2.	Mr. Anuj Poddar	Member	Managing Director & Chief Executive Officer	2 / 2
3.	Dr. Indu Shahani	Member	Independent Director	2 / 2
4.	Mr. E C Prasad	Member	Management Personnel	2 / 2
5.	Mr. Rishiraj Haldankar	Member	Management Personnel	2 / 2

Terms of reference

The terms of reference of Risk Management Committee are as under:

1. To identify, assess, mitigate and monitor the existing as well as potential risks to the Company (including risks associated with cyber security and financial risk), to recommend the strategies to the Board to overcome them and review key leading indicators in this regard.
2. to periodically review and approve the Risk Management framework including the risk management processes and practices of the Company.
3. to evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
4. To develop and implement action plans to mitigate the risks.
5. to coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
6. To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives.
7. To review and periodically assess the Company's performance against the identified risks of the Company.
8. to review and periodically reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
9. To regularly review and update the current list of material business risks.
10. To make regular reports to the Board, including with respect to risk management and minimization procedures.
11. To perform such other activities related to the Risk Management Plan as requested by the Board or to address issues related to any significant, subject within its term of reference.

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

(E) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted to undertake various activities as envisaged in the Company's Corporate Social Responsibility Policy. As of March 31, 2024, the Corporate Social Responsibility Committee was composed of four Directors, namely Mr. Shekhar Bajaj as the Chairperson, with Dr. Indu Shahani, Dr. Rajendra Prasad Singh, and Ms. Pooja Bajaj as its members. Further, effective April 1, 2024, the Corporate Social Responsibility Committee was reconstituted with Ms. Pooja Bajaj as the Chairperson, and Mr. Shekhar Bajaj, Mr. Sudarshan Sampathkumar, and Mr. Saurabh Kumar as its members.

During the financial year 2023-24, the Committee met twice, on May 23, 2023, and March 20, 2024. The requisite quorum was present at all meetings.

The attendance of the Corporate Social Responsibility Committee members is as follows:

Sr. No.	Name of Directors	Position	Category	No. of meetings attended out of the total eligible meetings
1.	Mr. Shekhar Bajaj	Chairperson	Executive Chairman	2 / 2
2.	Dr. Indu Shahani	Member	Independent Director	2 / 2
3.	Dr. Rajendra Prasad Singh	Member	Independent Director	2 / 2
4.	Ms. Pooja Bajaj*	Member	Non-Executive Director	1 / 1

*Note: Ms. Pooja Bajaj was appointed as a member of the Corporate Social Responsibility Committee in the Board Meeting held on May 23, 2023.

(F) Finance Committee

The Company has a Finance Committee which oversees matters related to the borrowings of the Company, if any, including fund-based and non-fund-based limits for business and working capital requirements, reviews the Company's insurance program, and authorises or withdraws authority given to officers of the Company to open, operate, or close bank accounts, in addition to other powers granted by the Board from time to time.

As of March 31, 2024, the Finance Committee was composed of four directors, namely Mr. Shekhar Bajaj as the Chairperson, with Mr. Anuj Poddar, Dr. Rajendra Prasad Singh, and Ms. Pooja Bajaj as its members. Further, effective April 1, 2024, the Finance Committee was reconstituted with Mr. Anuj Poddar as the Chairperson, and Mr. Shekhar Bajaj and Ms. Pooja Bajaj as its members. The Company Secretary acts as the convener of the Committee.

During the year under review, the Committee met once on July 4, 2023. The meeting was attended by Mr. Shekhar Bajaj, Mr. Anuj Poddar, and Ms. Pooja Bajaj, while a leave of absence was granted to Dr. Rajendra Prasad Singh.

SENIOR MANAGEMENT

As of March 31, 2024, the senior management personnel of the Company comprise Mr. Shekhar Bajaj, Executive Chairman; Mr. Anuj Poddar, Managing Director & Chief Executive Officer; Mr. Ravindra Singh Negi, Chief Operating Officer & Business Head – Consumer Products; Mr. Rajesh Naik, Business Head – Lighting; Mr. Suman Kumar Ghosh, Chief Human Resource Officer; Mr. E C Prasad, Chief Financial Officer; and Mr. Prashant Dalvi, Chief Compliance Officer & Company Secretary.

During the year under review, the Board of Directors of the Company, at its meeting held on May 23, 2023, recorded the cessation of Mr. Ajay Nagle, Chief Compliance Officer & Company Secretary and Key Managerial Personnel, effective from the close of business on

June 30, 2023, and in the same meeting, the Board also considered and approved the appointment of Mr. Prashant Dalvi, then Vertical Head - Corporate Secretarial & Compliance, as the new Chief Compliance Officer & Company Secretary and Key Managerial Personnel of the Company, effective from the start of business on July 1, 2023. Also, Mr. Sanjay Bhagat, Business Head – Power Transmission and Power Distribution ('PTPD'), was transferred from the Company's payroll to that of Bajel Projects Limited (the "Resulting Company"), following the transfer and demerger of the PTPD Business from the Company into the Resulting Company, under the Scheme of Arrangement between the Company and the Resulting Company and their respective shareholders under Sections 230-232 of the Companies Act, 2013 with effect from August 31, 2023. Further, on April 22, 2024, Mr. Ravindra Singh Negi, Chief Operating Officer & Business Head – Consumer Products tendered his resignation from the Company, effective at the close of business on May 29, 2024, citing personal and professional reasons. Apart from these, there have been no changes in the senior management.

GOVERNANCE CODES

Code of conduct for Directors and Senior Management

The Company has adopted a Code of Conduct (the "Code"), which is applicable to the Board of Directors and senior management of the Company. The Board of Directors and members of the senior management team are required to affirm compliance with this Code on an annual basis. A declaration signed by the Managing Director & Chief Executive Officer of the Company to this effect is placed at the end of this report. The Code requires Directors and employees to act honestly, fairly, ethically, and with integrity, and to conduct themselves in a professional, courteous, and respectful manner. The Code is displayed on the Company's website: https://www.bajajelectricals.com/media/7614/code-of-conduct-for-directors-and-senior-management.pdf.

Disclosure on conflict of interests

Each Director informs the Company on an annual basis about the Board and Committee positions they occupy in other companies, including as Chairman, and notifies of any changes during the year. The members of the Board, while discharging their duties, avoid conflicts of interest in the decision-making process. The members of the Board restrict themselves from participating in any discussions and voting on transactions in which they have a concern or interest.

Insider Trading Code

The Company has adopted a 'Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons and their Immediate Relatives' ("the IT Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations"). The IT Code is applicable to promoters, members of the promoter group, all Directors, and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' ("Fair Disclosure Code") in compliance with the PIT Regulations. This Fair Disclosure Code is displayed on the Company's website: https://www.bajajelectricals.com/media/6125/fair-disclosure-code-wef-1st-april-2019.pdf.

REMUNERATION POLICY

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Nomination and Remuneration Policy ('the Policy'), which provides for: a) selection, appointment, and removal of personnel; b) remuneration strategies; c) evaluation of performance; and d) promoting board diversity. The Policy is directed towards rewarding performance, based on a review of achievements. It aims to attract and retain high-caliber talent. The Policy is displayed on the Company's website at: https://www.bajajelectricals.com/media/6722/nomination-and-remuneration-policy.pdf.

Criteria for recommendation of remuneration

a) Non-Executive Directors remuneration:

The remuneration of Non-Executive Directors is determined within the limits prescribed under Section 197 of the Act, read with the Rules framed thereunder, and the SEBI Listing Regulations. The Non-Executive Directors of the Company receive remuneration by way of sitting fees for attending the Board and Committee meetings and commission, as detailed below:

(i) Sitting fees of ₹100,000 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) Payment of commission on an annual basis of ₹100,000 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 as prescribed under the Act and approved by the Members at the Eightieth (80th) AGM held on August 7, 2019.

(iii) Reimbursement of travelling and other related expenses incurred by the Non-Executive Directors for attending Board and Committee meetings.

(iv) Independent Directors and any employee/director of the Company, who is a promoter or belongs to the promoter group, 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.

b) Executive Directors' remuneration:

The appointment and remuneration of Executive Directors, namely the Executive Chairman, and Managing Director & Chief Executive Officer, are governed by the recommendation of the Nomination and Remuneration Committee and resolutions passed by the Board and Shareholders of the Company.

The terms and conditions of appointment and the remuneration payable to:

(i) Mr. Shekhar Bajaj, Executive Chairman, as approved by the Members of the Company through a special resolution dated October 12, 2022, passed by postal ballot, can be accessed at the following weblink: https://www.bajajelectricals.com/media/7408/intimation-wrt-notice-of-the-postal-ballot.pdf.

(ii) Mr. Anuj Poddar, Managing Director & Chief Executive Officer, as approved by the Members of the Company through a special resolution dated October 12, 2022, passed by postal ballot, can be accessed at the following weblink: https://www.bajajelectricals.com/media/7408/intimation-wrt-notice-of-the-postal-ballot.pdf.

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

Nomination and Remuneration Committee and recommended to the Board for approval. The Company does not have stock option plans for promoter executive directors/non-executive directors, and only non-promoter executive directors are eligible for stock option plans.

During the financial year 2023-24, the Company did not advance any loans to any of the directors.

The tenure of office for the Executive Chairman and Managing Director & Chief Executive Officer is for five years from their respective dates of appointment and can be terminated by either party by giving three months' notice in writing. There is no separate provision for the payment of severance fees.

c) **Remuneration Criteria for the Key Managerial Personnel (KMP) and other employees:**

Remuneration for KMP and other employees largely consists of basic salary, perquisites, allowances, and performance incentives. The components of total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their annual performance, etc. The performance pay policy links the performance pay of each employee to their individual, business unit, and overall company performance on parameters aligned with the Company's objectives.

REMUNERATION OF DIRECTORS

Remuneration drawn by the Directors during the financial year 2023-24

The remuneration paid to the Directors is in accordance with the provisions of the Act and has been duly approved by Members of the Company. During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company The remuneration paid to the Non-Executive Directors does not exceed the threshold specified in Regulation 17(6)(ca) of the SEBI Listing Regulations and no approval of the shareholders by Special Resolution was called for. Also, the remuneration of Executive Chairman and Managing Director & Chief Executive Officer were paid as per the terms of their remuneration approved by shareholders by way of respective special resolutions under Sections 196, 197, 198, 203, Schedule V and any other applicable provisions of the Act or SEBI Listing Regulations.

The remuneration drawn by the Directors during the year is set out below:

Executive Directors

(Amount: ₹ in lakh)

Name of Directors	Salary and allowances	Perquisites	Retiral Benefits	Commission payable	Total
Mr. Shekhar Bajaj	253.09	118.74	84.79	399.19	855.82
Mr. Anuj Poddar	*637.51	18.01	35.83	299.39	990.75

* Includes performance linked incentive of ₹ 225.00 lakh.

As of March 31, 2024, Mr. Shekhar Bajaj held 18,14,639 equity shares in the Company, while Mr. Anuj Poddar held 8,010 equity shares. Additionally, Mr. Poddar had 1,92,000 stock options under the Company's ESOP Scheme.

Non-Executive Directors

Name of the Non-Executive Director(s)	Sitting Fees (₹)	Commission provided for financial year 2023-24 (₹)	Total (₹)	Number of equity shares and convertible instruments held as of March 31, 2024
Mr. Madhur Bajaj	6,00,000	6,00,000	12,00,000	2,00,000
Mr. Rajiv Bajaj	4,00,000	4,00,000	8,00,000	Nil
Ms. Pooja Bajaj	7,50,000	6,00,000	13,50,000	15,41,875
Mr. Shailesh Haribhakti	15,50,000	12,00,000	27,50,000	Nil
Mr. Sudarshan Sampathkumar	5,50,000	5,00,000	10,50,000	Nil
Ms. Swati Salgaocar	4,50,000	4,00,000	8,50,000	Nil
Mr. Vikram Hosangady	4,50,000	4,00,000	8,50,000	Nil
Mr. Saurabh Kumar	1,00,000	1,00,000	2,00,000	Nil
Mr. Munish Khetrapal	2,50,000	2,00,000	4,50,000	Nil
Mr. Harsh Vardhan Goenka	3,00,000	3,00,000	6,00,000	Nil
Dr. Indu Shahani	18,50,000	12,00,000	30,50,000	Nil
Dr. Rajendra Prasad Singh	16,50,000	12,00,000	28,50,000	Nil

SUBSIDIARY COMPANIES

The minutes of the Board Meetings of the subsidiary companies are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee.

The Company has a Policy for determining Material Subsidiaries, which is in line with the SEBI Listing Regulations, and this policy has been uploaded to the Company's website at: https://www.bajajelectricals.com/media/6127/policy-for-determining-material-subsidiary-wef-1st-april-2019.pdf. There is no material subsidiary of the Company; hence, the requirements relating to the composition of the Board of Directors of an unlisted material subsidiary do not apply to the Company.

GENERAL BODY MEETINGS

Details of last three AGMs held:

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
82nd	2020-21	Wednesday, August 11, 2021, at 03.00 P.M.	Meeting through Video Conferencing / Other Audio Visual Means that was anchored at the registered office of the company at 45-47, Veer Nariman Road, Mumbai-400001 (the deemed venue)	a. Revision in the remuneration of Mr. Anuj Poddar, Executive Director of the Company; b. Amendments in the 'Bajaj Electricals Limited Employee Stock Option Plan 2015'; and c. Borrowing by way of Issue of Securities.
83rd	2021-22	Friday, August 12, 2022, at 3.00 P.M.	Meeting through Video Conferencing / Other Audio Visual Means that was anchored at the registered office of the company at 45-47, Veer Nariman Road, Mumbai-400001 (the deemed venue)	a. Borrowing by way of Issue of Securities.
84th	2022-23	Thursday, August 10, 2023, at 3.00 P.M.	Meeting through Video Conferencing / Other Audio Visual Means that was anchored at the registered office of the company at 45-47, Veer Nariman Road, Mumbai- 400001 (the deemed venue)	a. Borrowing by way of Issue of Securities. b. Appointment of Mr. Sudarshan Sampathkumar as an Independent Director.

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern and procedure of postal ballot.

Details of special resolutions passed through postal ballot during FY 2023-24:

The Company sought the approval of its shareholders on a specific matter through a special resolution by postal ballot by utilizing a remote e-voting process only. The notice of this postal ballot, dated November 6, 2023, was circulated. Remote e-voting began on December 27, 2023, and concluded on January 25, 2024. On the final day of remote e-voting, i.e. January 25, 2024, the resolutions were passed with the necessary majority, and the outcomes were declared on January 25, 2024. Please see the information below for a description of the resolutions and details on the voting pattern.

Sr. No.	Description of Resolution and Type of resolution	Number of Votes			
		For	%	Against	%
1.	Appointment of Mr. Vikram Hosangady as an Independent Director.	96547903	99.87	124094	0.13
2.	Appointment of Ms. Swati Salgaocar as an Independent Director.	96653568	99.98	18432	0.02
3.	Approval of the 'Bajaj Electricals Limited Performance Stock Option Plan 2023'	86653058	89.64	10018938	10.36

Procedure for the postal ballot:

The aforementioned Postal Ballot was conducted solely through the Remote E-Voting process in accordance with the regulations set forth in Sections 108 and 110, as well as other applicable provisions of the Companies Act, 2013 and its corresponding Rules. Mr. Anant B. Khamankar of Messrs Anant B. Khamankar & Co., Practicing Company Secretary (FCS: 3198 & COP No. 1860), was appointed as Scrutinizer, for conducting the above Postal Ballot through the Remote E-Voting process fairly and transparently and following the provisions of the Companies Act, 2013 and the rules made thereunder.

Details of the special resolution proposed to be conducted through postal ballot:

There are no special resolutions proposed to be conducted through a postal ballot regarding any of the matters to be discussed at the forthcoming AGM.

MEANS OF COMMUNICATION TO SHAREHOLDERS

(i) The unaudited quarterly/half-yearly results are announced within forty-five (45) days of the quarter's end. The audited annual results are announced within sixty (60) days from the financial year's end, as required by the SEBI Listing Regulations.

(ii) The approved financial results are sent to the Stock Exchanges immediately and published in the 'Free Press Journal' (an English newspaper) and 'Navshakti' (a local language Marathi newspaper), within forty-eight (48) hours of their approval. Currently, these are not sent separately to shareholders.

(iii) The Company's financial results and official press releases are displayed on the Company's website at: https://www.bajajelectricals.com/financial-results/ and https://www.bajajelectricals.com/press-releases/, respectively.

(iv) All financial and other significant official news releases and documents under the SEBI Listing Regulations, including presentations made to institutional investors or analysts, are communicated to the concerned stock exchanges and also placed on the Company's website.

(v) The quarterly results, shareholding patterns, quarterly compliances, and all other corporate communications to the Stock Exchanges, namely BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Similarly, this information is also filed electronically with NSE through NSE's NEAPS and Parivartan portals, as applicable.

(vi) A separate dedicated section under "Investors Relation" on the Company's website provides information on unclaimed dividends, shareholding patterns, quarterly/half-yearly results, and other relevant information of interest to investors/public.

(vii) The link to access the Online Dispute Resolution (ODR) Portal, as well as modalities and operational guidelines of the ODR Portal including timelines for review/resolution of complaints, manner of proceedings by the ODR institutions, roles and responsibilities of Market Infrastructure Intermediaries, and the Code of Conduct for Conciliators and Arbitrators as provided in the SEBI Circular(s), are hosted on our website at: https://www.bajajelectricals.com/online-dispute-resolution/

(viii) The Company has designated the email id: legal@bajajelectricals.com for investor relations, and this is prominently displayed on the Company's website at www.bajajelectricals.com.

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

AGM for the financial year 2023-24

Day and date Time Venue	Tuesday, August 6, 2024, at 03:00 P.M. IST via video conferencing / other audio-visual means.
Financial year	April 1, 2023, to March 31, 2024.

c. Dividend

The Board of Directors at its Meeting held on May 14, 2024, has recommended dividend payout, subject to approval of the shareholders at the ensuing AGM, of ₹ 3.00 per equity share for FY 2023-24. The dividend shall be paid to the members whose names appear on Company's Register of Members as of the closing hours on Friday, July 19, 2024, in respect of physical shareholders and whose name appear in the list of Beneficial Owner as of the close of business hours on Friday, July 19, 2024, furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose. The dividend, if declared at the AGM, shall be paid on or after August 10, 2024.

Dividend history for the last 10 Financial Years

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

Sr. No.	Financial year	Date of declaration of Dividend	Dividend Per Share (in ₹)
1.	2013-14	July 31, 2014	1.50
2.	2014-15	August 6, 2015	1.50
3.	2015-16	March 10, 2016	2.80
4.	2016-17	August 3, 2017	2.80
5.	2017-18	August 9, 2018	3.50
6.	2018-19	August 7, 2019	3.50
7.	2019-20	No dividend recommended	
8.	2020-21	No dividend recommended	
9.	2021-22	August 12, 2022	3.00
10.	2022-23	August 10, 2023	4.00

d. Unclaimed Dividend/Shares

Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven consecutive years from the date of transfer, then the said unclaimed or unpaid dividend amount, along with any accrued interest, shall be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), a fund established under sub-section (1) of Section 125 of the Act.

Before transferring the unclaimed dividends to the IEPF, individual letters are sent to those members whose unclaimed dividends are due for transfer, to enable them to claim the dividends before the due date for such transfer. Details of unclaimed/unpaid dividends are available on the company's website, viz., www.bajajelectricals.com.

In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, the bankers to the dividend accounts opened by the Company for earlier years have credited back the amount of dividend lying unpaid in demand drafts beyond the validity period into the relevant bank accounts.

Share Transfer to the Investor Education and Protection Fund Account (IEPF) where Dividend is Unpaid or Unclaimed for Seven or More Consecutive Years

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

Shares which are transferred to the IEPF can be claimed back by the shareholders from the Investor Education and Protection Fund Authority (IEPFA) by following the procedure prescribed under the aforementioned rules. The detailed procedure is also available on the company's website, i.e., www.bajajelectricals.com.

The Company has sent reminders to all the concerned members, and simultaneously published a notice in the Free Press Journal (an English newspaper) and Navshakti (a local language Marathi newspaper), requesting them to claim their dividend amount to avoid the transfer of the said unclaimed dividend and respective shares to the IEPF.

Details of Unclaimed Dividend as of March 31, 2024, and due dates for transfer are as follows:

Sr. No.	Financial Year	Date of Declaration of Dividend	Unclaimed Amount (₹)	Due Date for transfer to IEPF Account
1.	2016-17	August 3, 2017	16,23,277.60	September 9, 2024
2.	2017-18	August 9, 2018	13,61,587.50	September 15, 2025
3.	2018-19	August 7, 2019	7,54,635.00	September 13, 2026
4.	2019-20	No dividend recommended		
5.	2020-21	No dividend recommended		
6.	2021-22	August 12, 2022	4,15,076.00	September 18, 2029
7.	2022-23	August 10, 2023	7,07,534.00	September 16, 2030

During the year under review, the Company transferred Unclaimed Dividend Amount of ₹ 17,48,597.20 to Investor Education and Protection Fund which was declared in FY 2015-16.

e. Tentative calendar of Board meeting for financial year ending March 31, 2025

Financial Year – 1 April to 31 March.

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

Particulars of Quarter	Tentative dates
Q1 Results	First week of August 2024
Q2 and Half Yearly Results	First week of November 2024
Q3 Results	First week of February 2025
Q4 and Annual Results	Second week of May 2025

The Board Meetings for approval of financial results during the year ended March 31, 2024, were held on the following dates:

Particulars of Quarter	Tentative dates
Q1 Results	August 10, 2023
Q2 and Half Yearly Results	November 6, 2023
Q3 Results	February 5, 2024
Q4 and Annual Results	May 14, 2024

f. Listing on stock exchanges & stock code

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

Name of the Stock Exchange(s)	Address	Stock Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	500031
National Stock Exchange of India Limited	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 depositories (NSDL and CDSL) system is INE193E01025.

For the financial year 2024-25, the Company has paid annual listing fees to both the stock exchanges and annual custody/issuer fees to both the depositories.

g. The details of NCDs issued by the Company

Not applicable.

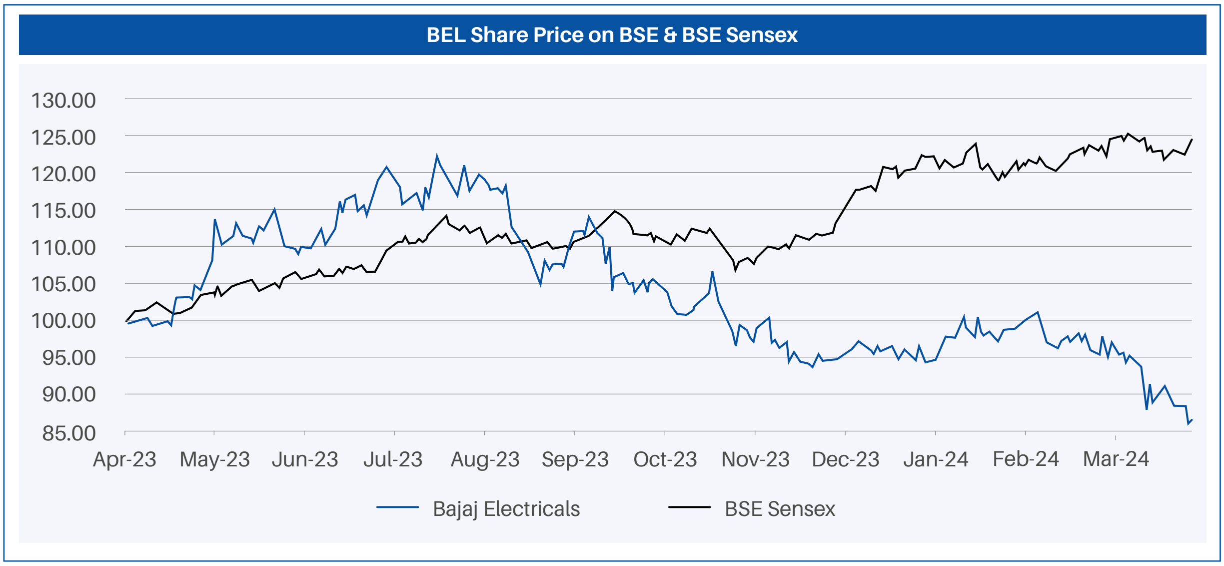
h. Outstanding Global Depository Receipts (GDRs)/Warrants and Convertible Bonds, conversion date and likely impact on equity

Not applicable.

i. Market Price Data

BEL Share Price on BSE vis-à-vis BSE Sensex April 2023-March 2024

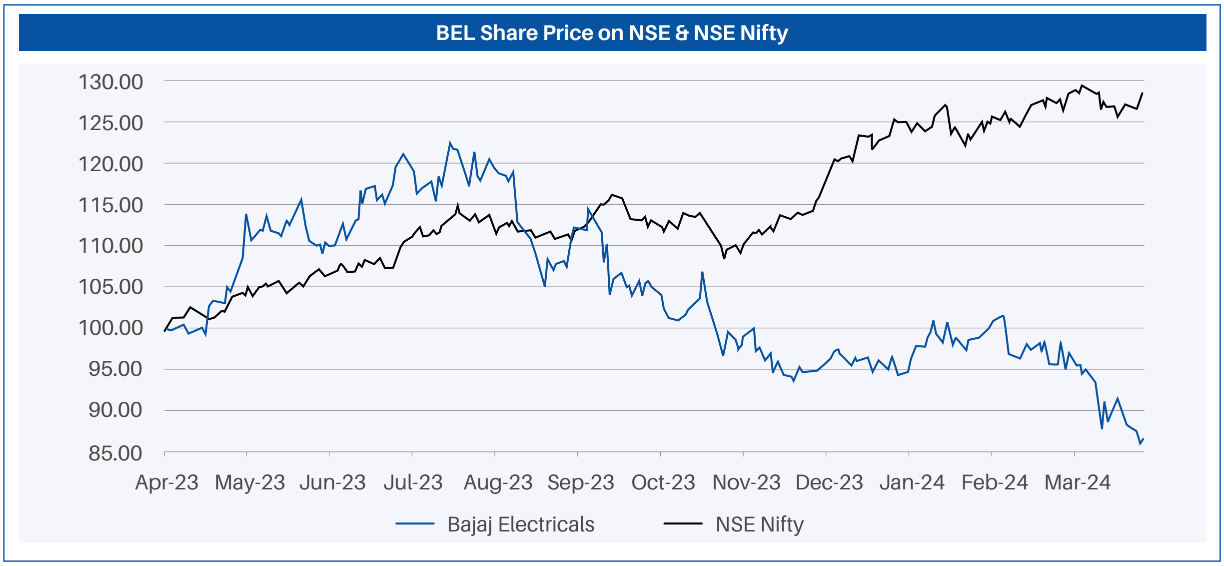
Month	BSE Sensex Close	BEL Share Price			Number of shares traded during the month	Turnover (₹ in crore)
		High (₹)	Low (₹)	Close (₹)		
Apr-23	61,112.44	1,110.00	1,035.65	1,095.05	30,24,690	318.76
May-23	62,622.24	1,258.00	1,100.00	1,144.95	7,39,727	85.76
Jun-23	64,718.56	1,283.35	1,145.20	1,272.6	13,17,696	155.43
Jul-23	66,527.67	1,325.90	1,199.95	1,261.55	1,09,658	13.83
Aug-23	64,831.41	1,272.45	1,094.45	1,163.45	1,04,153	12.16
Sep-23	65,828.41	1,222.55	994.00	1,102.75	1,15,876	13.28
Oct-23	63,874.93	1,167.95	1,006.75	1,023.05	1,25,334	13.77
Nov-23	66,988.44	1,063.50	978.15	994.55	78,180	7.88
Dec-23	72,240.26	1,034.15	980.00	989.05	81,650	8.22
Jan-24	71,752.11	1,066.55	989.00	1,046.2	87,893	9.04
Feb-24	72,500.30	1,081.75	992.00	996.35	60,773	6.27
Mar-24	73,651.35	1,024.95	898.85	905.6	58,894	5.58



Note: Share price of Bajaj Electricals Limited and BSE Sensex have been indexed to 100 on April 1, 2023.

BEL Share Price on NSE vis-à-vis NSE Nifty April 2023-March 2024

Month	NSE Nifty Close	BEL Share Price			Number of shares traded during the month	Turnover (₹ in crore)
		High (₹)	Low (₹)	Close (₹)		
Apr-23	18,065.00	1,110.95	1,036.00	1,098.00	70,703	124.04
May-23	18,534.40	1,259.30	1,100.00	1,143.20	2,09,987	411.19
Jun-23	19,189.05	1,284.00	1,144.05	1,271.35	1,79,776	316.58
Jul-23	19,753.80	1,327.70	1,201.50	1,261.70	1,86,689	298.43
Aug-23	19,347.45	1,274.00	1,095.40	1,161.20	1,55,969	195.07
Sep-23	19,638.30	1,224.00	959.45	1,102.40	99,424	177.63
Oct-23	19,079.60	1,148.00	1,007.00	1,020.45	1,30,149	153.70
Nov-23	20,133.15	1,064.85	975.00	995.45	1,24,536	113.59
Dec-23	21,731.40	1,034.00	976.95	988.3	1,09,156	114.43
Jan-24	21,725.70	1,069.90	987.50	1,047.85	1,59,247	159.43
Feb-24	21,982.80	1,082.70	992.00	995.8	1,22,879	138.75
Mar-24	22,326.90	1,024.90	900.00	907.65	94,882	113.63



Note: Share price of Bajaj Electricals Limited and NSE Nifty have been indexed to 100 on April 1, 2023.

j. Distribution of Shareholding as on March 31, 2024

No. of equity Shares	No. of shareholders	% of shareholders	No. of shares held	% of Shareholding
1 to 500	61,010	95.17	24,07,572	2.09
501 to 1000	1,182	1.84	8,70,751	0.76
1001 to 2000	845	1.32	12,20,762	1.06
2001 to 3000	316	0.49	7,88,813	0.68
3001 to 4000	168	0.26	5,94,547	0.52
4001 to 5000	87	0.14	4,00,038	0.35
5001 to 10000	210	0.33	14,82,225	1.29
10001 and above	288	0.45	10,74,31,370	93.26
Total	**64,106**	**100.00**	**11,51,96,078**	**100.00**

Distribution of shareholding across categories

Categories	March 31, 2024		March 31, 2023	
	No. of shares	% of total capital	No. of shares	% of total capital
Promoters and Promoter Group	7,23,42,279	62.79	7,23,42,279	62.87
Mutual Funds	1,39,51,488	12.11	1,32,71,362	11.53
FIIs	1,17,06,935	10.16	1,29,00,627	11.21
Individuals (including HUF)	1,07,90,926	9.37	98,53,704	8.56
Trusts	31,53,898	2.74	31,89,832	2.78
Indian Bodies Corporates	14,28,827	1.24	13,65,510	1.19
NRIs and OCBs	4,67,907	0.41	4,13,153	0.36
Alternate Investment Funds	2,80,117	0.24	1,42,793	0.12
Insurance Companies	2,94,487	0.26	8,50,563	0.74
IEPF	3,02,725	0.26	3,09,378	0.27
Clearing Members	182	0.00	873	0.00
Banks, NBFCs and FIs	17,355	0.02	20,213	0.02
Foreign Nationals	4,58,952	0.40	4,15,263	0.36
Central Government	-	-	88	0.00
Total	**11,51,96,078**	**100.00**	**11,50,75,638**	**100.00**

k. Dematerialization of Shares and Liquidity

As on March 31, 2024, 11,48,71,683 (99.72%) of the equity shares of the Company were in dematerialized form. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

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

a) Demat account should be opened with a Depository Participant ("DP").

b) Shareholders should submit the Dematerialization Request Form ("DRF") along with share certificates in original, to their DP.

c) DP will process the DRF and will generate a Dematerialization Request Number ("DRN").

d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents ("RTA"), i.e. Link Intime India Private Limited.

e) RTA will process the DRF and update the status to DP/depositories.

f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

g) As required under SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 and to enhance ease of dealing in securities markets by investors, listed companies are required to issue securities in dematerialized form only. As per the referred circular Form ISR-4 required to be submitted by securities holder/claimant has been hosted on the website of the Company at: https://www.bajajelectricals.com/media/7232/form-isr-4-request-for-issue-of-duplicate-certificate-and-other-service-requests.pdf

The Company has further authorised its RTA to issue 'Letter of confirmation' in lieu of physical securities certificate(s) within 30 days of its receipt of such request after removing objections and complied with other requirements as stated in the Circular.

l. Consolidation of Folios and Avoidance of Multiple Mailing

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

m. Share Transfer System

Trading in equity shares of the Company is permitted only in dematerialized form. In terms of the requirements of Regulation 40 of the SEBI Listing Regulations w.e.f. April 1, 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized to be able to freely transfer them and participate in various corporate actions.

n. Nomination

Individual shareholders holding shares in physical form either singly or jointly can nominate a person in whose name the shares shall be transferable in case of death of the registered Shareholder(s). The nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

o. Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

p. Service of documents through electronic mode

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at: rnt.helpdesk@linkintime.co.in.

q. Demat Suspense Account

Regulation 39(4) of the SEBI Listing Regulations, read with Schedule VI 'Manner of Dealing with Unclaimed Shares', directs companies to dematerialise shares that have been returned as 'undelivered' by the postal authorities and to hold these shares in an 'Unclaimed Suspense Account' to be opened with one of the depositories, viz., National Securities Depository Limited (NSDL) or Central Depository Services (India) Ltd. (CDSL).

All corporate benefits on such shares, viz. bonus, dividend, etc., shall be credited to the unclaimed suspense account as applicable, for a period of seven (7) years and thereafter transferred in accordance with the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules), read with Section 124(6) of the Act.

Pursuant to Regulation 34(3) read with Schedule V of the SEBI 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	24 number of shareholders and 4,908 Equity Shares.
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	4 number of shareholder and 613 Equity Shares.
Number of shareholders to whom shares were transferred from suspense account during the year	4 number of shareholder and 613 Equity Shares.
Number of shareholders and aggregate number of shares transferred to unclaimed suspense account	-
Number of shareholders and aggregate number of shares transferred to IEPF Authority	-

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	20 number of shareholders and 4,295 Equity Shares.
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	20 number of shareholders and 4,295 Equity Shares.

r. **Address for Correspondence**

Compliance Officer	Registrar and Share Transfer Agent	Company
Mr. Prashant Dalvi Chief Compliance Officer & Company Secretary Bajaj Electricals Limited Mulla House, 51 Mahatma Gandhi Road, Fort, Mumbai 400001 Tel: 022 6149 7000 Email: legal@bajajelectricals.com	**Link Intime India Private Limited** Unit: Bajaj Electricals Limited C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083 Tel: 022-49186000/ 49186200 Fax: 022-49186060 rnt.helpdesk@linkintime.co.in	**Bajaj Electricals Limited** Corporate Secretarial Department Mulla House, 51 Mahatma Gandhi Road, Fort, Mumbai 400001 Tel: 022 6149 7000 Email: legal@bajajelectricals.com

s. **Plant locations**

The Company has the following manufacturing and operating Divisions:

Chakan	Village Mahalunge, Chakan, Chakan Talegaon Road, Taluka: Khed, District: Pune, Maharashtra – 410501.
Nashik	Gat No. 423 to 426, Wadivarhe Mumbai Agra Highway, Taluka- Igatpuri, District Nashik, Maharashtra – 422403.
Aurangabad	Gut No. 16, Naigavhan, Khandewadi, Paithan Road, Tq. Paithan Dist. Aurangabad, Maharashtra – 431105.
	Gut No. 9, Naigavhan, Khandewadi, Paithan Road, Tq. Paithan Dist. Aurangabad, Maharashtra – 431105.

t. **Credit Ratings**

The Company has obtained credit ratings from CRISIL Ratings Limited. During the financial year 2023-24, there has been an upgrade in rating of the Company, the details of which are given below:

Rating Agency	Particulars of Debt	Particulars of Change
CRISIL Ratings Limited	Short Term Debt	Reaffirmed to [CRISIL A1+]
	Bank Loan Facilities (long-term)	Revised to AA-/Stable from CRISIL A+/Watch Positive
	Bank Loan Facilities (short-term)	Reaffirmed to [CRISIL A1+]

AFFIRMATIONS AND DISCLOSURES

a. **Related Party Transactions**

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis, and are in compliance with the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the financial statements in accordance with "IND AS". A statement of transactions entered into with related parties in the ordinary course of business and at an arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for approval. As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has formulated a policy on dealing with related party transactions. The Policy is available on the website of the Company at: https://www.bajajelectricals.com/media/7307/policy-on-materiality-of-dealing-with-related-party-transactions.pdf.

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

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

There have been no instances of non-compliance by the Company necessitating the imposition of penalties or strictures by Stock Exchanges, SEBI, or any statutory authority on any matter related to capital markets in the last three years.

c. **Vigil Mechanism / Whistle Blower Policy**

Pursuant to the provisions of Section 177(9) and (10) of the Act, the rules framed thereunder, and Regulation 22 of the SEBI Listing Regulations, as amended, the Company has formulated a Whistle Blower Policy. This policy applies to all employees and other persons dealing with the Company to, inter alia, report unacceptable or improper practices, unethical practices, and genuine concerns.

The whistleblower shall address all protected disclosures to the Chief Compliance Officer & Company Secretary of the Company. Protected disclosures against the Chief Compliance Officer & Company Secretary should be addressed to the Chairman or Managing Director of the Company. Protected disclosures against the Chairman or Managing Director should be addressed to the Chairman of the Audit Committee.

The policy provides for adequate safeguards against victimisation of all whistleblowers who use this mechanism. During the year under review, none of the personnel of the Company were denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at: https://www.bajajelectricals.com/media/7816/whistle-blower-policy.pdf.

d. Compliances with Governance Framework

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

u. Commodity price risk or foreign exchange risk and hedging activities

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company has an adequate risk assessment and minimisation system in place, including for commodities. The Company does not have material exposure to any particular commodity. Accordingly, there is no disclosure to offer in terms of the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

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

Not Applicable.

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

The Company has received a certificate from Anant B. Khamankar & Co., Practicing Company Secretaries (Membership No. FCS 3198; CP No. 1860), stating that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any other statutory authority. This certificate forms part of this report.

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

During the year under review, all recommendations made by any of the committees of the Board that were mandatorily required have been accepted by the Board.

h. Fees paid to the Statutory Auditors paid by the Company and its subsidiary

Total fees for all services, paid on a consolidated basis by the Company and its subsidiary to S R B C & CO LLP, statutory auditors of the Company, having ICAI Registration number 324982E/E300003, and other firms in the network entity of which the statutory auditors are a part, for the year ended March 31, 2024, are as follows:

(Amount: ₹ in lakh)

Particulars	S R B C & CO LLP and their network entities
Fees for audit and related services	163.17
Other fees	103.82
Total	**266.99**

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

The details of the number of complaints filed, disposed of during the year, and pending as of March 31, 2024, are given in the Board's Report.

j. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Details are given in Note No. 38 to the Standalone Financial Statements and Note No. 38 to the Consolidated Financial Statements.

k. Details of material subsidiary of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiary

Not applicable.

l. Non-compliance of any requirement of corporate governance report with reasons thereof

Not applicable.

m. Details of Adoption of Non-Mandatory (Discretionary) Requirements

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

The Board - The requirement relating to the maintenance of an office and reimbursement of expenses for a Non-Executive Chairman is not applicable to the Company, as the Chairman is an Executive Director.

Shareholders' rights - The Company has not adopted the practice of sending out half-yearly declarations of financial performance to shareholders. Instead, quarterly results, as approved by the Board, are disseminated to the Stock Exchanges and updated on the Company's website.

Modified opinion(s) in audit report - There are no modified opinions in the audit reports.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer (such that the Chairperson shall be a non-executive director and not be related to the Managing Director or the Chief Executive Officer) - The Company does not have separate posts for the Chairperson and the Managing Director or Chief Executive Officer, since compliance with this requirement is voluntary.

Reporting of Internal Auditor - In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports directly to the Audit Committee. Internal audit reports, submitted on a quarterly basis, are reviewed by the Audit Committee, and suggestions/directions, if any, are given for necessary action.

n. Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2) of the SEBI Listing Regulations

The Company has complied with all the mandatory corporate governance requirements under the SEBI Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

o. Disclosure of certain types of agreements binding listed entities

During the year under review, the Company has neither entered into nor been a party to any agreements specified in clause 5A of para A of part A of schedule III to the SEBI Listing Regulations, nor has it received any intimation regarding such agreements.

Compliance with Code of Conduct

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Business Conduct & Ethics for the year ended March 31, 2024.

For **Bajaj Electricals Limited**

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Mumbai, May 14, 2024

Certificate of Non-Disqualification of Directors

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

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

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Bajaj Electricals Limited, having CIN: L31500MH1938PLC009887 and registered office at 45/47, Veer Nariman Road, Mumbai – 400001, Maharashtra, India (the "Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion, to the best of our information, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ending on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any other statutory authority.

Sr. No	Name of Director	DIN	Date of appointment at current designation in the Company
1.	Mr. Shekhar Bajaj	00089358	12/08/2022
2.	Mr. Anuj Vishnukumar Poddar	01908009	12/08/2022
3.	Mr. Sudarshan Sampathkumar	01875316	23/05/2023
4.	Mr. Shailesh Vishnubhai Haribhakti	00007347	07/08/2019
5.	Mr. Madhur Bajaj	00014593	28/11/1994
6.	Mr. Rajivnayan Rahulkumar Bajaj	00018262	07/08/2019
7.	Mr. Vikram Taranath Hosangady	09757469	06/11/2023
8.	Mr. Saurabh Kumar	06576793	20/03/2024
9.	Mrs. Pooja Bajaj	08254455	07/08/2019
10.	Ms. Swati Shivanand Salgaocar	03500612	06/11/2023

Note: The tenure of Mr. Munish Khetrapal (DIN 08263282) as an Independent Director concluded on October 31, 2023, and the tenures of Mr. Harsh Vardhan Goenka (DIN 00026726), Dr. (Mrs.) Indu Shahani (DIN 00112289), and Dr. Rajendra Prasad Singh (DIN 00004812) as Independent Directors concluded on March 31, 2024.

Ensuring the eligibility for the appointment or continuity of each Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance of the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR **ANANT B KHAMANKAR & CO**.
COMPANY SECRETARIES.

ANANT B. KHAMANKAR
PROPRIETOR
FCS No. – 3198 |CP No. – 1860
UDIN: F003198F000314289

DATE: MAY 06, 2024
PLACE: MUMBAI

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,
The Board of Directors
Bajaj Electricals Limited
Mumbai

Dear Sirs/Madam,

We, the undersigned, in our respective capacities as Managing Director & Chief Executive Officer and Chief Financial Officer of Bajaj Electricals Limited ("the Company"), pursuant to Regulation 17(8) [read with Part B of Schedule II] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the best of our knowledge and belief certify that:

A. We have reviewed the financial statements for the year ended March 31, 2024, and to the best of our knowledge and belief, we state that:

   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   b. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the said period, which are fraudulent, illegal, or violative of the Company's Code of Conduct.

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 significant changes in internal controls during the said period;

   b. Any significant changes in accounting policies during the said period, if any, and the same have been disclosed in the notes to the financial statements; and

   c. 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 financial reporting.

Anuj Poddar
Managing Director & Chief Executive Officer

Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Compliance Certificate of the Auditors

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, as amended

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

1. The Corporate Governance Report prepared by Bajaj Electricals Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

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 provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

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 ICAI.

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 procedures performed include:

   i. Read and understood 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 with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings held from April 01, 2023 to March 31, 2024

      (a) Board of Directors;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM);

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Risk Management Committee;

      (g) Corporate Social Responsibility Committee;

      (h) Separate meeting of Independent Director;

      (i) Finance Committee.

   v. Obtained necessary declarations from the directors of the Company.

   vi. Obtained and read the policy adopted by the Company for related party transactions.

   vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

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

8. 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

9. 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 specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. 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.

11. 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
UDIN: 24105938BKELXV8177

Mumbai, May 14, 2024

Management Discussion and Analysis

Global Economic Overview[1]

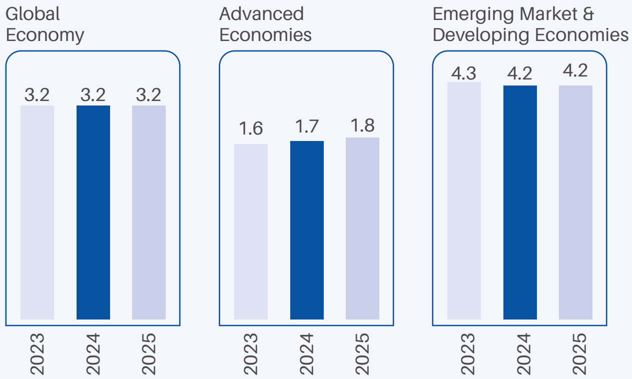
The global economy has encountered several challenges, such as slow growth, high debt and prolonged geopolitical conflicts during FY 2024. However, moderating inflation due to favourable market shifts, including a decline in energy and food prices, contributed to stronger-than-anticipated global economic growth.

Economic growth in the United States and several major emerging markets and developing economies has exceeded expectations during the second half of 2023. This upturn was driven by both public and private investments, sustaining consumption amid tight labour markets. With an overall spike in labour force participation and unwinding global supply chains, supply-side growth has also gained momentum.

According to the IMF, global growth, which was estimated to be 3.2% in CY 2023, is expected to remain the same in CY 2024 and CY 2025.

World Economic Outlook April 2024

Growth Projections



International Monetary Fund

[Source: IMF World Economic Outlook, April 2024]

Outlook

In the years ahead, a strong labour force, a surge in manufacturing activity, higher household incomes and favourable fiscal policies will drive the growth of the global economy.[2] The emerging market and developing economies (EMDEs) are expected to witness a growth rate of 4.2% in CY 2024. Global headline inflation is expected to remain anchored, falling from an estimated 6.8% in 2023 (the annual average) to 5.9% in 2024 and 4.5% in 2025.

Indian Economy[3]

The Indian economy has demonstrated macroeconomic resilience amid global headwinds. Buoyed by a robust financial system that is supporting its growth dynamics, India has maintained its position as one of the fastest-growing major economies.

As per the final estimate of National Statistical Office, the GDP of India has grown by 8.2% in India for FY 2024; which is the highest among major advanced and emerging market economies.[4] This rebound in growth can be attributed to sound macroeconomic fundamentals,

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1 https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024

2 https://www.goldmansachs.com/intelligence/pages/gs-research/macro-outlook-2024-the-hard-part-is-over/report.pdf

3 https://www.rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=1249

4 https://pib.gov.in/PressReleseDetailm.aspx?PRID=2022323

moderation of inflationary pressure and prudent public policies. Further, the easing of supply-side bottlenecks and the thrust on infrastructural capital expenditure have enabled economic growth.

Outlook

Going forward, India is expected to emerge as the third largest economy across the world by fortifying the financial system, promoting responsible innovation and driving inclusive growth as per the government's key priorities.[5] The emphasis will remain on prioritising capital expenditure, infrastructure improvement, sustainable livelihood practices and the promotion of green energy. The Reserve Bank of India (RBI) will continue to focus on ensuring durable price stability and driving medium-term debt sustainability; thereby, further strengthening the financial sector's resilience and spurring new growth opportunities.

Industry Overview

Consumer Products

Appliances

The confluence of several factors, including growing consumer aspirations, increasing demand for products that seamlessly integrate technology and modern design, and the continued evolution towards time-scarce contemporary lifestyles, has led to a shift in the consumer appliances industry in India. A notable trend is the faster growth of premium segments, wherein consumers seek products that offer innovative features, sleek aesthetics and superior performance. On the other hand, we are witnessing structural changes on the supply side as well, led by government incentives to boost domestic manufacturing. This in turn is leading to industry players (including contract manufacturers) investing in expanding their production capacity and a growth in indigenous component manufacturing.

The consumer electronics and home appliances market in India is expected to increase in its market size by USD 2.3 billion from 2022 to 2027.[6] The sector's long-term outlook remains promising, supported by the steady momentum in construction activity and housing sector demand, increasing penetration levels, greater premiumisation and faster churn of products. As the industry prioritises research, innovation, consumer-centricity, premiumisation, and sustainability, it is transitioning from a 'Make in India' to an 'Innovate in India' paradigm, poised to unlock opportunities for growth.

Fans

The ceiling fan industry in India is witnessing growth driven by several factors, including a shift towards energy efficiency, home renovations, technological advancements and rural electrification.

These factors, combined with mandatory regulations for star ratings of fans (based on energy efficiency) are leading to a churn in and upgrade of installed fans. In recent years, market players have introduced a wide range of energy-efficient fans, offering a plethora of choices to buyers. These include induction and BLDC motor-based models.

Moreover, the increasing spends on home interiors have led to a preference for premium and aesthetically pleasing products, including fans. Consumers are now seeking fans that not only provide functionality but also seamlessly integrate into interior design trends, leading to a demand for stylish and innovative fan models. Technological advancements include the increasing integration of IoT in fans to provide smart products that provide seamless connectivity in modern, smart homes. Prolonged and more intense summers with rising temperatures are another factor that will continue to boost overall fan usage and sales over the coming years.

The ceiling fan market in India is anticipated to achieve a milestone of 50.9 million units by 2032.[7]

[5] https://economictimes.indiatimes.com/news/economy/policy/india-will-surpass-japan-germany-to-emerge-as-3rd-largest-economy-in-5-years-says-amitabh-kant/articleshow/108684696.cms?from=mdr

[6] https://www.technavio.com/report/consumer-electronics-and-home-appliances-market-in-india-industry-analysis#:~:text=India%20Consumer%20Electronics%20and%20Home,increase%20by%20USD%202.3%20billion.

[7] https://www.imarcgroup.com/india-ceiling-fan-market#:~:text=Market%20Overview%3A,2.11%25%20during%202024%2D2032

Opportunities and Threats

Opportunities

Focus on energy efficiency and sustainability

Energy efficiency is becoming a focus area among global consumers as it not only reduces electricity consumption but also curbs environmental impact. Consumer appliance players can develop and promote products with high star ratings denoting high energy efficiency and sustainable materials.

Shift to e-commerce and digital-first brands

Increased internet accessibility and higher smartphone adoption have led to greater awareness of the latest models of appliances and fans, thereby fuelling the growth of online shopping. Consumer product companies can now leverage this wider, connected consumer base to spread more effective messaging and reach for their products and brands. A continuous shift in their business models and go-to-market strategies including riding on the rise of quick-commerce will drive significant growth.

Premiumisation

The growing purchasing power of the affluent segment of the population is driving faster offtake and growth for products that meet their evolved needs. Greater innovation, styling, superior features and better product experience will enable companies to not just grow their market share but also rise up the value chain with stronger pricing power and brand salience.

IoT integration

Consumer appliances that can communicate with each other and be controlled through a central hub or smartphone app are becoming popular. Creating appliances that seamlessly integrate into the Internet of Things (IoT) ecosystem enables enhanced automation and remote monitoring, all while offering personalised experiences tailored to users' individual preferences.

Threats

Pressure on mass consumption

While demand for the premium segment augurs well, demand trends for the mass segment has been under pressure in recent times. Meaningful volumes and scale in a country with India's demographic structure is only achieved by growth in the mass segment. Unless this picks up in the near term, this could continue to bear pressure on the industry as well as economy as a whole.

Competition from unorganised players

The presence of several unorganised and regional players in the market presents a notable challenge for consumer electrical brands. These competitors typically provide low-cost alternatives, many of which do not meet stringent quality standards or the fast-changing regulatory norms that larger players comply with. In an ecosystem where enforcement of regulations is lax and consumers' willingness to pay more for better quality can be swayed, this poses a threat to the larger organised players.

Supply chain disruptions

The consumer appliances industry relies on complex supply chains for sourcing raw materials, components and finished products. While there is clearly rising indigenisation of these chains, the industry is unlikely to be completely independent of global sourcing for certain critical items. Challenges such as natural disasters, trade disputes, or geopolitical conflicts can disrupt the supply chain, leading to production delays, increased costs and inventory shortages.

Lighting Solutions

Consumer Lighting

The residential lighting sector is undergoing a notable shift towards sustainability and energy efficiency, with LED technology enjoying dominance due to its lower energy consumption and extended lifespan. Additionally, smart lighting systems are becoming increasingly popular as they offer ease of use and automation to reduce electricity usage. These lighting systems can also be integrated with smart home devices and platforms for added convenience; they also provide innovative functionalities such as voice control and stronger home security.

Along with the evolution of lighting technology, and greater maturity of the market, there is a shift towards higher value and superior propositions in the lighting products.

Human-Centric Lighting (HCL) is emerging as a key trend, optimising lighting to support circadian rhythms and improve well-being. Consumers are beginning to become aware of the concept of differing 'quality' of light emitted from various LED products in terms of its glare, flickering, consistency, etc. All of these elements have a bearing on our eyes and overall well-being.

Additionally, customisable lighting solutions are gaining traction by providing aesthetic appeal and options for personalisation to complement diverse home decor and moods. Lighting products are taking on various form factors with an increased shift towards battens, recessed lighting panels and other fittings.

Alongside these consumer-front changes, the industry is also witnessing supply-side changes. On one hand, there is a large segment of median players that have been getting squeezed out by competitive pressures, constant technological changes and price erosion. On the other hand, newer, smaller players continue to emerge as ankle-biters that use low pricing to pull away consumers.

Currently, the industry is estimated to be worth USD 4.70 billion in FY 2024; it is projected to reach USD 6.77 billion by FY 2030, growing at a CAGR of 6.29% between 2024-2030.[8]

Professional lighting

The market for professional lighting solutions is expanding in tandem with infrastructural growth and new constructions and projects. With India witnessing a strong infrastructural capex cycle, professional lighting will continue to ride that wave. This transcends several user industries and applications such as stadiums, highways, tunnels, airports, metros, commercial buildings, logistics, data centres, etc.

The thrust on urbanisation, rejuvenation and beautification of urban centres, monuments, tourist places, religious centres and public architecture is also leading to a spike in demand for architectural and facade lighting solutions.

Technological evolution and smart lighting, allow for greater use cases of lighting integration with overall digitisation and adoption of smart and sustainable systems across industries, be it manufacturing, retail, real estate or several others. This is not just enhancing the overall lighting value proposition and industry size but in due course will also lead to business model evolution – towards end-to-end solutions and service-based pricing.

Opportunities and Threats

Opportunities

Increasing health awareness

Research into the effects of lighting on human health and well-being has led to better products and greater awareness. This, in turn, provides a lever for countering the forces of LED price erosion that are driven by commoditised base level products. It provides scope for better innovation and pricing power.

Integrating smart technologies

Integration of artificial intelligence (AI) and IoT-based technologies into lighting systems can enable predictive maintenance and offer adaptive lighting control and personalised user experiences. Both AI and IoT-powered lighting platforms that optimise energy usage, enhance comfort and anticipate user needs will be gaining traction going forward.

Lighting as a Service (LaaS)

The shift towards service-based business models presents opportunities for industry players to offer lighting as a service, where customers pay for lighting functionality rather than owning the fixtures outright. LaaS models can include installation, maintenance and upgrades, providing predictable costs and reducing upfront capital expenditures for customers.

Smart city development

Governments worldwide are investing in smart city initiatives to enhance the quality of life in urban regions. Lighting is a key component of the smart city infrastructure, offering functions such as adaptive street lighting, smart poles, traffic management and environmental monitoring. Partnerships with government agencies can help industry players implement smart city lighting solutions and contribute to urban innovation.

[8] https://www.mordorintelligence.com/industry-reports/india-led-lighting-market/market-size

Threats

Market saturation

The lighting industry is highly competitive, with numerous manufacturers and suppliers offering a wide range of products. Market saturation can lead to irrational price competition, margin erosion and the commoditisation of lighting products, making it challenging for businesses to differentiate themselves and maintain profitability. Product diversification and innovation play a crucial role in maintaining market shares in the face of such competitive intensity.

Regulatory uncertainty

Changes in government regulations, energy efficiency standards and environmental policies can impact the lighting industry by requiring companies to adapt their products and processes to new compliance requirements. Uncertainty in regulations may also lead to market volatility and raise compliance costs for businesses.

Environmental challenges

Increasing awareness of environmental issues, including light pollution, electronic waste, and the presence of hazardous materials in lighting products, is affecting consumer preferences and purchasing behaviours. Industry players that fail to address these environmental concerns or adopt sustainable practices are set to face both reputational loss as well as regulatory scrutiny.

Company overview

Bajaj Electricals belongs to the well-known and reputed Bajaj Group. The Company upholds a rich legacy spanning over eight decades. Since its inception in 1938, the Company has remained steadfast in its mission to enrich the quality of life. A leading player in the fast-moving electronic goods (FMEG) sector, Bajaj Electricals offers an array of Consumer Products (Appliances, Fans, Non-electrical kitchen aids) and Lighting Solutions (Professional and Consumer Lighting). Through a network comprising over 700 distributors, nearly 2,00,000 retail outlets and more than 600 consumer care centres across India, the Company strives to enhance the quality of life of its consumers from the moment they wake up to the moment they end their day.

With a focus on innovation and customer centricity, Bajaj Electricals continues to raise the bar on meeting the needs of all segments of India's diverse consumers and their varied needs and aspirations.

Business segment overview

Consumer products

The consumer products business of Bajaj Electricals features an extensive selection of appliances, fans and non-electrical kitchen aids meticulously crafted to align with changing consumer preferences. From everyday kitchen essentials to an assortment of home appliances, under four brands, the Company offers a diverse range of products. Committed to staying at the forefront of technological advancements and emerging trends, it consistently elevates and enhances its offerings. This dedication to innovation has enabled the Company to consistently meet customer expectations for years.

Bajaj Electricals has employed a multi-brand strategy known as the 'house of brands' approach, wherein each brand presents a distinct and compelling consumer proposition. This signifies the new Bajaj Electricals with plans to consolidate all recent launches and improve communication around these brands.

Our consumer product brands

BAJAJ BUILT FOR LIFE | nex FEEL THE FUTURE | Morphy Richards Happiness Engineered | NIRLEP EVERYDAY HEALTH

During the fiscal year 2024, the revenue generated from the consumer products business stood at ₹ 3,604 crore. The Company is maintaining its steady performance on the basis of innovation in the product portfolio, consumer trust and revamped brand positioning strategies, along with its stringent product quality assurance. The Company consistently focuses on diversifying its portfolio through new product launches that prioritise premiumisation and energy efficiency.

467

SKUs launched under Consumer Products

BAJAJ

BAJAJ- Built for Life

Consumer trends indicate that individuals today are characterised by their ambition and resilience, demonstrating a consistent drive to outperform and achieve their dreams. Their dynamic and fast-paced lifestyles demand home appliances that seamlessly integrate into their routines and provide reliable performance without any disruptions.

Recognising this, BAJAJ has introduced a unique and targeted positioning that focuses on the promise of durability, articulated as 'BUILT FOR LIFE', offering a compelling value proposition to its customers. The new brand positioning underscores the brand's promise of durability and endurance through industry-best durability-centric features in new models, coupled with superior aesthetics and functionality. These tough-built appliances are engineered to keep going and deliver an uninterrupted experience, causing little or no friction to the consumer's life, so that they're always unstoppable.

Awards received

Good Design Award 2023 for

BAJAJ Arioso (Ceiling fan)

BAJAJ Finesse (Mixer grinder)

DMA Asia Echo Award 2023

Recognition of the BAJAJ **"Built For Life"** campaign, for elevating the relevance of the brand with modern consumers

The latest product launches are built on the attributes of 'Durable', 'contemporary' and 'modern', the brand's revised portfolio features cutting-edge technology that resonates with consumers. These innovations have garnered widespread acceptance from both consumers and channel partners, setting new industry standards.

Mixer Grinders with military-grade jars that comply with the globally recognised MIL-STD 810H military standard for rugged testing

DuraCut ™ blades for Mixer Grinders that have undergone a grinding stress test by effortlessly and successfully crushing ice and grinding walnut shells, raw rajma and many more ingredients without any damage to the blade

Water heaters with DuraAce ™ tanks with additional features like Swirl Flow Technology, Titanium Armour Technology and Child Safety Mode

Ceiling fans now incorporate Super5Tuff ™ technology with features like SelfGuard ™ Capacitor, FierroShield ™ Bearing, DuraCoat ™ Copper Motor, SurgeProtekt ™ Motor, and CorroSafe ™ Lacquer, an Anti-Corrosive Protection

Air Coolers are equipped with DuraMarine ™ pumps with better-grade insulation that provide greater protection and life

These advancements, accompanied by a proactive marketing approach including online launches, retail activations, and digital campaigns, have driven significant growth, with new launches contributing over 30% to total revenue basis last 2 years' launches. Through comprehensive research, the Company has tailored products to meet diverse consumer needs, ensuring broad market coverage across various price points and segments.

Brand positioning efforts

The brand's nationwide positioning was reinforced through multimedia campaigns targeting key product categories like fans, air coolers, water heaters, and mixer grinders, emphasizing product efficiency and durability. Also leveraging digital platforms, the brand promoted its new proposition, expanded online presence, engaged with consumers, and increased subscriber bases through various campaigns. At retail outlets, the focus was on strengthening last-mile conversions and leveraging collateral to make the brand more visible and accessible.

Nex - Feel the Future

The Company launched a new brand of premium fans, Nex, marking this as a key milestone in the evolution of Bajaj Electricals as an organisation into a 'House of Brands'. The Nex brand and products will plug a key need-gap in the marketplace and complement the existing portfolio. Nex puts human experience at the forefront by combining intelligence with human intuition. The brand promise of performance rests on the three pillars of Air Experience, Differentiated Technology, and a Fluidic Design Language. After considerable investments in R&D over the last few of years, the Company launched a unique and differentiated offering that addresses the core needs of Indian consumers.

Nex marked its presence in the Indian market with the introduction of a range of premium ceiling fans that deliver a remarkable 20% higher air thrust under the fan, as compared to its conventional counterparts. This heightened performance of Nex products is attained by leveraging an advanced technology platform known as Aeirology™. This technological innovation enhances the performance of the fan by optimising the design of the motor and blade, for added user convenience.

? Do you know

Aeirology is a discipline that merges the elements of air and the suffix "-logy," denoting the study thereof. Nex built a technology platform called Aeirology (TM). This enables the two vital components of a ceiling fan, i.e. blade and motor, to work harmoniously and deliver an impactful **Air Experience.** Nex fans are equipped with a PeakTorq (TM) Motor for higher torque and custom-designed Airfluence (TM) Blades for low drag, higher efficiency and low noise. This heady combination creates a differentiated technology that offers 20% higher air thrust while still being energy- efficient.

To gauge the preliminary response to the brand and its products, Bajaj Electricals launched Nex on e-commerce during the calendar year 2023. Following the debut of Nex ceiling fans on various e-commerce platforms, the Company has received exceptional reviews, highlighting the outstanding quality, performance and designs of its products. All the fans have also achieved a commendable 4-star rating on Amazon.

After witnessing strong online channel reviews, the Company launched the brand across various offline formats towards the end of FY 2024. The brand garnered positive responses from dealers both in terms of product design and performance.

> The focused commitment to innovation and design excellence has resulted in Nex receiving the esteemed 'Good Design' award, notably for its Glyde A40 CF model.

The Nex portfolio currently offers a range of ceiling fans including the Dryft Series, the highlight of which is its low-noise ABS, and the Glyde Series crafted with premium aluminium blade. Going forward, Nex will expand its product offering to include IoT-enabled ceiling fans, a diverse range of TPW fans, and air coolers.

Morphy Richards – Happiness Engineered

The iconic British brand - Morphy Richards redefines the way consumers interact with their home appliances. The brand's thoughtfully crafted luxury kitchen and home appliance portfolio comes with a blend of cutting-edge technology and contemporary design enabling the brand to offer more than just appliances – it delivers an elevated lifestyle.

Sophisticated designs, sleek form factors and advanced functionalities differentiate the Morphy Richards range of products. The products are priced at a premium to reflect their quality and exclusivity. The marketing endeavours for the brand are directed towards affluent consumers who value intuitive, well- engineered and aesthetic appliances.

> Morphy Richards coffee makers have solidified their position as a top-selling brand nationwide.

The brand has consistently launched a slew of new products through the year, offering consumers with user-friendly options for modern households. Morphy Richards launched digital toasters and kettles in the breakfast and beverage segment, thereby enhancing its portfolio to meet consumer demand in this category. In FY 2024, the brand further diversified its portfolio with the introduction of stand mixers, multicookers, air ovens, zero-oil radiators and its flagship product, the Café Artisan as a top selling brand, hence catering to diverse culinary needs.

Morphy Richards also unveiled its two-in-one manual and digital air fryers. Notably, these air fryers have also earned the distinction of being products of 'Amazon's Choice' garnering high ratings from delighted customers. The brand also introduced the Grind Pro Maxx, a 1000-Watt mixer grinder tailored to the preferences of consumers in South markets.

> The Grind Pro Maxx 1000W mixer grinder has won the 'Good Design' award in FY 2024.

Additionally, the Company expanded its home appliance offerings to include garment steamers and induction cooktops, catering to various household needs. During the reporting period, Morphy Richards entered the personal grooming market by introducing an extensive range of grooming products tailored for both men and women. This product line includes hair straighteners, hair dryers and trimmers.

> The Kingsman Pro grooming set received the 2nd position among Amazon's bestselling grooming sets.

As part of its endeavour to position itself as a premium lifestyle brand, Morphy Richards has leveraged collaborations with mainstream celebrities, chefs, lifestyle influencers and vloggers for greater visibility and engagement. The brand's concerted efforts during festive quarters have significantly elevated brand recall among affluent audiences, with campaigns resulting in a remarkable 190% increase in digital engagements. Throughout the year, Morphy Richards maintained a robust digital footprint, present with campaigns across various digital channels securing over 200 million views. These campaigns have effectively redirected nearly eight lakh potential consumers to Amazon, showcasing strong purchase intent.

The new line of male and female grooming products, accompanied by the 'Oh So Rich!' campaign, has achieved over 100 million views, driving strong demand and e-commerce traffic. The brand's personalised grooming campaign reached a high traction of over 10 million men and five million women consumers. Delighted by the success of these products, Morphy Richards intends to include innovative products like cordless hair straighteners and BLDC hair dryers to reinforce its commitment to meeting the diverse grooming needs of consumers.

Nirlep – Everyday Health

In keeping with the increasing consumer focus on adopting healthy eating, the brand positioned itself as a facilitator of these lifestyle choices. This involved the introduction of an innovative line of pressure cookers with stainless steel, aluminium and hard-anodised variants. These pressure cookers are equipped with a unique **'Nutrivent Technology'** that delivers optimised nutrient retention rates during cooking. The product launch was accompanied by a targeted digital marketing campaign in key markets such as Mumbai, Thane, Kolhapur and Indore.

In the fiscal year, Nirlep launched its innovative, differentiated cookware range with 'Silver Ion Technology'. Most consumers are unaware that bacteria accumulation continues even after a thorough wash of their cooking utensils. The unique 'Silver Ion Technology' prevents bacteria accumulation on cooking utensils stored in cabinets.

This technology is available with the Nutrihealth Pro and Nutrihealth ranges of cookware and also boasts multiple other features such as sturdy handles, induction cooking compatibility, and PFOA free 5-layer coating. Nirlep Cookware with 'Silver Ion Technology' is slated to be in stores in 8 markets.

To drive long-term growth, Nirlep consistently enhances its product efficiency and production capacity through its state-of-the-art manufacturing facilities and well-integrated supply and distribution channels. Simultaneously, the Company is taking significant strides to foray into newer geographies and cater to underserved markets.

Furthermore, Nirlep underwent a strategic repositioning during the year under review. It is now emphasising 'Everyday Health', in collaboration with renowned chef Kunal Kapur, who serves as a brand advocate to foster consumer engagement. This message has been conveyed through digital channels and in-store retail networks in targeted markets, ensuring heightened visibility and subsequent purchases.

Review of distribution channels

Trade sales channel

The trade sales channel continues to be a core competitive distribution channel in strengthening market share. With a network of over 700 distributors and a retailer base of over 2 lakhs, the Company has implemented network optimisation initiatives among channel partners to facilitate targeted distribution and expand its market footprint.

By leveraging advanced technological tools such as Power BI for internal sales teams, SFA apps for frontline sales teams, and retailer apps for retailers, the Company has enhanced the efficiency and performance of its sales operations. These efforts have not only enabled portfolio diversification but also generated improved returns on investment. The adoption of a commercialisation process for new products ensures tracking and governance of the seeding plan for all newly launched products. In December 2023, the Company introduced the new Nex premium range of fans in the trade channel.

700+

Distributors

2 Lakhs+

Retailer-base

Alternate channels

In FY 2024, the alternate channels accounted for approximately 43% of the total revenues of the consumer products segment, registering a year-on-year growth of around 19%. This growth can be attributed to shifting consumer buying behaviour. Consistent implementation of key strategic initiatives across both, retail (online and modern trade) and institutional (corporate and government) channels contributed to this growth.

~43%

Revenues from Alternate Channels

19%

Alternate Channel Y-o-Y growth

The **e-commerce channel** reported year-over-year growth of approximately 22%. Bajaj Electricals maintained its leadership in the Small Home Appliances (SHA) segment through strategic platform mix adjustments and effective vendor flex implementation. The Different Model Different Channel (DMDC) structure also helped sustain growth. Throughout the year under review, targeted digital marketing campaigns were executed to enhance visibility, which resulted in good growth for fans, air coolers, and personal grooming products. To top it all, the exclusive launch of the Nex brand on e-commerce platforms and the success of personal grooming products under Morphy Richards have been the key highlights.

The growth in the **modern trade channel** was driven by strong contributions from both National Format Retail (NFR) and Regional Format Retail (RFR) stores. Throughout the year, various in-store activations such as bulk outs, stacking displays, drop shots, aisle optimisation, cross promotions, and combo offers were promoted to stimulate purchases. The Company effectively capitalised on the festive market to further enhance growth. Total sales in this channel experienced a year-on-year growth of approximately 25%. In FY 2024, the focus remained on securing new listings, executing promotional activities as well as launching new product categories and exclusives.

The **institutional channels** witnessed steady 10% year-on-year growth. There has been a steady expansion in the **government channel**, including the canteen stores department (CSD) and Government e-Marketplace (GeM), registering a year-on-year growth of 11% during FY 2024. The surge in demand was driven by government initiatives, such as the introduction of 'Made in India' SKUs, one-to-one replacement of imported and phased-out items, and ground-level activations.

Consumer care

At Bajaj Electricals, nurturing enduring consumer relationships remains a foremost priority. To that end, the Company consistently implements a plethora of consumer care initiatives. This consumer-first approach enables the Company to improve its products in response to changing consumer preferences. In FY 2024, the Company has implemented the Online Call Resolution (OCR) process within its call centre, leveraging digital tools to enhance the efficiency and speed of resolving consumer complaints. The digitisation of customer interactions for service purposes will significantly streamline processes, leading to customer loyalty and increased brand value.

98.4%

Complaints resolved within 2 days

The Company has also made efforts to expand its service network to expedite the service delivery and grievance handling processes. The recent expansion of the Company's service network has yielded notable improvements in call resolution, surpassing 98% within a timeframe of less than two days.

19,356

Pin-codes covered

630

Customer care centres

~3,000

Technicians pan-India

While digital engagement tools such as chatbots and WhatsApp call registration have gained acceptance among contemporary customers, there remains a preference for voice communication among many consumers. The Company has also introduced digital interaction channels, including video chat, which has positively impacted the Company's ability to address and resolve customer concerns.

The invaluable feedback received from consumers has played a crucial role in refining the soft skills of the Company's service engineers. This, in turn, has facilitated their professional development, ultimately enhancing the quality of customer interactions. These initiatives have helped Bajaj Electricals achieve a notable increase in customer satisfaction, as evidenced by an impressive Net Promoter Score.

Outlook

Bajaj Electricals has embarked upon a rejuvenation of its Consumer Products business. This is being strategically driven under a 'House of Brands' approach, constituting its 4 brands viz. Bajaj, Nex, Morphy Richards, and Nirlep, with each brand being sharply defined to cater to diverse consumer needs and segments. Under the brands, the entire product portfolio is being revamped to fill in the white spaces, deliver superior features and propositions, and include more premium offerings. The next two to three years will see the Company continuously launching new products as a part of this revamp.

Alongside this portfolio revamp the Company is enhancing its go-to-market to strengthen its presence across faster-growing channels such as e-commerce (including quick commerce) and modern trade while reinforcing its trade channels presence.

The Company remains committed to growing its Consumer Products business through meaningful innovation that enriches the lives of its consumers.

Lighting solutions

In order to drive long-term profitable growth in a hyper-competitive sector, the Company is focused on innovation to rise up the value chain. Across its professional and consumer lighting segments, the Company leveraged its R&D capabilities to develop and launch new products that cater to the differing needs of various customer segments.

Professional Lighting

In FY2024, India's professional lighting industry experienced robust growth, fuelled by technological advancements, urbanisation, and a shift towards energy efficiency. LED lighting solutions gained prominence owing to an increased awareness about environmental sustainability and government initiatives for promoting energy conservation. Aesthetic and functional lighting solutions became sought after, with both, businesses and consumers emphasising on ambiance enhancement alongside illumination.

The year also saw intensified competition among domestic and international players, leading to product innovation and strategic partnerships. With continued investments in infrastructure and regulatory support, the professional lighting market is poised for sustained growth, catering to diverse sector-specific needs and driving further advancements in the industry.

Throughout the year, the Company launched a range of innovative lighting products, including visually comfortable office lighting solutions and stylish linear lights for captivating ceiling designs, expanding our market presence into previously underserved segments. Also, the Company reinforced its dedication to sports lighting excellence with the introduction of lightweight, high-wattage sports lights suitable for upgrading existing stadiums. These lights quickly gained traction and secured notable installations, such as at the Hyderabad Cricket Stadium.

Expanding its footprint within smart cities, the Company has bolstered its network of installed smart light points and achieved successful implementation of smart and connected streetlights in Durg. The Company is currently engaged in the commissioning of the marquee Mumbai Coastal Road Tunnel project. With innovative connected solution, adhering to the international lighting standards, ensuring efficiency and compliance with global guidelines. Motorists will now experience the apt amount of light during transit through this tunnel as our lighting system automatically adapts to the ambient sunlight during entry and exit of the tunnel. This gives confidence to drivers and also aides energy savings.

Overall, FY2024 marked a period of innovation for us in the Indian professional lighting market, as we led the charge in driving advancements and meeting evolving industry demands.

Consumer lighting

The consumer lighting landscape has undergone a transformation, marked by a decline in value growth as a result of technological advancements and the extension of LED product life cycles. There is also a noticeable shift in consumer behaviour from viewing lighting solely as a functional necessity to embracing it as an essential element in improving the aesthetic appeal and ambiance of their living spaces. To effectively address these changing consumer preferences and market dynamics, the Company is focussing on product categories that reflect the evolution. The strategic imperative will be to expand offerings in the ceiling category, electrical accessories and inverter solutions. This strategy not only promises to increase the realisation per light point, but also works seamlessly with the current overall premiumisation strategy.

The strategic blueprint of the business places a strong emphasis on innovation and consumer-centric product development. The determination to conceptualise and deliver superior products that seamlessly integrate cutting-edge technology with deep-rooted consumer insights exemplifies the Company's commitment to pioneering excellence. Recognising the critical role of the go-to-market strategy in driving long-term growth and market penetration, the business is steadily increasing engagement with key stakeholders throughout the value chain. The outreach efforts take a multifaceted approach, ranging from deepening collaborations with key retailers to increasing engagement with influential stakeholders like electricians. Initiatives like the Shining Star Programme and targeted engagements with key retailers and influencers demonstrate our commitment to building long-term partnerships that yield tangible rewards. In line with market expansion efforts, the Company is dedicated to increasing brand visibility and salience in key markets. The aim is to strengthen the market positioning and deepen resonance with consumers by making strategic investments in brand building and increasing brand presence.

Given the critical role that our sales force plays in driving revenue growth and market expansion, the Company is redoubling down efforts to build capability and talent within the sales teams. By providing the sales force with the necessary tools, resources, and expertise, the Company aims to increase their efficacy and effectiveness in navigating the complexities of the marketplace.

Finally, to ensure operational excellence, Bajaj Electricals remains committed to increasing efficiencies and optimising demand and supply-side operations. The Company intends to streamline operational processes, improve agility and strengthen supply chain resilience by judiciously implementing operational best practices and leveraging technology.

Integrating digitisation into BAJAJ's lighting solutions

In the past year, BAJAJ has significantly innovated in the smart lighting solutions sector, targeting B2B clients with a blend of new-age technologies. Its achievements include deploying Smart Utility Poles, Connected Poles, and pioneering NBIoT and LoRa-based outdoor lighting, alongside tunnel lighting innovations. The Company has also ventured into consumer markets with BLE + WiFi-enabled smart bulbs and battens, emphasizing commitment to energy efficiency and intelligent lighting.

Central to its advancements is the CITISOL SAAS platform, which leverages AI-based edge computing for superior lighting management. This platform offers clients insights into usage patterns, optimizing energy consumption, and enhancing operational efficiency. As the Company continues integrating IoT and AI into its offerings, it aims to be at the forefront of the smart lighting solutions industry, delivering value to its clients.

Outlook

In the consumer lighting sector, the Company's focus remains on launching smart lighting products across various categories. Additionally, the Company is exploring several technologies aimed at enhancing the connectivity of the products and making them more accessible to consumers in the B2C market.

In the professional lighting sector, the Company aims to introduce high technology solutions meeting the unique needs of its customers across various sectors.

Overall, the Company intends to continue to pursue the path of leveraging innovation to move up the lighting value chain and thereby provide enhanced value to its consumers and customers.

Research and development

At Bajaj Electricals, the tireless efforts of the R&D team empower us to sustain our performance in a dynamic market. Keeping product innovation at the core, we are adapting to new-age processes, adopting advanced technologies, and sharpening our skillset to render functionally superior products. It not only enables us to retain a competitive edge but, also opens new opportunities for sustainable progress.

During FY2024, the Company continued to invest in the laboratory infrastructure and computing infrastructure to develop more durable, efficient, and novel products. By enhancing the research capabilities, we were able to launch highly competitive products with faster time to market.

We are enhancing the culture of innovation, with the vision of enhancing the quality of life and ensuring sustainability.

Innovation Ecosystem

Bajaj Electricals has entered into an MOU with IIT Bhubaneswar to support the 100-Cube startup initiative at the IIT Bhubaneswar Research and Entrepreneur Park. This initiative aims to establish 100 startups, each with a valuation of Rs 100 crore by 2036, coinciding with the centenary celebrations of Odisha's state formation.

IP contributions:

26
Patents applications filed

45
Design registrations

30
Claims

New innovations in FY2024

Consumer products

BLDC: Energy-efficient 5-Star Ceiling Fans	**Military Jars:** Tough jars for rough handling as per MIL 810H standard	DuraGlide soleplate for irons for long-lasting sole plate coating
DuraCut Blades: Lifetime warranty on mixer grinder blades	Super5Tuff Ceiling Fan technology for a five-year warranty on ceiling fans	Aeirology with 20% higher air thrust fans for providing quicker relief to consumers

Lighting products

UL V0 lens with PLCC technology in tunnel lights	Visual comfort luminaire	UL V0 lens with PLCC technology in Tunnel light
Bonded heat sink in Stadium light	PO optics for higher pole-pole distance	

In keeping with the brand's positioning strategy of 'Built for Life' for the consumer products category, Bajaj has employed top-tier design and development practices. This is helping us in First time-right, reduced design and development time with faster time to market of best-in-class products. These methodologies also help to mitigate development risks, resulting in new products with remarkably extended lifespan and energy efficiency.

IoT-based innovations

In the past year, the Company has continued on its journey towards consumer centricity, leveraging cutting-edge technologies such as IoT and AI to redefine the electrical goods industry. The innovative approach has led to the creation of a suite of smart products, including IoT-enabled fans, coolers, geysers, and lighting solutions to enhance customer experience and serviceability.

The product offerings are designed not just for functionality but to enrich the customer's product ecosystem, providing unprecedented control, convenience, and insight into their usage patterns. Through the integration of IoT, the customers can monitor and manage their appliances seamlessly, experiencing a degree of interaction and connectivity.

As per our continued commitment towards sustainable development, we have identified areas such as energy efficiency, packaging, product life, and alternative materials to achieve the ESG goals. Overall, the Company running multiple projects for sustainability solutions under the Energy Efficiency, Packaging, Product life, and Materials domains.

Awards won for innovation

- **'Good Design' award** under product category: Mixer Grinder and Ceiling Fans
- **'Golden Peacock' award :** under the most innovative products/services category: Military-grade Mixer Grinder jar

To identify opportunities for enhancing quality, reducing costs, and delivering greater value to consumers in both existing and new products, the Company's R&D team regularly conducts competitive benchmarking across technology, features, and trends. Competitive benchmarking is also a standard procedure that the Company follows for any new product development, enabling optimisation of performance at a minimal cost.

Human resources

Bajaj Electricals prioritises the continual improvement and advancement of its employees' abilities across essential roles. The organisation holds a steadfast conviction that a motivated and proficient workforce, coupled with an accommodating workplace atmosphere, is essential for sustained prosperity. Additionally, the Company has established a stringent Human Rights Policy, demonstrating its dedication to fostering a compliant business atmosphere, preventing instances of child and forced labour, eliminating discrimination, upholding freedom of association, and ensuring a safe and healthy working environment for all stakeholders.

Certified as a **'Great Place to Work'**
Fourth consecutive year

1,958

Permanent employees and workers

447

Talent acquisition in FY 2024 (Including Trainees)

Bajaj Electricals has been recognised as a 'Great Place to Work' for the fourth year consecutively with Company level score increasing year after year, and increased participation from employees. This indicates a higher confidence amongst employees to voice their opinion. The engagement score of women employees and newly hired employees have also seen an improvement over the years.

Fostering diversity and inclusivity remains an ongoing endeavour across all tiers and departments within the Company. In the fiscal year 2024, the Diversity and Inclusion (D&I) Council directed its efforts toward initiatives geared towards empowering women, raising awareness among managers and employees, hosting engagement sessions, and enhancing the percentage of women within the organisation. Additionally, to cultivate a conducive working atmosphere, we have introduced women-focused initiatives like flexible work schedules and maternity support, aiming to bolster their skills and enable them to contribute equally to the Company's growth.

7%

Women employees at the organisation level

To ensure the continuous growth of its employees, Bajaj Electricals has instituted a learning and development programme focusing on both functional and behavioural training. In the fiscal year 2023-24, the Company introduced a comprehensive learning portal, providing employees easy access to all learning and development-related resources. Among the initiatives launched during this period was the refreshed 'Pygmalion' (high potential identification & development) programme, tailored to align talent requirements with individual employee aspirations. The 'Pygmalion' programme, saw the participation of 160 employees, aimed at identifying their developmental needs, ultimately aiming to nurture a talent pipeline and offer career advancement opportunities to top-performing individuals within the organisation.

The SPRINT programme has brought fresh perspectives and innovative solutions to business challenges. Following a year-long training period, participants have transitioned into roles previously managed by lateral hires, with the benefits of these programmes set to be realised in the forthcoming financial year.

14,022 hours

Training Hours
(Man-hours of permanent employees)

All learning and development initiatives are integrated through a digital platform named the Learning Management System (LMS), featuring an extensive array of over 500 learning courses. Bajaj Electricals actively encourages employees to pursue higher education through its Executive Education Policy. Depending on the nature of their roles, the Company also supports or facilitates certification courses from recognised institutes

500+

Learning courses available through Learning Management System (LMS)

Bajaj Electricals offers diverse platforms to its employees to express their opinions on organisational successes and areas requiring improvement such as Townhall meetings, the Annual Engagement Survey, an AI chatbot, HR connect sessions, All Hands Meetings, and Face-to-Face sessions with leaders. Working in tandem with the HR department, leaders within the Company diligently review the feedback received and take proactive steps to implement necessary changes. This collaborative effort ensures that employee suggestions and viewpoints are not only acknowledged but also acted upon effectively. There is a noticeable year-on-year increase in employee participation in surveys and an improvement in engagement scores.

84%

Employee engagement score

The Company ensures that all employees have abundant opportunities to excel and showcase their capabilities to the fullest extent. Those who demonstrate exceptional performance and uphold the Company's values are duly acknowledged and rewarded across all levels.

In acknowledgment of outstanding contributions, the Company has launched the 'Achieverz' programme, a tri-annual initiative focused on rewarding and recognising excellence. This programme commemorates the remarkable achievements of employees through quarterly, semi-annual, and annual accolades.

Bajaj Electricals has established the 'Sarvottam Club' to recognise exceptional achievers. This distinguished club grants its members the privilege of a fully sponsored international excursion in order to motivate its outstanding employees.

Employee safety

Bajaj Electricals has devised an EHS & ESG Annual Training Plan aimed at enhancing employee safety. This comprehensive plan identifies training needs for all staff and workers, encompassing both routine and specialised activities. New employees and workers undergo EHS induction training, while activity-specific EHS training is provided to all employees.

These EHS training initiatives have significantly contributed to fostering a culture of safety within the organisation. An incident-reporting culture has been cultivated, encouraging all employees to proactively report near misses, unsafe acts, and conditions. Reported incidents are tracked with a comprehensive action plan, resulting in improved closure rates for open EHS actions, particularly concerning high-risk activities such as machine safety, work at height, and electrical safety.

Zero

Fatal Accidents reported in FY 2024

148

Safety training conducted in FY 2024

Integrated supply chain management & manufacturing

Throughout FY 2024, global geopolitical challenges persisted, prompting adjustments within supply chains to mitigate against the consequent volatility and complexity. The Company diligently monitored the situation, assessing the impact on sourced items from various regions and their interdependencies. Updated risk management plans were implemented, while close intra-team communication facilitated prompt responses.

As part of Bajaj Electricals' supply chain strategy, the Company initiated programmes such as 'Hello Local' for import localisation, aligned geographical sourcing, supplier consolidation, and vendor development. Additionally, proactive measures were taken to stock items susceptible to disruptions, with input from a cross-functional team. These endeavours aimed to bolster resilience through localised sourcing, mitigating reliance on single sources where feasible and fostering closer proximity to customers.

The 'hello Local' programme has significantly reduced import reliance, in the past three years, driven by 'Make in India' and efforts to de-risk imports from China. Quality control measures and a growing base of local players have accelerated progress. Exploring SKD/CKD assembly, the Company has also adopted a 'Glocalisation' approach to source global-quality products locally.

Transitioning to Mulya 2.0

A platform for supplier innovation

Over the past three years, the Company has been diligently working on a significant initiative called 'Mulya' aimed at recognising and rewarding suppliers and employees for their cost-saving contributions within the supply chain. Under the Mulya initiative, the supply chain team has conducted various activities such as Value Addition Value Engineering, negotiations, optimisation of bought-out components, packaging and volume consolidation.

The platform Mulya has transitioned to Mulya 2.0, marked by a heightened emphasis on value creation, operational enhancements, and cost-efficiency initiatives. Throughout FY 2024, the Company has solicited and analysed the ideas of both its dedicated workforce and valued partners within its ecosystem. The implementation of these concepts has led it to achieve significant savings, surpassing ₹ 80 crore.

Quality assurance

With in-house manufacturing of technologically advanced premium products, there have been significant quality enhancements in Bajaj Electricals' products. The Company has adopted various cutting-edge technologies to ensure the uninterrupted processing of products without any compromise on quality.

Moreover, the Company adheres to industry best practices and automation to streamline its operations. The Company has also undertaken Lakshya Projects primarily to guarantee that process controls and existing processes are continuously improved. Bajaj Electricals deploys advanced measurement techniques while concurrently developing its facilities to ascertain rigorous product testing. To further enhance its competencies and strengthen collaborative relationships with its supply partners, the Company is also investing in their training and empowerment.

Certified for
all business units

ISO 9001:2015

Bajaj Electricals' commitment to quality has ensured-

- Higher product reliability
- Energy-efficient, star-rated products
- Greater product durability
- Enhanced consumer perception due to better fit and finish
- Cost-competitive quality products

Bajaj Electricals has implemented process automation, leading to the delivery of higher-quality products with fewer defects. Automation has further facilitated predictive process monitoring, resulting in substantial cost savings with a year-on-year reduction in the Cost of Poor Quality (COPQ) by 35% in the last two years.

To further enhance customer satisfaction, the Company has introduced innovative and energy-efficient products that comply with statutory and regulatory requirements. Offering quality products at affordable prices remains a priority. Timely responses to customer feedback and concerns underscore the Company's dedication to customer satisfaction. Moreover, periodic audits and reviews of the Quality Management System (QMS) are conducted to continuously maintain and improve standards. Additionally, the Company evaluates the performance of its supply partners, ensuring reliability and accountability throughout its supply chain.

Awards received in FY2024 for Quality Review

- Winner in the Manufacturing category in the MQH Best Practice Competition 2023, organised by the IMC Ramkrishna Bajaj National Quality Award Trust.
- Winner under the Quality Enterprise Leadership Award - Manufacturing Sector by well-recognised Frost and Sullivan's Project Evaluation and Recognition Programme 2023.

Information technology

Over the past year, Bajaj Electricals' digital transformation has significantly deepened, with strategic enhancements in Artificial Intelligence (AI), Machine Learning (ML), Advanced Analytics, and Robotic Process Automation (RPA). These technologies have been successfully deployed across essential systems such as the Transport Management System (TMS), Warehouse Management System (WMS), and Demand Forecasting. A cornerstone of our digital infrastructure is the seamless integration with SAP S/4HANA across vital modules, forming a cohesive, agile business ecosystem that lays the groundwork for further digital advancements leveraging Cloud, AI, IoT, Big Data, and cybersecurity enhancements.

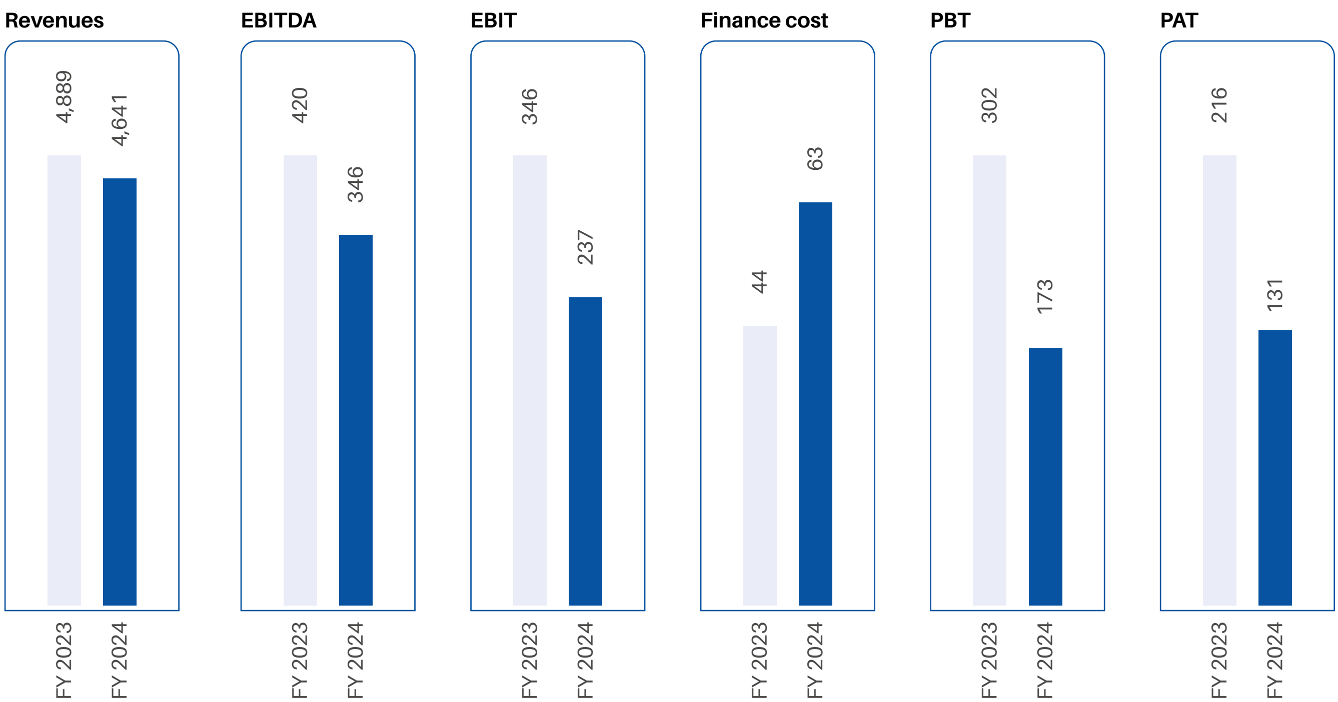
Modules integrated with SAP S/4 HANA

- SuccessFactors (Human Capital Management)
- Distributor Management System
- Warehouse Management System
- Product Lifecycle Management
- Transportation Management System
- Demand Forecasting
- Ariba (Vendor Management)
- Customer Engagement

In its go-to-market strategy, Bajaj Electricals has rolled out the Pragati Dealer Management System and DSO Apps across a broad network of distributors and sales representatives. The ongoing implementation of order automation is poised to further refine our processes. These steps underscore our relentless pursuit of optimising customer experiences and operational productivity, focusing on AI-driven innovation, IoT for product development, and robust data-driven decision-making facilitated by advanced analytics and Power BI.

Financial analysis (on consolidated financials)

(₹ in crore)



Particulars	FY 2024	FY 2023	YoY Change
EBITDA margin	7.5%	8.6%	-13.1%
EBIT margin	5.1%	7.1%	-28.0%
PBT margin	3.7%	6.2%	-39.7%
PAT margin	2.8%	4.4%	-36.1%
Debtors turnover	3.47	3.42	+1.5%
Inventory turnover	3.80	3.43	+10.7%
Interest coverage ratio	3.73	7.93	-53.0%
Current ratio	1.21	1.32	-8.2%
Return on net worth	7.83%	11.97%	-34.6%

Risk management

The Board of Directors at Bajaj Electricals shoulders the responsibility for overseeing risk management and internal control functions. This involves establishing the Company's risk tolerance, consistently evaluating and overseeing major risks, and examining internal audit reports concerning internal controls and risk assessments.

For a comprehensive understanding of the risk management process, the key risks of the Company, and the strategies employed for risk mitigation, please refer to page **030** of the report.

Internal control

The Company has established and maintained well-defined internal controls that are tailored to suit the size, scope and complexity of its operations. The key internal controls were found to be functioning effectively throughout the year. An external consultant was engaged as an Internal Auditor to assess the strength of internal controls, covering all business units, offices, factories and critical operational areas. The design, adequacy and operational efficiency of the Company's Internal Financial Controls are reviewed by both the external consultant (Internal Auditor) and the statutory auditor.

These controls were developed in accordance with the requirements outlined in the Companies Act, 2013 and the Guidance Note issued by the Institute of Chartered Accountants of India. The Company maintains written Standard Operating Procedures (SOPs) and risk & control registers for all business divisions and functions, outlining process flows, key risks and critical controls. These SOPs and risk & control registers are regularly reviewed and adjusted by the business in response to changes in workflow, process and controls. The external consultant (Internal Auditor) assessed the internal financial controls and found certain non-significant automated controls not configured which were mitigated by compensating manual controls. Any control weaknesses identified were promptly communicated to the process owner and remedial actions were implemented or agreed upon in a timely manner.

Disclaimer

The statements within this management discussion and analysis outlining the Company's objectives, projections, estimates, and expectations are deemed 'forward-looking statements' according to relevant laws and regulations. It is important to note that actual results may differ significantly or materially from those stated or implied. Key developments that could impact the Company's operations encompass competition, employee expenditures, substantial shifts in India's political and economic landscape, environmental regulations, tax legislation, legal proceedings, and labour relations.

These statements do not guarantee future performance and should not be excessively relied upon. Forward-looking statements inherently encompass both known and unknown risks and uncertainties that may result in future performance and financial outcomes differing significantly from any projected future performance or results expressed or implied in such forward-looking statements.

Readers are cautioned against placing excessive reliance on forward-looking statements. Unless required by applicable securities laws, the Company does not commit to updating forward-looking statements in the event of changes in circumstances or alterations to management's estimates or opinions.

Independent Auditor's Report

To the Members of **Bajaj Electricals Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Bajaj Electricals Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, 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 notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Keyaudit matters	How our audit addressed the key audit matters
A. Timing of revenue recognition for Consumer Product business (Refer Notes 1B(3)(1) and 24 of the standalone financial statements)	
Revenue from contracts with customers is recognised upon transfer of control of promised goods and is measured at the transaction price of the consideration received or receivable, net of returns, schemes and rebates, based on contractually defined terms. The timing of transfer of control in case of sales to distributors is basis the arrangements including delivery specifications and incoterms, payment terms and ability of customers to return the goods if unsold in the market which create complexity and judgment in determining the timing of recognition of revenues. The risk is, therefore, that revenue is not recognized in the correct period and accordingly, it was determined to be a key audit matter in our audit of the standalone financial statements.	Audit procedures included the following: • Assessed the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal financial controls related to timing of revenue recognition; • For sample customers, obtained and assessed the arrangements with the Company and impact on revenue recognition including their payment terms and right to returns; • Performed sample tests of individual sales transaction based on sales invoices and other related documents. In respect of the samples selected, tested the timing of revenue recognition in accordance with Ind AS 115; • Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents and the terms of sale; • Performed analytical procedures on sales and sales return trend including subsequent sales returns; • For sample customer balances, obtained direct confirmation and tested the reconciliations if any.

Keyaudit matters	How our audit addressed the key audit matters
B. Accounting of scheme of de-merger of Engineering Procurement and Construction (EPC) business into Bajel Projects Limited (Resulting Company) ('Scheme') (Refer note 45 for disclosure of the accompanying standalone financial statements)	
The Company in the current year has given effect to the scheme of demerger of Engineering Procurement and Construction business (demerged business) into a separate company Bajel Projects Limited (BPL). The scheme was approved by the Hon'ble National Company Law Tribunal, Mumbai bench ("the Tribunal") vide its order dated July 05, 2023 and the effective date of the scheme is September 01, 2023. In virtue of this scheme being effective in the current year, the said demerged business has been disclosed as a discontinuing operations till the effective date of the demerger. At the effective date, all assets and liabilities pertaining to the demerged business has been transferred to Bajel Projects Limited in accordance with the approved scheme. Due to the complexity of the transaction, and considering the assumptions and estimates required to be made by management as part of identifying assets and liabilities to be de-recognised, including presentation and disclosures in the standalone financial statements we have reported this to be a key audit matter in the current year audit.	Audit procedures included the following: • Obtained and read the Scheme and final order passed by the Hon'ble National Company Law Tribunal and submitted with the ROC to understand its key terms and conditions; • Evaluated the design and tested the operating effectiveness of the internal financial controls relevant for recording the impact of the Scheme and related disclosures; • Assessed the appropriateness of accounting policy of accounting of this de-merger and comparing with applicable accounting standards and the approved accounting treatment in the scheme; • Tested the Management's working for identification of specific assets and liabilities of the demerged business including apportionment of common assets and liabilities to the demerged business and relevant impact in the reserves as per the Scheme; and • Assessed the adequacy and appropriateness of the disclosures made with respect to the accounting of the transaction under the Scheme in note 45 to the accompanying standalone financial statements, as required by the applicable Indian Accounting Standards.
C. Inventory existence and allowance for inventory (Refer note 1B(13) and 11 for disclosure of the accompanying standalone financial statements)	
As at 31 March 2024, the carrying amount of inventories amounted to ₹ 75,664.03 lakhs, after considering allowance for inventory obsolescence of ₹ 4,553.96 lakhs. These inventories are kept at Factories, Warehouses and Branches of the Company. Inventory valuation and existence was an audit focus area because of the additional risks assessed due to the number of locations that the inventory was held at, and the judgement applied in the provision of inventory. Additionally during the year the Company has discontinued end-to-end logistics arrangement (including warehousing and pre-primary, primary and secondary transportation) with a third party provider in a phased manner leading to relocation of inventory to new warehouses and locations. The spread of inventory and the hand over from the third-party warehouse management system in the current year has significantly increased our focus on the inventory management including the existence of inventory as at the year end. Further there are judgements applied in assessing the level of provision for stock basis ageing and obsolescence. Hence this matter has been considered as a key audit matter in the current year.	Audit procedures included the following: • Obtained an understanding, evaluated the design and tested the operating effectiveness of internal financial controls that the Company has in relation to the inventory count process and allowance for inventory; • We have obtained the physical verification reports of the third party appointed by the Company and have reconciled the same with books of accounts; • We performed testing on the Company's controls over the inventory count process. In testing these controls we observed the inventory count process at selected Factory, Warehouse and Branches on a sample basis near to period end, inspected the results of the inventory count and confirmed variances were accounted for and approved by management; • We evaluated whether the provisions towards ageing and obsolete inventory has been made in accordance with the approved policy. On a sample basis, we tested the aging of inventory. For our sample we agreed the purchase date recorded in the inventory aging report to supplier invoices. • We assessed whether there were inventories which were sold with a (consistent) negative margin by evaluating recent sales invoices to validate management's assessment and decision whether inventories should or should not be provided for. • Furthermore we analyzed the inventory turnaround and compared that to management's estimates on obsolete inventories. • We assessed the adequacy and appropriateness of the Company's disclosures in Note 1B(13) on material accounting policy and Note 11 Inventories to the standalone financial statements, as required by the applicable Indian Accounting Standards.

Keyaudit matters	How our audit addressed the key audit matters
D. Impairment testing of Goodwill (Refer Note 46 of the standalone financial statements)	
As at March 31, 2024, the Company has carrying amount of Goodwill of ₹ 19,001.09 lakhs pertaining to Starlite Lighting Limited and Nirlep Appliances Private Limited, wholly owned subsidiaries which has been merged into the Company. In accordance with the requirements of Ind AS 36 Impairment of Assets, the Company performs an annual impairment assessment of Goodwill and the corresponding cash generating units to determine whether the recoverable value is below the carrying amount as at March 31, 2024. For this purpose, the recoverable value of the cash generating unit is based on the value in use model, which has been derived from the discounted cash flow model. The model requires the Company to make significant assumptions such as discount rate, near and long-term revenue growth rate and projected margins which involves inherent uncertainty since they are based on future business prospects and economic outlook. Changes in certain methodologies and assumptions can lead to significant changes in the assessment of the recoverable value. Due to the level of judgments involved and its significance to the Company's financial position, this is considered to be a key audit matter.	Our audit procedures included the following: • Obtained an understanding of the process followed by the management to determine the recoverable amounts of cash generating units determined by the Company. • Evaluated the design and implementation and tested the operating effectiveness of key internal controls related to the Company's process relating to review of the annual impairment analysis. • Assessed Company's valuation methodology applied in determining recoverable value including the reasonableness of identification of cash generating units around the key drivers (cash flow forecasts, discount rates, expected growth rates, forecasted margins and terminal growth rates) based on our knowledge of the Company and Industry. Compared the historical accuracy by comparing past forecasts to actual results achieved. • Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. • Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units • Assessed the disclosures made in the standalone financial statements

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 the 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (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 except for the matters stated in the paragraph (i).(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the 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 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 the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

   (i) 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, as amended 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 financial statements – Refer Note 40 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. As stated in note 17 to the standalone financial statements, the final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, except for the instances discussed in note 48(11) to the standalone financial statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on whether certain features of the audit trail of the said software has operated from the period April 01, 2023 to June 04, 2023 and from October 08, 2023 to November 12, 2023 or whether there were any instances of audit trail feature being tampered during the said period in the absence of log of changes to certain audit features.

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXT7463

Mumbai, May 14, 2024

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

Re: Bajaj Electricals Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

(i) (a) (B) The Company has maintained proper records showing full particulars of Intangible assets

(i) (b) All property, plant and equipment 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 noted on such verification.

(i) (c) The title deeds of immovable properties as disclosed in note 2 to the standalone financial statements included in property, plant and equipment are held in the name of the Company. Certain title deeds of the immovable properties, in the nature of freehold land and building, as indicated in the below mentioned cases which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated May 21st 2020 for Hind Lamps Limited, dated August 25th 2022 for Starlite Lighting Limited and dated March 07th 2024 for Nirlep Appliances Private Limited are not individually held in the name of the Company, however the deed of merger has been registered by the Company on March 31, 2024.

Description of Property	Gross carrying value (₹ in lakhs)	Held in name of	Whether Promoter, Director or their relative or employee	Period held- indicate range, where appropriate
Freehold land	12,600.00	Hind Lamps Limited	No	May 21, 2020 to March 31, 2024
Building	729.71	Hind Lamps Limited	No	May 21, 2020 to March 31, 2024
Freehold land	1,355.20	Starlite Lighting Limited	No	August 25, 2022 to March 31, 2024
Building	4,971.22	Starlite Lighting Limited	No	August 25, 2022 to March 31, 2024
Freehold land	540.00	Nirlep Appliances Private Limited	No	March 07, 2024 to March 31, 2024
Building	1,327.12	Nirlep Appliances Private Limited	No	March 07, 2024 to March 31, 2024

In case of 1 lease agreements of immovable property as indicated below as at March 31, 2024 and as disclosed in note 3 to the standalone financial statements, the lease agreement is not duly executed in favour of the Company and hence we are unable to comment on the same

Description of Property	Gross carrying value (₹ in lakhs)	Held in name of	Whether Promoter, Director or their relative or employee	Period held- indicate range, where appropriate
Leasehold Building	0.31	Not applicable	No	September 01, 2023 to March 31, 2024

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies on such physical verification were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and no discrepancies were noticed.

(ii) (b) As disclosed in note 18 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of. Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(iii) (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(iii) (d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(iii) (e) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year-end, for a period of more than six months from the date they become payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Matter	Forum where dispute is pending (Amount in ₹ in lakhs)					
	Year	Dy. Commissioner / Commissioner / Jt. Commissioner Appeals	Appellate/ Revision	Tribunal	High court	Total*
Goods and Service Tax- Maharashtra	2017-2020	881.06	-	-	-	881.06
Goods and Service Tax- Gujarat	2017-2018 to 2018-2019	788.39	-	-	-	788.39
Goods and Service Tax- Madhya Pradesh	2017-2018 to 2020-2021	317.11	-	-	-	317.11
Goods and Service Tax-Chattisgarh	2017-2018	4.65	-	-	-	4.65
Goods and Service Tax- Bihar	2017-2018	210.78	-	-	-	210.78
Goods and Service Tax- Rajasthan	2017-2018	560.97	-	-	-	560.97
Goods and Service Tax- Assam	2017-2018	11.28	-	-	-	11.28
Goods and Service Tax- Jharkhand	2017-2018	26.94	-	-	-	26.94
Goods and Service Tax- Odisha	2017-2018	141.24	-	-	-	141.24
Goods and Service Tax- Punjab	2017-2018	1,105.31	-	-	-	1,105.31
Goods and Service Tax- Tamil Nadu	2017-2018	256.73	-	-	-	256.73
Goods and Service Tax- West Bengal	2017-2018	579.92	-	-	-	579.92
Goods and Service Tax- Karnataka	2018-2019	25.90	-	-	-	25.90
Sales Tax – Bihar	2005-2006	9.30	-	-	-	9.30
Sales Tax- Delhi	2007-2008 2009-2010 2010-2011	56.21	-	-	-	56.21
Sales Tax – Gujarat	2001-2002	95.14	-	-	-	95.14
Sales Tax – Odisha	2005-2006 2010-2011 to 2015-2016	28.50	12.51	1.125.59	6.40	1,173.00
Sales Tax – Punjab	2015-2016 to 2016-2017	956.84	-	-	-	956.84

Matter	Year	Forum where dispute is pending (Amount in ₹ in lakhs)				
		Dy. Commissioner / Commissioner / Jt. Commissioner Appeals	Appellate/ Revision	Tribunal	High court	Total*
Sales Tax – Uttar Pradesh	2008-2009 2009-2010 2011-2012 2014-2015 2015-2016 2017-2018	335.46	-		-	335.46
Sales Tax – Uttarakhand	2015-2016	1.62				1.62
Sales Tax – West Bengal	2006-2007	-		8.19	-	8.19
Entry Tax – Uttar Pradesh	2010-2011 2015-2016	2.86	-	-	-	2.86
Customs Act	2016-2017	-	-	63.05	-	63.05
Service Tax	2005-2010	-	-	139.14	-	139.14
Total (A+B)		**6,396.21**	**12.51**	**1,335.97**	**6.40**	**7,751.09**

* The unpaid amount mentioned above is net of ₹ 373.84 lakhs paid under protest

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix) (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and an associate.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary and an associate Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company,

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the /Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) In our opinion, and according to the information and explanation given to us, in the group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 16 companies forming part of the promoter/promoter group of the Company which are CICs (These are unregistered CICs as per Para 9.1 of Notification No. RBI/2020-21/24 dated 13th August 2020 of the Reserve Bank of India).

(xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 47 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 43 to the standalone financial statements.

(xx) (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 43 to the standalone financial statements.

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXT7463

Mumbai, May 14, 2024

Annexure ‘2’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Bajaj Electricals Limited (“the Company”)

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 with reference to standalone financial statements of Bajaj Electricals Limited (“the Company”) as of March 31, 2024 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 (“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 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 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls 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 Company’s internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A Company's internal financial controls with reference to 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 controls with reference to 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 With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXT7463

Mumbai, May 14, 2024

Standalone Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31-Mar-24	As at 31-Mar-23 (Restated) (refer note 44)
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	35,236.25	31,136.03
Capital work in progress	2	6,183.96	4,058.82
Right-of-use assets	3	22,221.90	11,947.22
Intangible assets	4	1,541.99	1,923.22
Intangible assets under development	4	161.71	130.94
Investment properties	4.1	13,582.07	12,947.65
Goodwill on business combination	46	19,001.09	19,001.09
Investments in subsidiary and associate	5.1	-	50.00
Financial Assets			
i) Investments	5.3	493.14	600.58
ii) Trade receivables	6	1,293.37	1,975.05
iii) Other financial assets	8	5,027.53	2,495.18
Deferred tax assets (net)	9	530.33	-
Income tax assets (net)		8,334.12	12,802.46
Other non-current assets	10	8,496.85	12,020.19
Total Non-Current Assets		**122,104.31**	**111,088.43**
Current Assets			
Inventories	11	75,664.03	97,559.70
Financial Assets			
i) Investments	5.2	3,004.50	4,078.23
ii) Trade receivables	6	116,317.50	111,130.26
iii) Cash and cash equivalents	12	11,402.15	34,151.52
iv) Bank balances other than (iii) above	12.1	16,066.44	2,871.68
v) Loans	7	50.38	34.59
vi) Other current financial assets	13	1,084.28	1,119.49
Other current assets	14	36,837.50	28,627.68
Contract assets	41	325.07	350.37
		260,751.85	**279,923.52**
Assets classified as held for sale	15 & 45	460.09	108,264.99
Total Current Assets		**261,211.94**	**388,188.51**
Total Assets		**383,316.25**	**499,276.94**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	16	2,303.92	2,301.51
Other Equity	17	141,818.08	188,450.28
Total Equity		**144,122.00**	**190,751.79**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
ia) Lease liabilities	3	17,261.23	7,166.35
ii) Other financial liabilities	19	16.35	16.52
Provisions	20	969.70	1,689.40
Employee benefit obligations	21	5,190.51	4,881.66
Deferred tax liabilities (net)	9	-	539.73
Total Non-Current Liabilities		**23,437.79**	**14,293.66**
Current Liabilities			
Financial Liabilities			
i) Borrowings	18	-	16.65
ia) Lease liabilities	3	4,228.33	2,885.17
ii) Trade credits	22.1	128,272.38	118,689.14
iii) Trade payables	22		
Total Outstanding dues of micro enterprises & small enterprises		3,781.66	3,768.20
Total Outstanding dues of other than micro enterprises & small enterprises		52,117.97	57,145.80
iv) Other current financial liabilities	19	6,519.57	40,142.66
Provisions	20	5,227.62	4,882.33
Employee benefit obligations	21	1,324.79	1,259.85
Current tax liabilities (net)		2,687.45	1,886.08
Contract liabilities	41	4,496.46	6,108.33
Other current liabilities	23	7,100.23	7,325.86
		215,756.46	**244,110.07**
Liabilities directly associated with the assets held for sale	45	-	50,121.42
Total Current Liabilities		**215,756.46**	**294,231.49**
Total Liabilities		**239,194.25**	**308,525.15**
Total Equity & Liabilities		**383,316.25**	**499,276.94**
Summary of material accounting policies	1B		
The accompanying notes are an integral part of the Standalone Financial Statements			

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors of Bajaj Electricals Limited

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Statement of Standalone Profit and Loss for the year ended 31st March 2024

(₹ in Lakhs , unless otherwise stated)

Particulars	Notes	For the year ended 31-Mar-24	For the year ended 31-Mar-23 (Restated) (refer note 44)
Continuing operations			
Income:			
Revenue from operations	24	464,126.83	488,924.49
Other income	25	8,647.07	4,503.75
Total Income		**472,773.90**	**493,428.24**
Expenses:			
Cost of raw materials consumed	26	51,349.38	49,239.36
Purchases of traded goods		256,674.51	291,698.35
Changes in inventories of work-in-progress, finished goods and traded goods	26	18,060.24	(4,676.74)
Erection and subcontracting expenses	27	2,621.02	1,887.07
Employee benefits expenses	28	36,492.85	34,370.61
Depreciation and amortisation expense	29	10,958.49	7,377.88
Other expenses	30	72,960.02	78,930.79
Finance costs	31	6,347.88	4,361.51
Total Expenses		**455,464.39**	**463,188.83**
Profit before tax for the year from continuing operations		**17,309.51**	**30,239.41**
Tax expense / (credit):			
Current tax	32	5,719.86	5,150.76
Deferred tax	9	(2,009.37)	3,544.49
Adjustment of tax relating to earlier periods	32	11.31	-
Total tax expenses from continuing operations		**3,721.80**	**8,695.25**
Profit for the year from continuing operations		**13,587.71**	**21,544.16**
Discontinued operations	45		
Profit / (loss) before tax for the year from discontinued operations		(553.45)	123.96
Tax expense / (Credit) from discontinued operations	32	(144.54)	34.03
Profit / (loss) for the year from discontinued operations		**(408.91)**	**89.93**
Profit for the year		**13,178.80**	**21,634.09**
Continuing operations			
Other comprehensive (income) / loss			
Items that will be reclassified to profit and loss in subsequent periods			
Cash flow hedge reserve	35c	9.47	41.72
Income tax effect		(2.38)	(10.50)
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans	21	75.94	(272.20)
Income tax effect	9	(21.09)	68.47
Other comprehensive (income) / loss net of tax from continuing operations		**61.94**	**(172.51)**
Discontinued operations	45		
Other comprehensive (income) / loss			
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans		(94.41)	-
Income tax effect		23.76	-
Other comprehensive (income) / loss net of tax from discontinued operations		**(70.65)**	**-**
Total Comprehensive Income for the year net of tax		**13,187.51**	**21,806.60**
Earnings Per Share from Continuing operations			
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic computed on the basis on profit from continuing operations		11.81	18.74
Diluted computed on the basis on profit from continuing operations		11.79	18.71
Earnings Per Share Discontinued operations	39		
Earnings per equity share after exceptional items (face value per share ₹ 2)			
Basic computed on the basis on profit / (loss) from discontinued operations		(0.36)	0.08
Diluted computed on the basis on profit / (loss) from discontinued operations		(0.36)	0.08
Earnings Per Share	39		
Earnings per equity share after exceptional items (face value per share ₹ 2)			
Basic computed on the basis of profit for the year		11.45	18.82
Diluted computed on the basis of profit for the year		11.43	18.79
Summary of material accounting policies	1B		
The accompanying notes are an integral part of the Standalone Financial Statements			

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Standalone Statement of changes in equity for the year ended 31st March 2024

A. Equity share capital (Note 16)

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Equity shares of Rs 2 each issued, subscribed and fully paid-up		
At the beginning of the year	2,301.51	2,297.48
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	**2,301.51**	**2,297.48**
Issue of equity share capital during the year	2.41	4.03
At the end of the year	**2,303.92**	**2,301.51**

B. Other equity (Note 17)

(₹ in Lakhs)

Name of the person or entity	Share Application Money Pending Allotment	Reserves and surplus								
		Amalgamation Adjustment Reserve	Effective Portion of Cashflow Hedges	Securities premium reserve	Shares Option Outstanding	General Reserve	Retained earnings *	Capital Redemption Reserve	Capital Reserve	Total
Restated Balance as at 31st March 2023 (refer note 44)	-	(2,327.15)	(68.91)	66,594.40	1,874.06	45,967.75	76,099.24	135.71	175.18	188,450.28
Profit for the year	-	-	-	-	-	-	13,178.80	-	-	13,178.80
Other comprehensive income/ (loss)	-	-	(7.09)	-	-	-	15.80	-	-	8.71
Total	**-**	**(2,327.15)**	**(76.00)**	**66,594.40**	**1,874.06**	**45,967.75**	**89,293.84**	**135.71**	**175.18**	**201,637.79**
Exercise of share options	-	-	-	505.92	-	-	-	-	-	505.92
Exercise of options - transferred from shares options outstanding account	-	-	-	207.14	(207.14)	-	-	-	-	-
Employee stock option expense for the year	-	-	-	-	1,087.46	-	-	-	-	1,087.46
Transferred from share options outstanding account on lapse of vested options	-	-	-	-	(55.44)	-	55.44	-	-	-
Dividend on equity shares	-	-	-	-	-	-	(4,604.08)	-	-	(4,604.08)
Share application monies received	3.03	-	-	-	-	-	-	-	-	3.03
Derecognised pursuant to discontinued operations (refer note 45)	-	-	-	-	-	-	(56,849.73)	-	-	(56,849.73)
Charge for the year	-	-	37.69	-	-	-	-	-	-	37.69
Balance at 31st March 2024	**3.03**	**(2,327.15)**	**(38.31)**	**67,307.46**	**2,698.94**	**45,967.75**	**27,895.47**	**135.71**	**175.18**	**141,818.08**

Standalone Statement of changes in equity for the year ended 31st March 2024

⁎ Retained earnings includes revaluation reserve of ₹ 808.60 lakhs subsumed during transition to Ind AS

B. Other equity (Note 17)

(₹ in Lakhs)

Particulars	Share Application Money Pending Allotment	Reserves and surplus: Amalga-mation Adjustment Reserve	Effective Portion of Cashflow Hedges	Securities premium reserve	Shares Option Outstanding	General Reserve	Retained earnings *	Capital Redemption Reserve	Capital Reserve	Total
Restated Balance as at 31st March 2022 (Refer note 44)	0.19	(2,327.15)	88.29	65,356.13	1,198.56	45,967.75	57,643.79	135.71	175.18	168,238.45
Profit for the year	-	-		-	-	-	21,634.09	-	-	21,634.09
Other comprehensive income/ (loss)	-	-	(31.22)	-	-	-	203.73	-	-	172.51
Total	**0.19**	**(2,327.15)**	**57.07**	**65,356.13**	**1,198.56**	**45,967.75**	**79,481.61**	**135.71**	**175.18**	**190,045.05**
Exercise of share options	-	-	-	893.24	-	-	-	-	-	893.24
Exercise of options - transferred from shares options outstanding account	-	-	-	344.84	(344.84)	-	-	-	-	-
Employee stock option expense for the year	-	-	-	-	1,084.00	-	-	-	-	1,084.00
Issue of share capital	(0.19)			0.19	-	-	-	-	-	-
Charge for the year	-	-	(125.98)	-	-	-	-	-	-	(125.98)
Transferred from share options outstanding account on lapse of vested options	-	-	-	-	(63.66)	-	63.66	-	-	-
Dividend on equity shares				-	-	-	(3,446.03)	-	-	(3,446.03)
Balance as at 31st March 2023	**-**	**(2,327.15)**	**(68.91)**	**66,594.40**	**1,874.06**	**45,967.75**	**76,099.24**	**135.71**	**175.18**	**188,450.28**

⁎ Retained earnings includes revaluation reserve of ₹ 808.60 lakhs subsumed during transition to Ind AS

Summary of material accounting policies (Note 1B)

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of Bajaj Electricals Limited

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Standalone Cash Flow Statement for the year ended 31st March 2024

(₹ in in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23 (Restated) (refer note 44)
Cash flow from operating activities		
Profit before income tax from contnuing operations	17,309.51	30,239.41
Adjustments for:		
Depreciation and amortisation expense	10,958.49	7,377.88
Employee share-based payment expense	1,032.97	1,084.00
(Gain) / loss on disposal of property, plant and equipment (net)	79.76	(279.91)
Measurement of financial assets held at fair value through Profit or Loss	(73.20)	(110.85)
Measurement of financial assets and liabilities held at amortised cost	(123.65)	(58.37)
Finance costs	6,347.88	4,361.51
Interest income	(5,560.20)	(658.17)
Credit balance written back	(1,341.65)	(776.38)
Impairment allowance for doubtful debts & advances (net of write back)	633.88	(208.70)
Bad debts and other irrecoverable debit balances written off	(379.28)	(526.90)
	28,884.51	**40,443.52**
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables (current & non-current)	(4,870.16)	(49,532.60)
(Increase)/decrease in financial and other assets (current & non-current)	(6,025.72)	(11,425.94)
(Increase)/decrease in inventories	21,895.67	(6,487.63)
Increase/(decrease) in trade payables, provisions, employee benefit obligations, other financial liabilities and other liabilities (current & non-current)	(3,952.69)	73,534.04
Cash generated from operations	**35,931.61**	**46,531.39**
Income taxes paid (net of refunds)	(253.98)	(2,281.33)
Net cash inflow from operating activities from continuing operations	**35,677.63**	**44,250.06**
Net cash inflow / (outflow) from operating activities from discontinued operations	**(298.83)**	**688.77**
Net cash inflow from operating activities from continuing and discontinued operations (A)	**35,378.80**	**44,938.83**
Cash flows from investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advances	(12,365.70)	(7,160.79)
Purchase of intangible assets including intangible assets under development	(750.99)	(958.59)
Proceeds from sale of property, plant and equipment including advances received	43.77	968.93
Proceeds from sale of assets held for sale	-	1,500.00
Proceeds from sale of investment properties	7.71	16.52
Loans repaid by an associate	-	10.00
Purchase of mutual funds	(10,445.63)	(4,078.23)
Proceeds from sale of mutual funds	11,700.00	-
Investments / (realisations) in bank deposits	(14,295.93)	534.16
Interest received	5,083.65	538.34
Net cash used in investing activities for continuing operations	**(21,023.12)**	**(8,629.66)**
Net cash used in investing activities for discontinued operations	**-**	**(172.29)**
Net cash used in investing activities for continued and discontinued operations (B)	**(21,023.12)**	**(8,801.95)**
Cash flows from financing activities		
Proceeds from issues of shares	511.35	897.27
Repayment of borrowings	(16.65)	(4,474.35)
Payment of principal portion of lease liabilities	(2,916.86)	(1,604.66)
Interest paid on lease liabilities	(1,551.30)	(544.44)
Interest paid	(4,685.00)	(4,143.79)
Dividend paid to equity shareholders	(4,604.08)	(3,447.13)
Net cash used in financing activities for continuing operations	**(13,262.54)**	**(13,317.10)**
Net cash used in financing activities for discontinued operations	**-**	**(550.17)**
Net cash used in financing activities for continuing and discontinued operations (C)	**(13,262.54)**	**(13,867.27)**
Net increase in cash and cash equivalents (A+B+C)	**1,093.14**	**22,269.61**

Standalone Cash Flow Statement for the year ended 31st March 2024

(₹ in in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23 (Restated) (refer note 44)
Cash and cash equivalents at the beginning of the year	34,151.52	11,881.91
Less: Cash transferred pursuant to demerger (refer note 45)	(23,842.51)	-
Cash and cash equivalents at the end of the year	11,402.15	34,151.52
Cash and cash equivalents from continuing operations	**11,402.15**	**34,151.52**
Cash and cash equivalents from discontinued operations	-	-
Cash and cash equivalents from continuing and discontinued operations	**11,402.15**	**34,151.52**

(₹ in in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23 (Restated) (refer note 44)
Borrowings as on the beginning of the year	16.65	4,491.00
Repayment of borrowings	(16.65)	(4,474.35)
Borrowings as on the end of the year	-	**16.65**

Summary of material accounting policies (Note 1B)

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Notes to Standalone Financial Statements for the year ended March 31, 2024

1A GENERAL INFORMATION.

Bajaj Electricals Limited ('the Company') (CIN : L31500MH1938PLC009887) is an existing public limited company incorporated on 14th July 1938 under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at 45/47, Veer Nariman Road, Mumbai-400 001.

The Company deals in Consumer Products (CP) (which includes domestic appliances, kitchen appliances, and electric Fans). The Company also deals in Lighting Solutions (which includes consumer and professional lighting). The equity shares of the Company are listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The standalone financial statements are presented in Indian Rupee (INR).

The standalone financial statements have been recommended for approval by the audit committee and is approved and adopted by their Board in their meeting held in Mumbai on May 14, 2024.

1B MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented

1 Statement of Compliance and basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

The standalone 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 standalone financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the standalone 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.

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. Deferred tax assets and liabilities are classified as non-current.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values (including related deferred tax). For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective

Notes to Standalone Financial Statements for the year ended March 31, 2024

of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Company in Company's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Company had directly disposed of the related assets or liabilities

Policy for demerger transactions

The accounting for demerger transactions are applicable from the date on which all substantive approvals are received.

The Company derecognises the carrying value of assets and liabilities pertaining to the demerged undertaking, from the carrying value of assets and liabilities as appearing in its books. The Company derecognises the carrying amount of investments. Loans and advances, receivables, payables and other dues outstanding relating to the demerged undertaking are cancelled and there are no further obligation / outstanding in that behalf. The excess/deficit if any, of the net assets transferred are adjusted with the retained earnings of the Company.

3 Revenue from contract with customers:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The recognition criteria for sale of products and construction contracts is described below

(1) Sale of products

Revenue from sale of products is recognized at the point in time when control of the asset is transferred to the customer, generally on dispatch of the product to the customer's destination. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. customer loyalty points and warranties). In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer (if any).

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Company has a loyalty points program, "Retailer Bonding Program", which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material

Notes to Standalone Financial Statements for the year ended March 31, 2024

right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognized as deferred revenue until the points are redeemed. Revenue is recognized upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the deferred revenue are charged against revenue.

The Company provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of products. Contracts for bundled sales of products and a service-type warranty comprise two performance obligations because the product and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as deferred revenue. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

(2) Construction contracts

Performance obligation in case of construction contracts is satisfied over a period of time, as the Company creates an asset that the customer control and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. 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. Cost estimates involves judgments including those relating to cost escalations; assessment of technical, political, regulatory and other related contract risks and their financial estimation; scope of deliveries and services required for fulfilling the contractually defined obligations and expected delays, if any. Provision for foreseeable losses/ construction contingencies on said contracts is made based on technical assessments of costs to be incurred and revenue to be accounted for. The Company has long-term receivables from customers. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component

(3) Contract balances

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

4 Leases:

As a lessee:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are

Notes to Standalone Financial Statements for the year ended March 31, 2024

recognised as expenses in the periods in which they are incurred.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5 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 income from sale of power generated, income from scrap sales, etc.) on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty. Rental income arising from operating leases is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.

6 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.

vi) Capital work-in-progress, property, plant and equipment is stated at cost, net of accumulated depreciation. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing cost for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred. Capital work-in-progress comprises cost of property, plant and equipment

Notes to Standalone Financial Statements for the year ended March 31, 2024

(including related expenses), that are not yet ready for their intended use at the reporting date.

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 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 Life (in years)
Building - Office	1 to 70
Building - Factory	1 to 60
Ownership Premises	60
Plant & Machinery	1 to 22
Furniture & Fixtures	1 to 15
Electric Installations	1 to 25
Office Equipment	1 to 16
Vehicles	8 to 10
Dies & Jigs	1 to 16
Leasehold Improvements	5 to 10
Roads & Borewell	3 to 21
IT hardware	1 to 10
Laboratory equipment's	1 to 15

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.

7 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 amortization and impairment. Intangible assets are amortized 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 software / 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.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

Notes to Standalone Financial Statements for the year ended March 31, 2024

- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

8 Investment properties:

Investment properties that are not intended to be occupied substantially for use by, or in the operations of the Company have been considered as investment properties. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company does not charge depreciation to investment property land which is held for future undetermined use. Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

The Company depreciates its investment properties over the useful life which is similar to that of property, plant and equipment.

9 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 Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Companys of assets (cash-generating units). Impairment loss is charged to the Statement of Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

10 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

Notes to Standalone Financial Statements for the year ended March 31, 2024

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 recognized 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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized 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 recognized 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 recognized 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 recognized in the P&L.

C) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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

Notes to Standalone Financial Statements for the year ended March 31, 2024

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:

- 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 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 recognized 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

Notes to Standalone Financial Statements for the year ended March 31, 2024

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 forwards 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.

The company designates certain hedging instruments, which includes derivatives, embedded derivatives and non-derivatives in respect of foreign currency and commodity risk, as either cash flow hedge, fair value hedge or hedges or net investment in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for cash flow hedges.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedge is when hedging the exposure to change in fair value of a recognised asset or liability or an unrecognised song commitment
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability or highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of hedge relationship, the Company formally designates and keeps the hedge relationship to which the Company wishes to apply hedge accounting and risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk by hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting exposure to changes in the hedge item fair value or cash flow attributable to the hedge risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cashflows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Hedge that meet the strict criteria for hedge accounting accounted for as described below

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any

Notes to Standalone Financial Statements for the year ended March 31, 2024

ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

11 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.

Notes to Standalone Financial Statements for the year ended March 31, 2024

12 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.

13 Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

14 Foreign currency transactions:

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively)

15 Income tax

The income tax expense or credit for the year is the tax payable on the current year'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 recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized 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 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.

Notes to Standalone Financial Statements for the year ended March 31, 2024

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

16 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.

17 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.

The Company provides for general repairs of defects that existed at the time of sale, as required by the law. 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.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

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.

Notes to Standalone Financial Statements for the year ended March 31, 2024

18 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.

Retirement benefit in the form of provident fund is a defined contribution plan. The Company has no obligation , other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the Contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payment or a cash refund.

B. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

C. Post-employment obligations

The Company operates the following post-employment schemes

(a) defined benefit plans - gratuity and obligation towards shortfall of Provident Fund Trusts

(b) defined contribution plans - Provident fund (RPFC Contributions), superannuation and pension

Defined benefit plans :

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 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 Limited8

Notes to Standalone Financial Statements for the year ended March 31, 2024

D. **Share based payment**

The Company operates a number of equity settled, employee share based compensation plans, under which the Company receives services from employees as consideration for equity shares of the Company. Equity settled share based payment to employees and other providing similar services are measured at fair value of the equity instrument at grant date.

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 retained earning in the reporting period in which the right expires.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

19 Trade credits

Suppliers' credit

Supplier's credit also includes amounts payable towards vendor financing entered into with the suppliers. Under this arrangement, the supplier is eligible to receive payment prior to the expiry of extended credit period by assigning such invoices to a third-party purchaser bank based on security in the form of an undertaking issued by the Company to the bank. Further, the supplier charges interest to the Company for the extended credit period which has been presented under Finance Cost.

These are normally settled up to four months. Where these arrangements are for goods used in the normal operations of the Company with a maturity of up to four months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational suppliers' credit and disclosed on the face of the balance sheet under trade credits. Payments made to vendors are treated as cash item and disclosed as cash flow from operating activity depending on the nature of the underlying transaction.

Customers' credit

Customer credits 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 Company continues to recognise the transferred assets in their entirety in its balance sheet with the corresponding liability under customer credits.

20 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

21 Dividends

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised and is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Notes to Standalone Financial Statements for the year ended March 31, 2024

22 Assets held for sale and discontinued operations

The Company classifies non-current assets and disposal Companys as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal Companys classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal Company), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal Company is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification. For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal Company is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal Companys), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

23 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings / (loss) considered in ascertaining the Company's earnings per share is the net profit / (loss) for the year. The weighted average number equity shares outstanding during the year and all year 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 year is adjusted for the effects of all dilutive potential equity shares.

24 Investment in Subsidiaries

Investment in subsidiaries are accounted at cost in accordance with Ind AS 27.

25 All amounts disclosed in the standalone 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 NEW AND AMENDED STANDARDS

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the

Notes to Standalone Financial Statements for the year ended March 31, 2024

requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

(iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendments had no impact on the Company's standalone financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are no standards that are notified and not yet effective as on the date.

CLIMATE RELATED MATTERS

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

1D SUMMARY OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of standalone 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 1-2 years standard warranties for its consumer products. The Company has taken warranty insurance under which most of the products are covered. The Company recognises warranty provision basis assumptions, on serviceable sales and cost to service those serviceable sales. The warranty insurance premium paid is charged off to the statement of profit and loss account and warranty insurance assets is created on an estimated basis. The insurance claims received are then netted against the said warranty insurance assets.

The Company also sells certain lighting fitting to its customers. In few lighting fittings products, the drivers are an essential part and are expected to last for a longer period. In such cases, the Company provides warranties beyond fixing defects that existed at the time of sale. Basis this, the Company recognises this as a separate performance obligation and recognises revenue only in the period in which such service is provided based on time elapsed.

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. Further, in case of operationally closed projects, Company makes specific assessment of the overdue balances by considering the customer's historical payment patterns, latest correspondences with the customers for recovery of the amounts outstanding and credit status of the significant counterparties where available. Accordingly, a best judgment estimate is made to record the impairment allowance in respect of operationally closed projects

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

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 and related sensitivity.

Notes to Standalone Financial Statements for the year ended March 31, 2024

5 **Employee benefits**

The cost of the defined benefit gratuity plan and other post-employment leave benefits 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. Refer note 21 of financial statements for disclosure.

6 **Leases**

Estimates are required to determine the appropriate discount rate used to measure lease liabilities. The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates, bank rates to the Company for a loan of a similar tenure, etc). The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

7 **Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

8 **Retailer Bonding Program**

The Company has a loyalty points program, "Retailer Bonding Program", which allows customers to accumulate points that can be redeemed for free products, upto a limited time period. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognized as deferred revenue until the points are redeemed. Revenue is recognized upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Company

Notes to Standalone Financial Statements for the year ended March 31, 2024

considers the likelihood that the customer will redeem the points. The Company considers various judgement and estimates like determination of cost of redemption, redeemed points, expiry date, etc. The Company updates its estimates on a quarterly basis and any adjustments to the deferred revenue are charged against revenue.

9 **Share based payments**

The Company initially measures the cost of cash-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

10 **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

11 For judgements relating to contingent liabilities, refer note 40(a).

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 2 : Property, plant and equipment

(₹ in in Lakhs)

Particulars	Freehold Land	Building	Ownership Premises	Plant & Machinery	Furniture & Fixtures	Electrical Installations	Office Equipment	Vehicles	Dies & Jigs	Leasehold Improvements	Temporary Structures	Roads & Borewell	IT Hardware	Total
Opening gross block as at 1st April 2022	**3,182.28**	**8,431.93**	**9,087.55**	**10,952.68**	**2,566.57**	**1,063.06**	**1,827.82**	**808.73**	**6,246.58**	**376.09**	**126.59**	**99.18**	**8,437.04**	**53,206.10**
Acquired on business combination (refer note 44)	540.00	1,324.70	-	1,837.11	39.89	358.76	9.51	-	253.68	-	-	-	24.36	4,388.01
Additions	-	258.22	5.21	1,460.04	131.93	287.62	106.21	260.67	1,637.88	7.83	-	97.38	693.34	4,946.33
Disposals	-	(6.14)	(398.46)	(316.00)	(85.26)	(1.34)	(84.29)	(90.55)	-	-	-	(0.94)	(117.13)	(1,100.11)
Discontinued operations (refer note 45)	-	(1,274.47)	(2,422.76)	(4,232.60)	(246.34)	(350.67)	(217.72)	(586.18)	(0.01)	-	(95.55)	(36.18)	(324.08)	(9,786.56)
Closing gross block as at 31st March 2023	**3,722.28**	**8,734.24**	**6,271.54**	**9,701.23**	**2,406.79**	**1,357.43**	**1,641.53**	**392.67**	**8,138.13**	**383.92**	**31.04**	**159.44**	**8,713.53**	**51,653.77**
Additions	-	304.17	(16.62)	1,628.50	419.16	190.42	334.21	20.84	5,047.72	1,021.26	-	78.14	1,552.17	10,579.97
Disposals	-	(2.49)	-	(651.74)	(80.12)	(1.28)	(53.43)	(22.79)	-	-	(2.83)	-	(3,164.93)	(3,979.61)
Classified as asset held for sale	-	-	(277.77)	-	-	-	-	-	-	-	-	-	-	(277.77)
Classified as investment property (refer note 4.1)	-	-	(862.61)	-	-	-	-	-	-	-	-	-	-	(862.61)
Discontinued operations (refer note 45)	-	49.14	-	(154.64)	(7.63)	(82.71)	(6.86)	13.56	0.01	-	2.83	-	(5.06)	(191.36)
Closing gross block as at 31st March 2024	**3,722.28**	**9,085.06**	**5,114.54**	**10,523.35**	**2,738.20**	**1,463.86**	**1,915.45**	**404.28**	**13,185.86**	**1,405.18**	**31.04**	**237.58**	**7,095.71**	**56,922.39**
Opening accumulated depreciation as at 1st April 2022	**-**	**926.25**	**1,177.27**	**5,026.36**	**1,415.69**	**375.89**	**1,228.38**	**394.93**	**3,507.32**	**153.52**	**126.59**	**56.42**	**6,766.92**	**21,155.54**
Acquired on business combination (refer note 44)	-	111.92	-	446.32	10.08	32.35	(8.81)	-	53.58	-	-	-	23.24	668.68
Depreciation charge during the year	-	334.08	168.70	487.32	326.43	154.71	203.47	90.40	1,250.09	33.86	-	5.51	831.38	3,885.95
Disposals	-	45.88	(100.60)	(66.13)	(82.25)	(0.60)	(73.29)	(53.32)	6.76	-	-	0.00	(103.98)	(427.53)
Discontinued operations (refer note 45)	-	(481.88)	(347.43)	(2,715.37)	(192.06)	(66.20)	(196.99)	(333.58)	(0.01)	-	(95.55)	(32.05)	(303.78)	(4,764.90)
Closing accumulated depreciation as at 31st March 2023	**-**	**936.25**	**897.94**	**3,178.50**	**1,477.89**	**496.15**	**1,152.76**	**98.43**	**4,817.74**	**187.38**	**31.04**	**29.88**	**7,213.78**	**20,517.74**
Depreciation charge during the year	-	336.91	131.10	933.10	357.63	158.79	189.21	65.81	1,812.26	96.40	-	26.94	913.74	5,021.89
Disposals	-	-	-	(472.79)	(71.75)	(0.65)	(46.62)	(17.23)	-	-	(2.83)	-	(3,095.75)	(3,707.62)
Classified as asset held for sale	-	-	(36.87)	-	-	-	-	-	-	-	-	-	-	(36.87)
Classified as investment property (refer note 4.1)	-	-	(137.70)	-	-	-	-	-	-	-	-	-	-	(137.70)
Discontinued operations (refer note 45)	-	(27.44)	(18.19)	91.98	(11.77)	(28.60)	(8.82)	(12.17)	(0.00)	-	2.83	(0.24)	41.12	28.70
Closing accumulated depreciation as at 31st March 2024	**-**	**1,245.72**	**836.28**	**3,730.79**	**1,752.00**	**625.69**	**1,286.53**	**134.84**	**6,630.00**	**283.78**	**31.04**	**56.58**	**5,072.89**	**21,686.14**
Restated Closing Net carrying amount as at 31st March 2023	**3,722.28**	**7,797.99**	**5,373.60**	**6,522.73**	**928.90**	**861.28**	**488.77**	**294.24**	**3,320.39**	**196.54**	**-**	**129.56**	**1,499.75**	**31,136.03**
Closing Net carrying amount as at 31st March 2024	**3,722.28**	**7,839.34**	**4,278.26**	**6,792.56**	**986.20**	**838.17**	**628.92**	**269.44**	**6,555.86**	**1,121.40**	**-**	**181.00**	**2,022.82**	**35,236.25**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 2 : Property, plant and equipment (Contd..)

(i) Leased assets

The Company has given few assets on operating lease to third parties. The gross block, accumulated depreciation and net book value is as mentioned below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Plant and Machinery		
Cost / Deemed cost	-	637.91
Accumulated depreciation	-	426.15
Net carrying amount	**-**	**211.76**

(ii) Property, plant and equipment pledged as security

Refer to note 18 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 dies & jigs, plant and machineries and factory building amounting to ₹ 5,840.46 lakhs (March 31, 2023 - ₹ 3,228.22 lakhs), ₹ 23.50 lakhs (March 31, 2023 - ₹ 376.72 lakhs) and ₹ 37.87 lakhs (March 31, 2023 - Rs 236.14 lakhs) respectively, pending to be put to use.

Movement of capital work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23 (Restated)
Opening at the start of the year	**4,058.82**	**2,820.12**
Additions during the year	5,796.29	2,590.10
Capitalised during the year	(3,671.15)	(1,351.40)
Closing at the end of the year	**6,183.96**	**4,058.82**

(v) Title deeds

The title deeds of immovable properties are held in the name of the Company. Certain title deeds of the immovable properties, in the nature of freehold land and building, which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated May 21st 2020 for Hind Lamps Limited, dated August 25th 2022 for Starlite Lighting Limited and dated March 07th 2024 for Nirlep Appliances Private Limited are not individually held in the name of the Company, however the deed of merger has been registered by the Company on March 31, 2024.

(vi) Ageing schedule

CWIP aging schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	5,721.36	103.55	351.70	7.35	6,183.96
Projects temporarily suspended	-	-	-	-	-
TOTAL	**5,721.36**	**103.55**	**351.70**	**7.35**	**6,183.96**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 2 : Property, plant and equipment (Contd..)

CWIP aging schedule as at March 31, 2023

(₹ in Lakhs)
(Restated)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	2,621.48	1,415.75	14.24	7.35	4,058.82
Projects temporarily suspended	-	-	-	-	-
TOTAL	**2,621.48**	**1,415.75**	**14.24**	**7.35**	**4,058.82**

All the upcoming projects of the Company are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the Company as at the Balance Sheet date.

Note 3 : Right of use assets and Lease liabilities

The details of the right-of-use asset held by the Company is as follows:

Right-of-use assets

(₹ in Lakhs)

Particulars	Buildings	Equipments	Leasehold land	Total
Gross block as on March 31, 2022	**7,277.51**	**22.72**	**2,805.69**	**10,105.92**
Additions for the year	8,875.87	-	12.93	8,888.80
Deletions for the year	(2,323.22)	-	-	(2,323.22)
Discontinued operations (refer note 45)	(440.81)	-	-	(440.81)
Gross block as on March 31, 2023	**13,389.35**	**22.72**	**2,818.62**	**16,230.69**
Additions for the year	19,327.08	-	-	19,327.08
Deletions for the year	(6,925.27)	-	-	(6,925.27)
Discontinued operations (refer note 45)	-	-	(324.30)	(324.30)
Closing gross block as on March 31, 2024	**25,791.16**	**22.72**	**2,494.32**	**28,308.20**
Accumulated depreciation as on March 31, 2022	**2,967.19**	**21.27**	**261.78**	**3,250.24**
Depreciation for the year	2,339.56	0.45	37.37	2,377.38
Deletions for the year	(1,338.26)	-	12.94	(1,325.32)
Discontinued operations (refer note 45)	(18.83)	-	-	(18.83)
Accumulated depreciation as on March 31, 2023	**3,949.66**	**21.72**	**312.09**	**4,283.47**
Depreciation for the year	4,717.27	-	35.08	4,752.35
Deletions for the year	(2,941.43)	-	-	(2,941.43)
Discontinued operations (refer note 45)	25.08	-	(33.17)	(8.09)
Closing accumulated depreciation as on March 31, 2024	**5,750.58**	**21.72**	**314.00**	**6,086.30**
Restated net carrying value of right of use assets as on March 31, 2023	**9,439.69**	**1.00**	**2,506.53**	**11,947.22**
Net carrying value of right of use assets as on March 31, 2024	**20,040.58**	**1.00**	**2,180.32**	**22,221.90**

The details of the lease liabilities held by the Company is as follows:

Lease liabilities

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23 (Restated)
Opening lease liabilities	**10,051.52**	**4,587.80**
Additions for the year	18,958.89	8,766.02
Deletions / Modifications for the year	(4,180.91)	(1,625.52)
Discontinued operations (refer note 45)	(423.08)	(72.12)
Finance cost for the year	1,551.30	544.44
Lease instalments paid for the year	(4,468.16)	(2,149.10)
Closing lease liabilities	**21,489.56**	**10,051.52**
- classified as current	4,228.33	2,885.17
- classified as non-current	17,261.23	7,166.35

For maturity profile of lease liabilities, refer Note 35 (B)(ii)

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 4: Intangible Assets

(₹ in Lakhs)

Particulars	Distributor / Dealer Network	Customer relation-ships	Trade Marks	Computer Software	Brand	Total
Opening gross block as at 1st April 2022	**-**	**-**	**0.51**	**988.33**	**-**	**988.84**
Acquired on account of business combination (refer note 44)	195.57	26.10	-	6.57	1,952.33	2,180.57
Additions	-	-	-	2,374.79	-	2,374.79
Closing gross block as at 31st March 2023	**195.57**	**26.10**	**0.51**	**3,369.69**	**1,952.33**	**5,544.20**
Additions	-	-	-	720.25	-	720.25
Disposals	-	-	-	(465.75)	-	(465.75)
Closing gross block as at 31st March 2024	**195.57**	**26.10**	**0.51**	**3,624.19**	**1,952.33**	**5,798.70**
Opening accumulated amortization as at 1st April 2022	**-**	**-**	**0.35**	**873.59**	**-**	**873.94**
Acquired on account of business combination (refer note 44)	195.57	26.10	-	6.57	1,401.34	1,629.58
Amortisation charge for the year	-	-	0.05	611.16	390.47	1,001.68
Adjustments *	-	-	-	115.78	-	115.78
Closing accumulated depreciation as at 31st March 2023	**195.57**	**26.10**	**0.40**	**1,607.10**	**1,791.81**	**3,620.98**
Amortisation charge for the year	-	-	0.06	940.90	160.52	1,101.48
Disposals	-	-	-	(465.75)	-	(465.75)
Closing accumulated amortization as at 31st March 2024	**195.57**	**26.10**	**0.46**	**2,082.25**	**1,952.33**	**4,256.71**
Restated Closing Net carrying amount as at 31st March 2023	**-**	**-**	**0.11**	**1,762.59**	**160.52**	**1,923.22**
Closing Net carrying amount as at 31st March 2024	**-**	**-**	**0.05**	**1,541.94**	**-**	**1,541.99**

* Adjustments includes changes in the value of the intangible assets due to system migration

(i) Note

Intangible assets under development mainly comprises of IT softwares license and implementation cost amounting to Rs 161.71 lakhs (March 31, 2023 - Rs 130.94 lakhs).

(ii) Ageing schedule

Intangible asset under development (IAUD) ageing schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	161.71				161.71
Projects temporarily suspended	-				
TOTAL	**161.71**	**-**	**-**	**-**	**161.71**

Intangible asset under development ageing schedule as at March 31, 2023

(₹ in Lakhs)
(Restated)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	130.94	-	-	-	130.94
Projects temporarily suspended	-	-	-	-	-
TOTAL	**130.94**	**-**	**-**	**-**	**130.94**

All the upcoming projects of the Company are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the Company as at the Balance Sheet date.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 4: Intangible Assets (Contd..)

(iii) Movement in intangible assets under development

(₹ in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23 (Restated)
Opening at the start of the year	**130.94**	**1,546.59**
Additions during the year	161.71	130.94
Capitalised during the year	(130.94)	(1,546.59)
Closing at the end of the year	**161.71**	**130.94**

Note 4.1: Investment properties

(₹ in Lakhs)

Particulars	Building & Ownership Premises	Land	Total
Gross block as at 1st April 2022	**809.06**	**12,600.00**	**13,409.06**
Disposals	(58.59)	-	(58.59)
Gross block as at 31st March 2023	**750.47**	**12,600.00**	**13,350.47**
Disposals	(20.76)	-	(20.76)
Transferred from property, plant and equipment (refer note 2)	862.61	-	862.61
Gross block as at 31st March 2024	**1,592.32**	**12,600.00**	**14,192.32**
Accumulated depreciation as at 1st April 2022	**332.02**	**-**	**332.02**
Depreciation	112.87	-	112.87
Disposals	(42.07)	-	(42.07)
Accumulated depreciation as at 31st March 2023	**402.82**	**-**	**402.82**
Depreciation	82.78	-	82.78
Disposals	(13.05)	-	(13.05)
Transferred from property, plant and equipment (refer note 2)	137.70	-	137.70
Accumulated depreciation as at 31st March 2024	**610.25**	**-**	**610.25**
Restated Net carrying amount as at 31st March 2023	**347.65**	**12,600.00**	**12,947.65**
Net carrying amount as at 31st March 2024	**982.07**	**12,600.00**	**13,582.07**

The amounts recorded above for freehold land are fair values on acquisition date based on valuation performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Company has no restrictions on the realisability of its investment property. Fair value of land as at 31st March 2024 is ₹12,600 lakhs (₹ 12,600 lakhs as at 31st March 2023). The fair valuation is based on current prices in the active market for similar lands. The main inputs used are quantum, area, location, demand, etc.

Note 5.1 : Investments in subsidiary and an associate

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Investment in equity instruments of subsidiaries and an associate (fully paid up)		
Measured at cost		
Unquoted		
Investment in subsidiary		
Non-current equity investments (unquoted) in Bajel Projects Ltd. * - NIL (March 31, 2023 - 2,500,000) equity shares of Rs 2 each	-	50.00
Investment in associate		
Non-current equity investments (unquoted) in Hind Lamps Limited. - 1,140,000 (March 31, 2023 - 1,140,000) equity shares of Rs 25 each	-	-
Accumulated impairment allowance in value of investments in Hind Lamps Limited	-	-
	-	-
Total investments in subsidiary and an associate	**-**	**50.00**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 5.1 : Investments in subsidiary and an associate (Contd..)

Information about investment made in a subsidiary and an associate

(Amount: ₹ in lakh)

Name of Investee	Relationship with the Company	Principal place of business	Ownership interest (%)	
			As at March 31, 2024	As at March 31, 2023
Bajel Projects Limited	Subsidiary (till August 31, 2023)	India	0.00	100.00
Hind Lamps Limited	Associate	India	19.00	19.00

Note 5.2 : Financial assets (Investments - Current)

(a) **Investment in equity instruments**

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Measured at fair value through profit and loss		
Unquoted		
Investment in mutual funds		
Investment in equity/debt mutual funds	3,004.50	4,078.23

(₹ in Lakhs)

Particulars	No. of Units as on March 31, 2024	No. of Units as on March 31, 2023	Value as on March 31, 2024	Value as on March 31, 2023
ICICI Prudential - Money Market Fund	-	158,830.98	-	515.10
ICICI Prudential - Overnight Fund	38,828.39	24,860.12	501.09	300.43
HDFC Mutual Fund - Money Market Fund	-	10,469.98	-	515.30
HDFC Mutual Fund - Liquid Fund	1.20	-	0.06	
HDFC Mutual Fund - Overnight Fund	14,087.24	9,025.93	500.54	300.42
LIC Mutual Fund - Liquid Fund	-	1.28	-	0.05
DSP Mutual Fund - Money Market Fund	-	1,120,166.24	-	515.14
DSP Mutual Fund - Overnight Fund	-	25,022.25	-	300.43
SBI Mutual Fund - Money Market Fund	-	1,371,425.20	-	515.26
SBI Mutual Fund - Overnight Fund	12,848.31	8,232.51	500.53	300.42
Tata Mutual Fund - Overnight Fund	39,625.06	-	500.56	-
Mirae Asset Mutual Fund - Overnight Fund	40,816.84	-	501.09	-
Kotak Mutual Fund - Money Market Fund	-	13,455.57	-	515.12
Kotak Mutual Fund - Liquid Fund	-	-	0.06	-
Kotak Mutual Fund - Overnight Fund	39,189.49	25,123.67	500.57	300.56
Total			**3,004.50**	**4,078.23**
Aggregate value of quoted investments			3,004.50	4,078.23
Aggregate value of impairment in value of investment	-	-	-	-

Note 5.3 : Financial assets (Investments - Non-Current)

(a) **Investment in equity instruments**

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Measured at fair value through profit and loss		
Unquoted		
Investment in equity shares		
Non-current equity investments (unquoted) in M. P. Lamps Limited **	2.40	2.40
- 48,000 (March 31, 2023 - 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, 2023 - 95,997) equity shares of ₹ 10/- each; (Partly paid shares - ₹ 1.25 Per share paid up, Called up ₹ 5 per share).		

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 5.3 : Financial assets (Investments - Non-Current) (Contd..)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Accumulated Fair value loss recorded in value of investments M. P. Lamps Limited.	(2.40)	(2.40)
	-	-
Non-current equity investments (unquoted) in Mayank Electro Ltd. – 100 (March 31, 2023 - 100) equity shares of ₹ 100/- each.	0.10	0.10
Total equity instruments	**0.10**	**0.10**

(b) Investment in debt instruments

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Measured at fair value through profit and loss		
Unquoted		
Investment in venture capital fund		
Units of Bharat Innovation Fund - 4,189.470 Units as on 31st March 2024 (4,189.470 Units as on 31st March 2023)	492.67	600.11
Investment in other securities		
Gold coins	0.37	0.37
Total debt instruments	**493.04**	**600.48**
Total non-current investments	**493.14**	**600.58**
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	493.14	600.58

* During the current year, Hon'ble National Company Law Tribunal, Mumbai Bench (""NCLT"") had approved the Scheme of Arrangement between Bajaj Electricals Limited "Demerged Company") and Bajel Projects Limited ("Resulting Company") and their respective shareholders (""Scheme""). On July 5, 2023, the Company had received a certified true copy of the order dated June 8, 2023 (""Order"") passed by the Hon'ble NCLT approving the Scheme. The Company has completed the the process of obtaining the requisite consent, approval or permission of the appropriate authorities, which by applicable law or contract, agreement, were necessary for the effective transfer of business and/or implementation of the Scheme. The Scheme, has been made effective from September 1, 2023.

Accordingly, effect of the de-merger has been considered in the standalone financial statements for the year ended March 31, 2024. The assets and liabilities relating to the demerged undertaking have been de-recognised from the books and have been adjusted against the retained earnings in the said standalone financial statements. For the previous year, the same has been shown as discontinued operations and previous year numbers have been accordingly restated (refer note 45)."

** 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 lakhs 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.

Note 6 : Trade receivables

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Current	116,317.50	111,130.26
Non-current	1,293.37	1,975.05
	117,610.87	**113,105.31**
Unsecured, considered good	117,610.87	113,105.31
Unsecured, credit impaired	6,649.85	6,224.83
Total	**124,260.72**	**119,330.14**
Impairment allowance, credit impaired (allowance for bad and doubtful debts)	(6,649.85)	(6,224.83)
Total trade receivables (net of impairment allowance)	**117,610.87**	**113,105.31**

The above includes receivables from related parties. Refer note 38 for more details.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 6 : Trade receivables (Contd..)

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 Company continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as trade credits in note 22.1

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Trade credits (Note 22.1)	59,442.37	57,967.35
Total transferred receivables	**59,442.37**	**57,967.35**

Trade receivable are non-interest bearing and are generally received within the credit period. 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.

Trade Receivables ageing schedule as at 31st March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from *						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	106,872.00	7,666.85	508.28	736.82	1,826.92	117,610.87
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	384.21	328.61	766.57	2,621.97	4,101.36
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	0.01	1,825.89	0.01	722.58	2,548.49
TOTAL	**-**	**106,872.00**	**8,051.07**	**2,662.78**	**1,503.40**	**5,171.47**	**124,260.72**

Trade Receivables ageing schedule as at 31st March 2023

(₹ in Lakhs)
(Restated)

Particulars	Outstanding for following periods from *						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	99,968.66	6,403.76	2,630.43	766.21	3,336.25	113,105.31
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	253.97	653.50	57.50	2,613.75	3,578.72
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	0.47	1,964.35	-	681.29	2,646.11
TOTAL	**-**	**99,968.66**	**6,658.20**	**5,248.28**	**823.71**	**6,631.29**	**119,330.14**

* Outstanding from the transaction date for FY24 & FY23

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 7 : Loans

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Current		
Unsecured, considered good	50.38	34.59
Total current loans	**50.38**	**34.59**

Note 8 : Other financial assets

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Security deposits, considered good	3,295.41	2,394.65
Security deposits, credit impaired	97.13	140.45
Impairment allowance for credit impaired security deposits	(97.13)	(140.45)
	3,295.41	**2,394.65**
Long term deposits with banks with maturity period of more than 12 months (provided as security for various regulatory registrations)	1,182.43	92.96
Interest accrued on bank deposits	549.69	7.57
Total non-current other financial assets	**5,027.53**	**2,495.18**

For breakup of financial assets carried at amortised cost, refer note 34. For deposits with related parties, refer note 38

Note 9 : Deferred tax assets / (liabilities) (net)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Deferred tax assets	6,627.66	6,767.53
Deferred tax liabilities	(6,097.33)	(7,307.26)
Total deferred tax assets/ (liabilities) (net)	**530.33**	**(539.73)**

Breakup and movement in deferred tax assets

(₹ in Lakhs)

Particulars	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	Carried forward losses*	Lease liabilities and Others	Total
As at 31st March, 2022	**(51.01)**	**7.38**	**3,446.93**	**1.40**	**528.44**	**8,485.53**	**2,821.47**	**15,240.14**
(Charged) / Credited :								
to statement of profit and loss	89.02	140.07	(666.01)	(0.55)	23.34	(3,415.22)	495.52	(3,333.83)
to other comprehensive income	-	-	-	-	-	-	(68.47)	(68.47)
transferred to income tax assets	-	-	-	-	-	(5,070.31)	-	(5,070.31)
As at 31st March, 2023	**38.01**	**147.45**	**2,780.92**	**0.85**	**551.78**	**-**	**3,248.52**	**6,767.53**
(Charged) / Credited :								
to statement of profit and loss	93.19	47.78	141.55	(0.85)	28.34	1,414.71	(571.20)	1,153.52
to other comprehensive income	2.67	-	-	-	-	-	-	2.67
to discontinued operations	(56.13)	(28.76)	(1,126.02)	-	-	-	(85.15)	(1,296.06)
As at 31st March, 2024	**77.74**	**166.47**	**1,796.45**	**-**	**580.12**	**1,414.71**	**2,592.17**	**6,627.66**

*Movement for FY 23-24 of ₹ 1,414.71 lakhs pertains to deferred tax assets created on the losses of the subsidiary (Nirlep Appliances Private Limited) pursuant to the merger, which were not earlier accounted as there was no reasonable certainty.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 9 : Deferred tax assets / (liabilities) (net) (Contd..)

Breakup and movement in deferred tax liabilities

(₹ in Lakhs)

Particulars	Property, plant and equipment	Intangible Assets	Financial Assets measured at Amortised Cost	Financial Liabilities measured at Amortised Cost	Employee benefit obligations (gratuity)	Investment properties	Right of Use assets and Others	Total
As at 31st March, 2022	**2,396.79**	**138.67**	**104.42**	**163.04**	**-**	**2,568.70**	**1,724.98**	**7,096.60**
Charged / (credited) :								
to Statement of Profit or Loss	(33.74)	(85.21)	3.20	(163.04)	-	(789.42)	1,278.87	210.66
As at 31st March, 2023	**2,363.05**	**53.46**	**107.62**	**-**	**-**	**1,779.28**	**3,003.85**	**7,307.26**
Charged / (credited) :								
to Statement of Profit or Loss	(109.71)	(53.46)	(32.47)	-	-	868.93	(1,529.14)	(855.85)
to discontinued operations	(354.08)	-	-	-	-	-	-	(354.08)
As at 31st March, 2024	**1,899.26**	**-**	**75.15**	**-**	**-**	**2,648.21**	**1,474.71**	**6,097.33**

Note 10 : Other non-current assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Capital advances	1,871.48	1,966.58
Impairment allowance for credit impaired capital advances	(6.63)	(24.94)
	1,864.85	**1,941.64**
Sales tax recoverables	2,499.17	389.69
Balances with government authorities	80.83	-
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	3,047.26	3,454.58
Others	1,263.54	6,501.52
	8,755.65	**12,287.43**
Impairment allowance for doubtful advances	(258.80)	(267.24)
Total other non-current assets	**8,496.85**	**12,020.19**

Note 11 : Inventories

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Raw material	7,266.08	10,668.73
Work-in-progress	2,872.34	3,210.20
Finished goods	1,789.40	1,467.85
Traded goods	60,428.07	77,202.72
Material in Transit (traded goods)	2,261.77	3,531.06
Others (majorly stores & spares)	1,046.37	1,479.14
Total Inventories	**75,664.03**	**97,559.70**

The above includes provision of inventories of ₹ 4,553.96 lakhs and ₹ 3,814.46 lakhs for March 31, 2024 and March 31, 2023 respectively.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 12 : Cash and cash equivalents

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Balances with banks		
in current accounts	2,111.23	2,619.41
in cash credit accounts	5,776.30	5,482.47
Deposits with orignal maturity of less than three months	3,513.45	26,041.44
Cash on hand	1.17	8.20
Total cash and cash equivalents	**11,402.15**	**34,151.52**

There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period.

Note 12.1 : Bank balances

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Unpaid Dividend Accounts *	48.62	60.32
Fixed deposit under lien	-	144.75
Deposits with maturity of more than three months & less than twelve months	16,013.45	2,545.67
Others	4.37	120.94
Total other bank balances	**16,066.44**	**2,871.68**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2024 and March 31, 2023.

Note 13 : Other current financial assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Interest accrued on bank deposits	136.01	201.41
Security deposits	948.27	590.11
Receivable from gratuity fund	-	192.14
Derivative asset	-	135.83
Total other current financial assets	**1,084.28**	**1,119.49**

For deposits with related parties, refer note 38

Note 14 : Other current assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Export benefits receivable	58.16	683.34
Balances with government authorities	13,627.71	14,694.93
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	1,950.12	1,774.16
Others*	21,087.98	11,361.72
Sales tax recoverables	113.53	113.53
Total other current assets	**36,837.50**	**28,627.68**

*Others mainly includes warranty insurance assets of Rs 5,715.82 lakhs (March 31, 2023 Rs NIL lakhs), insurance claims receivable of Rs 3,378.22 lakhs (March 31, 2023 Rs 416.03 lakhs) and advances to suppliers of Rs 11,454.96 lakhs (March 31, 2023 Rs 10,376.73 lakhs)

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 15 : Assets classified as held for sale

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Leasehold premises *	219.40	219.40
Ownership premises **	240.69	
Discontinued operations (EPC segment of the Company), pursuant to the scheme of demerger (refer note 45)	-	108,045.59
Total assets classified as held for sale	**460.09**	**108,264.99**

* Upon relocation of Company's employees to new office premises in Mumbai, the erstwhile 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 local / municipal authorities the transaction execution is pending. The purchaser and the Company are committed for the transaction to consummated.

The asset held for sale of ₹ 219.40 lakhs are not attached to any reported business segment but part of other unallocable assets. The Company has received an advance of Rs 800 lakhs from the purchaser in relation to this sale and is expected to be completed in near future. The same is shown as a liability under other current liabilities.

** ₹ 240.69 lakhs pertains to an ownership office premise at Mohali, for which the Board of Directors of the Company have approved the sale in favour of the purchaser vide Resolution dated October 27, 2023. The said transaction is expected to be completed in FY24-25.

Note 16 : Equity share capital

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Authorised		
75,50,00,000 *** equity shares (March 31, 2023 - 71,25,00,000) of ₹ 2/- each.	**15,100.00**	**14,250.00**

i) Movement in Issued, Subscribed and Paid up Equity Share Capital

Issued capital

(₹ in Lakhs)

Particulars	No of Shares	Amount
As at 31st March 2022	**114,874,114**	**2,297.48**
Exercise of Options under employee stock option scheme (refer note iv below)	201,505	4.03
Issue pursuant to merger of Starlite Lighting Limited	19	0.00
As at 31st March 2023	**115,075,638**	**2,301.51**
Exercise of Options under employee stock option scheme (refer note iv below)	120,440	2.41
As at 31st March 2024	**115,196,078**	**2,303.92**
Paid-up capital		
Calls in arrears @ Rs 2 per share, under rights issue	(55)	(0.00)
As at 31st March 2024	**115,196,023**	**2,303.92**

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:

(₹ in Lakhs)

Name of the Shareholder	As at 31st March 2024		As at 31st March 2023	
	Nos.	% Holding	Nos.	% Holding
Jamnalal Sons Private Limited	22,548,276	19.57	22,548,276	19.59
Bajaj Holdings & Investment Limited	19,136,840	16.61	19,136,840	16.63
Kiran Bajaj	7,545,224	6.55	7,545,224	6.56
HDFC Small Cap Fund	6,793,915	5.90	6,475,269	5.63
Smallcap World Fund, Inc	-	-	6,098,271	5.30

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

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.

v) Change in promoter shareholding

(₹ in Lakhs)

Promoter Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Promoters					
Mr. Shekhar Bajaj	1,814,639	1.58%	1,814,639	1.58%	0.00%
Mr. Madhur Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Mr. Niraj Bajaj	1,130,882	0.98%	1,130,882	0.98%	0.00%
Mr. Sanjivnayan Bajaj *	428,749	0.37%	428,749	0.37%	0.00%
Mr. Rahulkumar Bajaj **	NA	NA	NA	NA	0.00%
Mr. Rajivnayan Bajaj ****	0	0.00%	NA	NA	0.00%
Promoter Group					
Individuals :					
Mrs. Kiran Bajaj	7,545,224	6.55%	7,545,224	6.56%	(0.01%)
Ms. Neelima Bajaj Swamy	200,000	0.17%	200,000	0.17%	0.00%
Ms. Minal Bajaj	694,674	0.60%	694,674	0.60%	0.00%
Ms. Geetika Bajaj	2,160,084	1.88%	2,160,084	1.88%	0.00%
Ms. Nimisha Jaipuria	0	0.00%	NA	NA	0.00%
Ms. Sunaina Kejriwal	1,240,730	1.08%	1,240,730	1.08%	0.00%
Mr. Niravnayan Bajaj	282,507	0.25%	282,507	0.25%	0.00%
Ms. Kumud Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Ms. Pooja Bajaj	1,541,875	1.34%	1,541,875	1.34%	0.00%
Ms. Suman Jain	110,700	0.10%	110,700	0.10%	0.00%
Ms. Kriti Bajaj	101,297	0.09%	101,297	0.09%	0.00%
Ms. Shefali Bajaj	33,767	0.03%	33,767	0.03%	0.00%
Ms. Deepa Bajaj	1,126	0.00%	1,126	0.00%	0.00%
Master Vanraj Bajaj	1,843,556	1.60%	1,843,556	1.60%	0.00%
Bodies Corporate					
Jamnalal Sons Private Limited	22,548,276	19.57%	22,548,276	19.59%	(0.02%)
Bajaj Holdings And Investment Limited	19,136,840	16.61%	19,136,840	16.63%	(0.02%)
Hind Musafir Agency Limited	1,288,000	1.12%	1,288,000	1.12%	0.00%
Baroda Industries Private Limited	1,412,738	1.23%	1,412,738	1.23%	0.00%
Bajaj International Private Limited	917,881	0.80%	917,881	0.80%	0.00%
Hercules Hoists Limited	624,596	0.54%	624,596	0.54%	0.00%
Shekhar Holdings Private Limited	540,253	0.47%	540,253	0.47%	0.00%
Rahul Securities Private Limited	467,093	0.41%	467,093	0.41%	0.00%
Bachhraj Factories Private Limited	105,466	0.09%	105,466	0.09%	0.00%
Bajaj Sevashram Private Limited	5,550	0.00%	5,550	0.00%	0.00%
Bachhraj And Company Private Limited	66,585	0.06%	66,585	0.06%	0.00%
Kamalnayan Investment & Trading Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Madhur Securities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Niraj Holdings Private Limited	472,162	0.41%	1,110	0.00%	0.41%
Rupa Equities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Sanraj Nayan Investments Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Trusts					
Geetika Trust No.2 (Kiran Bajaj as a Trustee)	NA	NA	NA	NA	0.00%
Niravnayan Trust (Niraj Bajaj as a Trustee)	524,721	0.46%	524,721	0.46%	0.00%
Neelima Bajaj Swamy Family Trust (Neelima Bajaj Swamy as a Trustee)	812,973	0.71%	812,973	0.71%	0.00%
Nimisha Jaipuria Family Trust (Nimisha Jaipuria as a Trustee)	628,043	0.55%	628,043	0.55%	0.00%

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

(₹ in Lakhs)

Promoter Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Kriti Bajaj Family Trust (Minal Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.43%	0.00%
Niravnayan Bajaj Family Trust (Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.43%	0.00%
Rishab Family Trust	0	0.00%	471,052	0.41%	(0.41%)
Sanjali Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Siddhant Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Nimisha Bajaj Family Trust (Madhur Bajaj as a Trustee)	206,575	0.18%	206,575	0.18%	0.00%
Neelima Bajaj Family Trust (Kumud Bajaj as a Trustee)	21,644	0.02%	21,644	0.02%	0.00%
Vanraj Bajaj Trust (Kiran Bajaj as a Trustee)	1,000,000	0.87%	1,000,000	0.87%	0.00%
Kumud Neelima Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Kumud Nimisha Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Neelima Family Trust (Kumud Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Nimisha Family Trust (Kumud Bajaj as a Trustee)	125,799	0.11%	125,799	0.11%	0.00%
Total	**72,342,279**	**62.82%**	**72,342,279**	**62.86%**	**(0.04%)**

(₹ in Lakhs)

Promoter Name	As at 31st March 2023		As at 31st March 2022		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Promoters					
Mr. Shekhar Bajaj	1,814,639	1.58%	1,814,639	1.58%	0.00%
Mr. Madhur Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Mr. Niraj Bajaj	1,130,882	0.98%	1,130,882	0.98%	0.00%
Mr. Sanjivnayan Bajaj *	428,749	0.37%	428,749	0.37%	0.00%
Mr. Rahulkumar Bajaj **	NA	NA	NA	NA	0.00%
Promoter Group					
Individuals :					
Mrs. Kiran Bajaj	7,545,224	6.56%	7,545,224	6.57%	(0.01%)
Ms. Neelima Bajaj Swamy	200,000	0.17%	200,000	0.17%	0.00%
Ms. Minal Bajaj	694,674	0.60%	694,674	0.60%	0.00%
Ms. Geetika Bajaj	2,160,084	1.88%	2,160,084	1.88%	0.00%
Ms. Nimisha Jaipuria	NA	NA	NA	NA	0.00%
Ms. Sunaina Kejriwal	1,240,730	1.08%	1,240,730	1.08%	0.00%
Mr. Niravnayan Bajaj	282,507	0.25%	282,507	0.25%	0.00%
Ms. Kumud Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Ms. Pooja Bajaj	1,541,875	1.34%	1,989,875	1.73%	(0.39%)
Ms. Suman Jain	110,700	0.10%	110,700	0.10%	0.00%
Ms. Kriti Bajaj	101,297	0.09%	101,297	0.09%	0.00%
Ms. Shefali Bajaj	33,767	0.03%	33,767	0.03%	0.00%
Ms. Deepa Bajaj	1,126	0.00%	1,126	0.00%	0.00%
Master Vanraj Bajaj	1,843,556	1.60%	1,843,556	1.60%	0.00%
Bodies Corporate					
Jamnalal Sons Private Limited	22,548,276	19.59%	22,443,275	19.54%	0.06%
Bajaj Holdings And Investment Limited	19,136,840	16.63%	18,793,840	16.36%	0.27%

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

(₹ in Lakhs)

Promoter Name	As at 31st March 2023		As at 31st March 2022		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Hind Musafir Agency Limited	1,288,000	1.12%	1,288,000	1.12%	0.00%
Baroda Industries Private Limited	1,412,738	1.23%	1,412,738	1.23%	0.00%
Bajaj International Private Limited	917,881	0.80%	917,881	0.80%	0.00%
Hercules Hoists Limited	624,596	0.54%	624,596	0.54%	0.00%
Shekhar Holdings Private Limited	540,253	0.47%	540,253	0.47%	0.00%
Rahul Securities Private Limited	467,093	0.41%	467,093	0.41%	0.00%
Bachhraj Factories Private Limited	105,466	0.09%	105,466	0.09%	0.00%
Bajaj Sevashram Private Limited	5,550	0.00%	5,550	0.00%	0.00%
Bachhraj And Company Private Limited	66,585	0.06%	66,585	0.06%	0.00%
Kamalnayan Investment & Trading Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Madhur Securities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Niraj Holdings Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Rupa Equities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Sanraj Nayan Investments Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Trusts					
Geetika Trust No.2 (Kiran Bajaj as a Trustee)	NA	NA	NA	NA	0.00%
Niravnayan Trust (Niraj Bajaj as a Trustee)	524,721	0.46%	524,721	0.46%	0.00%
Neelima Bajaj Swamy Family Trust (Neelima Bajaj Swamy as a Trustee)	812,973	0.71%	812,973	0.71%	0.00%
Nimisha Jaipuria Family Trust (Nimisha Jaipuria as a Trustee)	628,043	0.55%	628,043	0.55%	0.00%
Kriti Bajaj Family Trust (Minal Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.44%	0.00%
Niravnayan Bajaj Family Trust (Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.44%	0.00%
Rishab Family Trust	471,052	0.41%	471,052	0.41%	0.00%
Sanjali Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Siddhant Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Nimisha Bajaj Family Trust (Madhur Bajaj as a Trustee)	206,575	0.18%	206,575	0.18%	0.00%
Neelima Bajaj Family Trust (Kumud Bajaj as a Trustee)	21,644	0.02%	21,644	0.02%	0.00%
Vanraj Bajaj Trust (Kiran Bajaj as a Trustee)	1,000,000	0.87%	1,000,000	0.87%	0.00%
Kumud Neelima Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Kumud Nimisha Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Neelima Family Trust (Kumud Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Nimisha Family Trust (Kumud Bajaj as a Trustee)	125,799	0.11%	125,799	0.11%	0.00%
Total	**72,342,279**	**62.86%**	**72,342,278**	**62.98%**	**(0.11%)**

* Considered as a Promoter post demise of Mr. Rahulkumar Bajaj on February 12, 2022

** Ceased to be a promoter post sad demise on February 12, 2022

*** Amended with effect from March 31, 2024, pursuant to the Scheme of Merger by Absorption of Nirlep Appliances Private Limited with Bajaj Electricals Limited and their respective Shareholders under Section 230-232 of the Companies Act, 2013 (which was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated March 1, 2024, having reference number as C.P.(CAA)/250(MB)2023 connected with C.A.(CAA)/246(MB)2022).

**** Rajivnayan Bajaj classified in Promoter category from June, 2023 quarter

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 17 : Other Equity

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
i) Securities premium reserve	67,307.46	66,594.40
ii) General reserve	45,967.75	45,967.75
iii) Share options outstanding account	2,698.94	1,874.06
iv) Retained earnings	27,895.47	76,099.24
v) Capital reserve	175.18	175.18
vi) Capital redemption reserve	135.71	135.71
vii) Effective Portion of Cashflow Hedges	(38.31)	(68.91)
viii) Share application money pending allotment	3.03	-
ix) Amalgamation adjustment reserve	(2,327.15)	(2,327.15)
Total reserves and surplus	**141,818.08**	**188,450.28**

i) Securities premium reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**66,594.40**	**65,356.13**
Add: Exercise of share options	505.92	893.24
Add: Exercise of options - transferred from shares options outstanding account	207.14	344.84
Add: Issue of share capital	-	0.19
Closing Balance	**67,307.46**	**66,594.40**

ii) General Reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**45,967.75**	**45,967.75**
Closing Balance	**45,967.75**	**45,967.75**

iii) Shares options outstanding account

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**1,874.06**	**1,198.56**
Add : Employee stock option expense	1,087.46	1,084.00
Less : Transferred to retained earnings on account on lapse of vested options	(55.44)	(63.66)
Less : Exercise of options - to securities premium	(207.14)	(344.84)
Closing Balance	**2,698.94**	**1,874.06**

iv) Retained earnings

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**76,099.24**	**57,643.79**
Add : Net profit for the year	13,178.80	21,634.09
Add : Other comprehensive income	15.80	203.73
Add : Transferred from share options reserve for vested cancelled options	55.44	63.66
Less: Dividend on equity shares	(4,604.08)	(3,446.03)
Less: Derecognised pursuant to discontinued operations (refer note 45)	(56,849.73)	-
Closing Balance	**27,895.47**	**76,099.24**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 17 : Other Equity (Contd..)

v) Capital reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**175.18**	**175.18**
Closing Balance	**175.18**	**175.18**

vi) Capital redemption reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**135.71**	**135.71**
Closing Balance	**135.71**	**135.71**

vii) Effective Portion of Cashflow Hedges

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**(68.91)**	**88.29**
Add / (less): Charge for the year	37.69	(125.98)
Add / (less): Other comprehensive loss	(7.09)	(31.22)
Closing Balance	**(38.31)**	**(68.91)**

viii) Share application money pending allotment

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	-	**0.19**
Add / (less) : (Issue of share capital) / share application monies received	3.03	(0.19)
Closing Balance	**3.03**	-

ix) Amalgamation adjustment reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening Balance	**(2,327.15)**	**(2,327.15)**
Closing Balance	**(2,327.15)**	**(2,327.15)**

Nature and purpose of reserves

Securities Premium

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 17 : Other Equity (Contd..)

Share options outstanding account

The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Effective Portion of Cashflow Hedges

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.

Amalgamation adjustment reserve

The Company creates amalgamation adjustment reserve on account of business combination pursuant to any schemes for merger/demerger, etc.

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Capital reserve

In case of business combinations,if the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Capital redemption reserve

The Company in the past had redeemed certain preference shares of Rs 1,000.00 lakhs. The Company had set aside an equal amount from retained earnings into capital redemption reserve. Further, the said capital redemption reserve was used for issue of bonus shares in the year ended March 31, 2008 and an amount of ₹ 864.29 lakhs was utilised from the said reserve.

Distribution paid and proposed

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Dividend proposed		
Final dividend proposed for the year ended March 31, 2024 of 3/- per share pending shareholder's approval	3,455.88	-
Dividend paid:		
Final dividend paid for the year ended March 31, 2023 of 4/- per share and March 31, 2022 of 3/- per share	4,604.08	3,446.03

Note 18 : Borrowings

(₹ in Lakhs)

Particulars	Note No.	31-Mar-24	31-Mar-23 (Restated)
Current			
Unsecured			
Sales tax deferral liability (payable in June 2023)	Note a	-	16.65
Total unsecured current borrowings		-	**16.65**
Total current borrowings		-	**16.65**

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. There are no amounts outstanding as on March 31, 2024.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 18 : Borrowings (Contd..)

Note b : Below are the details of the assets hypothecated and immovable properties charged towards the facility of fund and non-fund based limits with the Company

First pari passu charge by way of hypothecation of inventories, book debts and all movable assets under the head 'property, plant and equipment

First pari passu charge on the Company's immovable properties at

- Wardha premises - Plot no. 36, Block no. 17, Mouza no. 225, Bacharaj road, Gandhi Chowk, Wardha
- Hari Kunj - Flat No. 103 and 104, 'B' wing, Sindhi Society, Chembur East, Mumbai - 400071

Second pari passu charge over present and future property, plant and equipment of the Company, situated at

- Chakan Unit : Village Mahalunge, Chakan Talegaon Road, Khed, Pune - 410501;
- Showroom on Ground floor and Office Premises on Second Floor at Bajaj Bhawan 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.
- Office Premises No : 001, 502 and 701, 'Rustomjee Aspiree', Bhanu Shankar Yagnik Marg, Off Eastern Highway, Sion (East), Mumbai - 400 022
- R & D centre at Plot no. 27/ pt 2/ at Millennium Business Park, TTC Industrial area, Mahape, Navi Mumbai

The below assets of the Aurangabad factory have been kept on charge for the secured borrowings.

- First and exclusive charge by way of mortgage of land & building at Gut No. 16 Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of mortgage of land at Gut No 09, situated at Naighavan Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of hypothecation of plant and machinery at Gut No 16, Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of hypothecation of inventory and receivables of the subsidiary."

The Company has not defaulted on any loans which were due for repayment during the year.

Note c : The Company has funded and non-funded borrowing limits from banks and financial institutions and has utilised the same for the specific purpose for which it was taken. Further, these limits are on the basis of security of current assets and the Company has filed quarterly returns / statement of current assets with banks or financial institutions which are in agreement with the books of accounts.

Note 19 : Other Financial Liabilities

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Non Current		
Employee benefit liabilities	16.35	16.52
Total other non-current financial liabilities	**16.35**	**16.52**
Current		
Capital creditors	312.34	379.10
Unpaid dividends	48.62	60.32
Trade deposits (dealers, vendors etc.)	664.65	808.95
Derivative liability	2.18	-
Other payables *	968.64	32,720.37
Liability towards corporate social responsibility (shortfall) (refer note 43)	122.13	175.29
Employee benefit liabilities	4,401.01	5,998.63
Total other current financial liabilities	**6,519.57**	**40,142.66**

* includes Rs 31,558.99 lakhs payable to Bajel Projects Limited purusant to the scheme of demerger.

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.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 20 : Provisions

(₹ in Lakhs)
(Restated)

Particulars	FY 2023-24			FY 2022-23		
	Current	Non Current	Total	Current	Non Current	Total
Service warranties*	4,477.05	969.70	5,446.75	4,173.48	1,689.40	5,862.88
Legal claims	302.41	-	302.41	200.69	-	200.69
Other matters**	448.16	-	448.16	508.16	-	508.16
Total Provisions	**5,227.62**	**969.70**	**6,197.32**	**4,882.33**	**1,689.40**	**6,571.73**

Movement in provisions is as given below:

(₹ in Lakhs)

Particulars	Service Warranties	Legal Claims	Other matters
Opening balance as on 1st April, 2022	**8,147.02**	**373.42**	**1,643.46**
Utilised during the year	(2,284.14)	(172.73)	(1,135.30)
Closing balance as on 31st March, 2023	**5,862.88**	**200.69**	**508.16**
Provision for the year	-	101.72	-
Utilised during the year	(416.13)	-	(60.00)
Closing balance as on 31st March, 2024	**5,446.75**	**302.41**	**448.16**

*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 21 : Employee Benefit Obligations

(₹ in Lakhs)
(Restated)

Particulars	31-Mar-24			31-Mar-23		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	458.03	1,356.61	1,814.64	374.57	1,165.79	1,540.36
Interest rate guarantee on provident fund	-	547.58	547.58	-	311.23	311.23
Gratuity (refer note a below)	866.76	3,286.32	4,153.08	885.28	3,404.64	4,289.92
Total employee benefit obligations	**1,324.79**	**5,190.51**	**6,515.30**	**1,259.85**	**4,881.66**	**6,141.51**

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	₹ 20 lakhs

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

(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 Between 5 & 9 years Between 10 & 14 years Between 15 & 24 years 25 years & Above	Benefits 60% x GS x SER 70% x GS x SER 80% x GS x SER GS x SER
Benefit on early retirement / termination / resignation / withdrawal	Service Between 5 & 9 years Between 10 & 14 years Between 15 & 24 years 25 years & Above	Benefits 60% x GS x SER 70% x GS x SER 80% x GS x SER 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.

In case of employees with age above the retirement age, the retirement is assumed to happen immediately and valuation is done accordingly.

Changes in the Present Value of Obligation are as given below (Amounts in INR Lakhs) :

(₹ in Lakhs)
(Restated)

Particulars	**For the year ended 31-Mar-24**	**For the year ended 31-Mar-23**
Present Value of Obligation as at the beginning	**4,490.07**	**4,501.91**
Current Service Cost	480.21	460.40
Interest Cost	326.52	303.54
Re-measurement (gain) / loss arising from:	-	-
- change in demographic assumptions	-	(184.59)
- change in financial assumptions	19.83	(90.69)
- experience adjustments (i.e. Actual experience vs assumptions)	25.09	(130.64)
Benefits Paid	(425.51)	(369.86)
Present Value of Obligation as at the end	**4,916.21**	**4,490.07**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Changes in the Fair Value of Plan Assets is as given below (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Plan Assets as at the beginning	**200.15**	**682.36**
Adjustment on account on merger	516.14	–
Investment Income	52.04	45.00
Employer's Contribution	–	–
Benefits Paid	(67.94)	(124.05)
Return on plan assets , excluding amount recognised in interest (expense)/income	62.74	(403.16)
Fair Value of Plan Assets as at the end	**763.13**	**200.15**

Changes in the Fair Value of Reimbursement Right is as given below * (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Reimbursement Right as at the beginning	**4,232.55**	**3,958.57**
Adjustment on account on merger	666.37	–
Less : Assets transferred to BAJEL as per Arrangement of Scheme of demerger	(1,408.76)	–
Investment Income	355.93	261.08
Employer's Contribution	–	–
Benefits Paid	(436.98)	(389.56)
Return on plan assets , excluding amount recognised in interest (expense)/income	435.07	402.46
Fair Value of Reimbursement Right as at the end	**3,844.18**	**4,232.55**

* 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 disclosed in Note 10 and Note 14 of the standalone financials statements

Amount recognised in balance sheet is as given below (Amounts in INR Lakhs) :

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	4,916.21	4,490.07
Fair Value of Plan Assets	763.13	200.15
Surplus / (Deficit)	4,153.08	4,289.92
Effects of Asset Ceiling, if any	–	–
Net Actuarially Valued Asset / (Liability)	4,153.08	4,289.92
Liability on an actual basis for employees at foreign branches	–	–
Total Net Asset / (Liability)	**4,153.08**	**4,289.92**

Amount recognised in statement of profit and loss and other comprehensive income is as given below (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Costs charged to statement of profit and loss :		
Current Service Cost	480.21	460.40
Interest Expense or Cost	326.52	303.54
Investment Income	(375.88)	(306.09)
Expense recognised in statement of profit and loss	**430.85**	**457.85**
Re-measurement (gain) / loss arising from:		
Change in demographic assumptions	–	(184.59)
Change in financial assumptions	19.83	(90.69)
Experience adjustments (i.e. Actual experience vs assumptions)	25.09	(137.88)
Adjustment due to corporate action / de-merger	132.61	–
Return on plan assets , excluding amount recognised in interest expense/(income)	(352.06)	0.70
(Income) / Expense recognised in Other Comprehensive Income	**(174.53)**	**(412.46)**
Total Expense Recognised during the year	**256.32**	**45.39**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Major categories of Plan Assets & Reimbursement Right (as percentage of Total Assets)

(Restated)

Particulars	As on 31-Mar-24	As on 31-Mar-23
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

(Restated)

Particulars	As on 31-Mar-24	As on 31-Mar-23
Discount rate (per annum)	7.15%	7.25%
Salary growth rate (per annum)	**8.50%**	**8.50%**

Demographic Assumptions

(Restated)

Particulars	As on 31-Mar-24	As on 31-Mar-23
Mortality Rate	100% of IALM 12-14	100% of IALM 12-14
Withdrawal rates, based on age: (per annum) :		
Up to 30 years	27.00%	27.00%
31 - 44 years	18.00%	18.00%
Above 44 years	18.00%	18.00%

Summary of Membership Status

(Restated)

Particulars	As on 31-Mar-24	As on 31-Mar-23
Number of employees	2,040	2,406
Total monthly salary (₹ In Lakhs)	908.79	953.50
Average past service (years)	5.83	6.72
Average age (years)	37.27	37.39
Average remaining working life (years)	20.74	20.62
Number of completed years valued	11,044	16,157
Decrement adjusted remaining working life (years)	4.54	4.58
Normal retirement age	58	58

* 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 occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Defined Benefit Obligation (Base)	4,916.19	5,913.95

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

(₹ in Lakhs)
(Restated)

Particulars	31-Mar-24		31-Mar-23	
	Result of decrease	Result of increase	Result of decrease	Result of increase
Discount Rate (- / + 1%)	5,101.33	4,753.18	6,139.49	5,702.07
(% change compared to base due to sensitivity)	3.77%	(3.32%)	24.88%	15.99%
Salary Growth Rate (- / + 1%)	4,766.20	5,083.58	5,718.42	6,117.18
(% change compared to base due to sensitivity)	(3.05%)	3.40%	16.32%	24.43%
Attrition Rate (- / + 50% of attrition rates)	5,320.02	4,714.47	6,357.45	5,695.06
(% change compared to base due to sensitivity)	8.21%	(4.10%)	29.32%	15.84%
Mortality Rate (- / + 10% of mortality rates)	4,917.75	4,920.99	5,912.39	5,912.47
(% change compared to base due to sensitivity)	0.03%	0.10%	20.26%	20.27%

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 (Amounts in INR Lakhs)

(Restated)

Particulars	31-Mar-24	31-Mar-23
The Company's best estimate of Contribution during the next year	607.52	650.03

c) Maturity Profile of Defined Benefit Obligation (Amounts in INR)

(Restated)

Particulars	31-Mar-24	31-Mar-23
Weighted average duration (based on discounted cashflows)	4 Years	4 Years

Expected cash flows over the next (valued on undiscounted basis):(Amounts in INR Lakhs):

(Restated)

Particulars	31-Mar-24	31-Mar-23
1 year	1,629.89	1,775.19
More than 1 and upto 2 years	575.27	775.69
More than 2 and upto 5 years	1,628.98	1,954.24
More than 5 and upto 10 years	1,685.95	2,001.55
More than 10 years	1,223.51	1,421.97

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 guaranteed interest rate declared by government / EPFO / relevant authorities as well as for fund assets shortfall as against the liabilities of the Trusts

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

The net defined benefit obligation as at the valuation date represents the excess of accumulated 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 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 (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Present Value of Obligation as at the beginning	**20,328.77**	**18,154.10**
Interest Cost	1,551.07	1,288.11
Current Service Cost	1,028.10	906.03
Employee's Contributions	1,639.11	1,516.25
Transfer In / (out) of the liability	875.49	749.03
Benefits Paid	(2,619.42)	(2,343.73)
Re-measurement (gain) / loss arising from:		
– experience variance (i.e. Actual experience vs assumptions), loss if positive	52.31	116.85
– change in financial assumptions	189.41	(57.87)
Present Value of Obligation as at the end	**23,044.84**	**20,328.77**

Changes in the Fair Value of Plan Assets of Trusts are as given below (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Plan Assets as at the beginning	**20,418.54**	**18,146.23**
Investment Income	1,555.74	1,285.57
Employer's Contributions	973.59	848.57
Employee's Contributions	1,639.11	1,516.25
Transfers In	875.49	749.03
Benefits Paid	(2,619.42)	(2,343.73)
Return on plan assets , excluding amount recognised in interest (expense)/income	662.34	216.62
Fair Value of Plan Assets as at the end	**23,505.39**	**20,418.54**

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

Amount recognised in balance sheet of Trusts is as given below:

Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (for Chakan unit employees) (Amounts in INR Lakhs) :

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	440.67	448.81
Fair Value of Plan Assets	1,018.38	966.73
Surplus / (Deficit)	577.71	517.92
Effects of Asset Ceiling, if any	–	–
Net Asset / (Liability)	**577.71**	**517.92**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

The present value of obligation of Matchwel Electricals (India) Ltd Employees' Provident Fund Trust represents the aggregate of accumulated fund value of ₹ 430.98 lakhs (As on March 31, 2023 - ₹ 441.90 lakhs) and interest rate guarantee ₹ 9.70 lakhs (As on March 31, 2023 - ₹ 6.91 lakhs). 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 Trust. The interest rate guarantee so recognised in the Company's books is considered as non-current liability

Bajaj Electricals Limited Employees' Provident Fund Trust (for H.O. employees) (Amounts in INR Lakhs) :

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	22,604.19	19,879.97
Fair Value of Plan Assets	22,487.02	19,451.82
Surplus / (Deficit)	(117.17)	(428.15)
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	**(117.17)**	**(428.15)**

The present value of obligation of Bajaj Electricals Limited Employees' Provident Fund Trust represents the aggregate of accumulated fund value of ₹ 22,106.9 lakhs (As on March 31, 2023 - ₹ 19,574.05 lakhs) and interest rate guarantee ₹ 497.33 lakhs (As on March 31, 2023 - ₹ 305.92 lakhs). 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 Trust. The interest rate guarantee so recognised in the Company's books is considered as non-current liability.

Since interest rate guarantee is already accounted in BEL's books, the liability of ₹ 22,106.86 lakhs (As on Mar 31, 2023 - ₹ 19,574.05 lakhs) which is Accumulated Fund Value of ₹ 380.17 lakhs (As on Mar 31, 2023 - ₹ 122.23) in excess of Fair Value of Plan Assets of ₹ 22,487.02 (As on Mar 31, 2023 - ₹ 19,451.82 lakhs) is accounted by BEL as payable to Trust on shortfall of plan assets. During the financial year 2021-22, out of the liability which had arisen mainly on account of negative return on plan assets contributed by negative return on Trust's investment in IL&FS as well as DHFL in past years; the partial recovery in the form of fresh debt security units and cash has happened from DHFL and the differential value is funded by BEL to the Trust. BEL has also recorded full liability towards IL&FS which is to be paid by BEL to the Trust to the extent of unrecovered balances from IL&FS.

Bajaj Electricals Limited can offset an asset relating to one plan against a liability relating to another plan when, and only when, Bajaj Electricals Limited has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and intends either to settle the obligations on a net basis, or to realize the surplus in one plan and settle its obligation under the other plan simultaneously. However the two trusts namely Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (for Chakan employees) and Bajaj Electricals Limited Employees' Provident Fund Trust (for H.O. employees) are independent trusts. Accordingly, surplus assets of trust for Chakan employees cannot be offset against liability relating to trust for H.O. employees.

Amount recognised in statement of profit and loss and other comprehensive income of Trusts is as given below (Amounts in INR Lakhs) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Costs charged to statement of profit and loss :		
Current Service Cost	1,028.10	906.03
Interest Cost	1,551.07	1,288.11
Investment Income	(1,555.74)	(1,285.57)
Expense recognised in statement of profit and loss	1,023.43	908.57
Re-measurement (gain) / loss arising from:		
- Experience variance (i.e. Actual experience vs assumptions) *	52.31	116.85
- change in financial assumptions	189.41	(57.87)
Return on plan assets , excluding amount recognised in interest expense/(income)	(662.34)	(216.62)
Expense recognised in Other Comprehensive Income	(420.62)	(157.64)
Total Expense Recognised during the year	**602.81**	**750.93**

* included in other comprehensive income in the statement of profit and loss

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

The significant actuarial assumptions are as follows :

Financial and Demographic Assumptions

(Restated)

Particulars	As on 31-Mar-24		As on 31-Mar-23	
	HO Unit	Chakan Unit	HO Unit	Chakan Unit
Discount rate (per annum)	7.17%	7.17%	6.94%	6.94%
Interest rate guarantee (per annum)	8.25%	8.25%	8.10%	8.10%
Discount Rate for the Remaining Term to Maturity of the Investment (p.a.)	6.94%	6.94%	6.94%	6.94%
Average Historic Yield on the Investment (p.a.)	7.91%	7.82%	7.82%	7.82%
Mortality Rate	100.00%	100.00%	100.00%	100.00%

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
	Live Employees	Live Employees
Attrition Rate, based on ages:		
– Upto 30 years	4.99%	4.99%
– 31 to 44 years	3.63%	3.63%
– 45 to 57 years	3.62%	3.62%
– Above 57 years	0.38%	0.38%

Summary of Membership Status :

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
Dormant/Inoperative Employees	2,815	2,501
Live Number of employees	1,650	1,747
Total Number of employees	4,465	4,248
Average age (years)	40.00	36.88

Major categories of Plan Assets (as percentage of Total Plan Assets)

(Restated)

Particulars	As on	
	31-Mar-24	31-Mar-23
Government of India securities	3.20%	3.70%
State Government securities	37.50%	38.60%
High quality corporate bonds	34.40%	33.60%
Equity shares of listed companies	0.00%	0.00%
Special Deposit Scheme	6.50%	7.50%
Funds managed by Insurer	0.00%	0.00%
Bank balance	0.40%	0.50%
Other Investments	18.00%	16.10%
Total	**100.00%**	**100.00%**

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amounts in INR Lakhs)

(Restated)

Particulars	31-Mar-24	31-Mar-23
Defined Benefit Obligation (Base)	23,044.86	20,328.78

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

(₹ in Lakhs)
(Restated)

Particulars	As on 31-Mar-24		As on 31-Mar-23	
	Result of decrease	Result of increase	Result of decrease	Result of increase
Discount Rate (- / + 1%)	23,065.04	23,025.85	20,342.38	20,316.02
(% change compared to base due to sensitivity)	0.09%	(0.08%)	0.07%	(0.06%)
Interest rate guarantee (- / + 1%)	22,537.83	24,614.39	20,015.95	21,761.17
(% change compared to base due to sensitivity)	(2.20%)	6.81%	(1.54%)	7.05%

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 (Amounts in INR Lakhs)

(Restated)

Particulars	31-Mar-24	31-Mar-23
The Trusts' best estimate of Contribution during the next year	1,017.39	889.17

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 / Sub-Category	Percentage of amount to be invested
Government Securities and Related Investments	Minimum 45% and upto 50%
Debt Instruments and Related Investments	Minimum 35% and upto 45%
Short-Term Debt Instruments and Related Investments	Upto 5%
Equity and Related Investments	Minimum 5% and upto 15%
Asset Backed, Trust Structured and Miscellaneous Investments	Upto 5%

C. Expenses Recognised during the year (Defined Contribution Plan) :

(Restated)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
	Live Employees	Live Employees
Provident Fund	2,041.00	1,757.22
Superannuation	213.04	201.75
Pension	519.58	455.62

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 22 : Trade Payables

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Current		
Trade payable due to others	52,117.97	57,145.80
Dues to micro, small and medium enterprises *	3,781.66	3,768.20
Total current trade payables	**55,899.63**	**60,914.00**

For payables to related parties, refer note 38

* 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 Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Principal	3,454.50	3,212.00
Interest	327.16	556.20
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.	133.19	369.32
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.	–	–
The amount of interest accrued and remaining unpaid at the end of each accounting year.	327.16	556.20
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.	–	–

Trade Payables aging schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from transaction date					
	Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) Micro, small and medium enterprises (MSME)	3,381.61	330.78	16.55	22.47	15.03	3,766.44
(ii) Others	21,694.67	28,392.50	841.33	743.66	444.88	52,117.04
(iii) Disputed Dues - MSME	–	–	–	–	15.22	15.22
(iv) Disputed Dues – Others	–	–	–	0.12	0.81	0.93
TOTAL	**25,076.28**	**28,723.28**	**857.88**	**766.25**	**475.94**	**55,899.63**

Trade Payables aging schedule as at March 31, 2023

(₹ in Lakhs)
(Restated)

Particulars	Outstanding for following periods from transaction date					
	Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) Micro, small and medium enterprises (MSME)	3,268.78	413.68	9.16	27.47	24.10	3,743.19
(ii) Others	18,271.23	31,120.00	3,729.96	3,536.19	486.73	57,144.11
(iii) Disputed Dues - MSME	–	–	–	–	25.01	25.01
(iv) Disputed Dues – Others	–	0.12	0.07	0.50	1.00	1.69
TOTAL	**21,540.01**	**31,533.80**	**3,739.19**	**3,564.16**	**536.84**	**60,914.00**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 22.1 : Trade credits

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Customer credits *	59,442.37	57,967.35
Supplier credits **	68,830.01	60,721.79
Total trade credits	**128,272.38**	**118,689.14**

Considering the emerging practices in India and globally, the Company has certain obligations on behalf of suppliers or customers and in certain cases bears portion of interest cost. The company has treated the same as a separate line item as trade credit arrangements on the face of the balance sheet under financial liabilities to provide users to assess impact on liabilities, cash flows and liquidity risks more clearly. Suppliers credit was hitherto included in trade payables and customer channel financing was included in other financial liabilities. These are not due as on the date of the balancesheet.

* Customer credits 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 Company continues to recognise the transferred assets in their entirety in its balance sheet with the corresponding liability under customer credits.

** Supplier's credit also includes amounts payable towards vendor financing entered into with the suppliers. Under this arrangement, the supplier is eligible to receive payment prior to the expiry of extended credit period by assigning such invoices to a third-party purchaser bank based on security in the form of an undertaking issued by the Company to the bank. Further, the supplier charges interest to the Company for the extended credit period which has been presented under Finance Cost

Note 23 : Other Current Liabilities

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Statutory liabilities payable	2,817.72	3,198.42
Deferred revenue *	3,449.45	3,123.44
Others	833.06	1,004.00
Total other current liabilities	**7,100.23**	**7,325.86**

* Deferred revenue includes ₹ 3,099.75 lakhs (March 31, 2023 - ₹ 2,773.74 lakhs) for accrual of points under the Retailer Bonding Program and ₹ 349.70 lakhs (March 31, 2023 - ₹ 349.70 lakhs) for extended warranty provision considered as a separate performance obligation.

Note 24 : Revenue from operations

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Sale of products	453,623.31	459,612.33
Contract Revenue	8,611.29	27,164.95
Other operating revenue		
Scrap sales	1,604.58	2,010.71
Insurance claims	36.80	110.09
Others	250.85	26.41
Total revenue from operations (Refer Note 41(i))	**464,126.83**	**488,924.49**

Note 25 : Other income

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Interest income on bank deposits and others	1,446.59	601.58
Interest income from financial assets at amortised cost	123.65	56.58
Interest on income tax refund	4,113.61	-
Rental income	152.85	251.57
Net gain on disposal of property, plant & equipment	-	282.82
Net gain from sale of investment	180.63	310.56
Impairment allowance on trade receivables and others written back	705.08	927.87
Credit balance written back	1,341.65	776.38
Gain on termination of right-of-use assets	148.45	27.24
Others	434.56	1,269.15
Total other income	**8,647.07**	**4,503.75**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 26 : Cost of raw materials consumed

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Raw materials at the beginning of the year	10,668.73	9,878.17
Add : Purchases	47,946.73	50,029.92
Less : Raw materials at the end of the year (refer note 11)	7,266.08	10,668.73
Total cost of raw material consumed	**51,349.38**	**49,239.36**

Note 26 : Changes in inventories of work-in-progress, finished goods, traded goods

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Opening balance		
Work in progress	3,210.20	2,241.77
Finished Goods	1,467.85	1,587.28
Traded goods	80,733.78	76,906.04
Total opening balance	**85,411.83**	**80,735.09**
Closing balance		
Work in progress (refer note 11)	2,872.34	3,210.20
Finished Goods (refer note 11)	1,789.40	1,467.85
Traded goods (refer note 11)	62,689.85	80,733.78
Total Closing balance	**67,351.59**	**85,411.83**
Total Changes in inventories of work in progress, traded goods and finished goods	**18,060.24**	**(4,676.74)**

Note 27 : Erection and subcontracting expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Erection and subcontracting expense	2,621.02	1,887.07
Total Erection and subcontracting expense	**2,621.02**	**1,887.07**

Note 28 : Employee benefits expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Salaries, wages and bonus	32,729.65	30,534.74
Contribution to provident and other funds (refer note 21)	1,882.68	1,640.42
Employees share based payment expense (refer note 33)	1,087.46	1,084.00
Gratuity (refer note 21)	430.85	457.85
Staff welfare expenses	362.21	653.60
Total employee benefit expense	**36,492.85**	**34,370.61**

Note 29 : Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Depreciation of property, plant and equipment (Note 2)	5,021.89	3,885.95
Depreciation on investment properties (Note 4.1)	82.78	112.87
Amortisation of intangible assets (Note 4)	1,101.47	1,001.68
Depreciation of Right of Use assets (Note 3)	4,752.35	2,377.38
Total depreciation and amortisation expense	**10,958.49**	**7,377.88**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 30 : Other expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Consumption of stores and spares	648.99	1,148.25
Packing material consumed	3,763.17	3,050.52
Power and fuel	1,434.43	1,147.28
Rent (refer note 42)	2,083.70	685.46
Repairs and maintenance		
Plant and machinery	525.45	635.09
Buildings	9.74	29.66
Others	261.18	214.69
Telephone and communication charges	662.23	688.32
Rates and taxes	227.41	89.52
Travel and conveyance	3,987.57	3,554.04
Insurance	502.71	535.30
Printing and stationery	46.87	73.43
Directors fees	80.15	64.72
Non executive directors commission	68.00	47.91
Advertisement and publicity	11,264.96	13,443.80
Freight and forwarding	12,401.22	12,605.93
Product promotion, demonstration and installation charges	9,719.30	15,781.37
Sales commission	1,731.77	1,048.38
Impairment allowance for doubtful debts and advances (net of reversals)	1,338.96	718.57
Bad debts and other irrecoverable debit balances written off	379.45	526.89
Payments to auditors (refer note 30(a))	150.72	194.56
Corporate social responsibility expenditure (refer note 43)	514.04	300.63
E-Waste Management	850.83	-
Legal and professional fees	2,477.15	2,080.47
Site support charges	59.95	58.73
Sales tax expenses (net)	224.28	(23.53)
Security service charges	1,246.49	574.38
Software expenses (AMC)	2,335.18	2,897.25
Warehouse Management Services	3,892.98	5,493.75
Warranty expenses (net of insurance premium and claims)	2,843.79	4,633.37
Miscellaneous expenses	7,227.35	6,632.05
Total other expenses	**72,960.02**	**78,930.79**

Note 30(a) : Details of payment to auditors

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Payment to Auditors		
As Auditor		
Audit fee	88.31	124.74
Tax audit fee	3.70	6.00
Limited review fees	40.82	53.85
In other capacities		
Certification fees	6.75	6.10
Re-imbursement of expenses	11.14	3.86
Total payment to auditors	**150.72**	**194.55**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 31 : Finance costs

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Interest expense on financing activities including trade credits	3,631.00	2,003.07
Interest expense on mobilization advances	677.29	1,536.70
Interest expense on lease liability (refer note 3)	1,551.30	544.44
Unwinding of discount on provisions	110.74	192.77
Other borrowing costs	377.55	84.53
Total finance cost	**6,347.88**	**4,361.51**

Note 32 : Income Tax Expense

(a) Income Tax Expense

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Current Tax		
Current income tax charge	5,719.86	5,150.76
Adjustments of tax relating to earlier periods	11.31	-
Total Current tax expense	**5,731.17**	**5,150.76**
Total deferred tax expense / (benefit)	**(2,009.37)**	**3,544.49**
Income tax expense in the statement of profit and loss for continuing operations	**3,721.80**	**8,695.25**
Income tax expense in the statement of profit and loss for discontinued operations	**(144.54)**	**34.03**
Income tax expense in the statement of profit and loss for continuing and discontinued operations	**3,577.26**	**8,729.28**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Profit from continuing operations before income tax expense	17,309.51	30,239.41
Profit / (loss) from discontinued operations before income tax expense	(553.45)	123.96
Profit from continuing and discontinued operations before income tax expense	**16,756.06**	**30,363.37**
Income Tax @ standard tax rate of 25.168% (March 31, 2023 - 25.168%)	4,217.17	7,641.85
Permanent differences due to:		
Corporate social responsibility	164.28	67.21
Interest on micro, small & medium enterprises	98.57	128.29
Donation expenses	18.37	6.48
Adjustment of tax relating to earlier periods	11.31	-
Deferred tax written off on account of utilisation of business losses	-	393.95
Loss on impairment of capital assets	-	214.09
Deferred tax (created) / not created on subsidiary's losses	(1,414.71)	356.05
Block of depreciable assets for subsidiary' property, plant & equipment not recognised earlier	405.17	-
Others	77.10	(78.64)
Income Tax Expense reported in statement of profit and loss	**3,577.26**	**8,729.28**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options :

A. Summary of Status of ESOPs Granted :

The position of the existing schemes is summarized as under :

I. Details of the ESOS :

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
1	Date of Shareholder's Approval	Originally approved in AGM held on 26 Jul 2007 and revised in AGM held on 28 Jul 2010		As per the Postal Ballot dated 21 Jan 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 happen 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, SEBI (Share Based Employee Benefits) (Amendment) Regulations, 2015 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, there is a minimum period of one year between the grant of options and vesting of option observed by the Company. As per the Company Policy, 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	The Nomination & Remuneration Committee of the Company at its meeting held on 12 November 2021 amended the Scheme to align it with the requirements of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
9	Equity Shares reserved for issue under Employee Stock Options outstanding as at March 31, 2024	The Company has 3,027,073 Equity Shares of ₹2/- each available to issue as Employees Stock Options as its Total Pool Size as of March 31, 2024 under ESOPs 2015 Scheme, of which number of stock options not yet granted under ESOP 2015 scheme are 841,348, number of stock options vested & exercisable under ESOP 2015 schemes are 439,225 and number of stock options unvested under ESOP 2015 scheme are 729,250. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2024 are 2,009,823.		

II. Option Movement during the year ended March 31, 2024

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	-	-	-	-	1,147,540.00	909.95
2	Options Granted during the year	-	-	-	-	255,000.00	1,063.20
3	Options Forfeited / Surrendered during the year	-	-	-	-	112,250.00	1,059.00
4	Options Expired (Lapsed) during the year	-	-	-	-	1,375.00	291.68
5	Options Exercised during the year	-	-	-	-	120,440.00	422.06
6	Number of options outstanding at the end of the year	-	-	-	-	1,168,475.00	875.16
7	Number of options exercisable at the end of the year	-	-	-	-	439,225.00	698.73

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

Option Movement during the year ended March 31, 2023

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	–	–	1,900	257.81	1,172,520	752.14
2	Options Granted during the year	–	–	–	–	327,500	1,138.71
3	Options Forfeited / Surrendered during the year	–	–	–	–	148,750	806.79
4	Options Expired (Lapsed) during the year	–	–	1,250	257.81	2,875	361.28
5	Options Exercised during the year	–	–	650	257.81	200,855	445.97
6	Number of options outstanding at the end of the year	–	–	–	–	1,147,540	909.95
7	Number of Options exercisable at the end of the year	–	–	–	–	296,790	688.66

III. Weighted Average remaining contractual life

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2024		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	Nil	0.41
No. of Options Outstanding	Nil	Nil	1,500.00
201 to 300	Nil	Nil	2.26
No. of Options Outstanding	Nil	Nil	76,250
301 to 400	Nil	Nil	2.78
No. of Options Outstanding	Nil	Nil	56,350
401 to 500	Nil	Nil	1.22
No. of Options Outstanding	Nil	Nil	50,500
501 to 600	Nil	Nil	1.25
No. of Options Outstanding	Nil	Nil	19,750
601 to 700	Nil	Nil	2.87
No. of Options Outstanding	Nil	Nil	71,825
701 to 800	Nil	Nil	3.86
No. of Options Outstanding	Nil	Nil	22,500
801 to 900	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
901 to 1000	Nil	Nil	4
No. of Options Outstanding	Nil	Nil	359,800
1001 to 1100	Nil	Nil	4.56
No. of Options Outstanding	Nil	Nil	510,000
1101 to 1200	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
1201 to 1300	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2023		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
201 to 300	Nil	Nil	0.40
No. of Options Outstanding	Nil	Nil	5,250
301 to 400	Nil	Nil	2.93
No. of Options Outstanding	Nil	Nil	140,725

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2023		
401 to 500	Nil	Nil	3.18
No. of Options Outstanding	Nil	Nil	77,750
501 to 600	Nil	Nil	1.89
No. of Options Outstanding	Nil	Nil	42,250
601 to 700	Nil	Nil	1.78
No. of Options Outstanding	Nil	Nil	48,815
701 to 800	Nil	Nil	3.67
No. of Options Outstanding	Nil	Nil	83,450
801 to 900	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
901 to 1000	Nil	Nil	5
No. of Options Outstanding	Nil	Nil	25,000
1001 to 1100	Nil	Nil	4.02
No. of Options Outstanding	Nil	Nil	55,000
1101 to 1200	Nil	Nil	4.67
No. of Options Outstanding	Nil	Nil	631,800
1201 to 1300	Nil	Nil	4.51
No. of Options Outstanding	Nil	Nil	37,500

IV Weighted average Fair Value of Options Granted during the year ended March 31, 2024 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	481.74
(b)	Exercise price is greater than market price			None
(c)	Exercise price is less than market price			None

Weighted average Fair Value of Options Granted during the year ended March 31, 2023 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	481.74
(b)	Exercise price is greater than market price			None
(c)	Exercise price is less than market price			None

V The weighted average market price of options exercised :

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
During the year ended March 31, 2024	NIL	NIL	1,047.08
During the year ended March 31, 2023	NIL	989.70	1,135.93

VI Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2024:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.98%
2. Expected Life (in years)			4.15
3. Expected Volatility			38.83%
4. Dividend Yield			0.27%
5. Exercise Price (₹)			1193.95
6. Price of the underlying share in market at the time of the option grant. (₹)			1193.95

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2023:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.98%
2. Expected Life (in years)			4.15
3. Expected Volatility			42.99%
4. Dividend Yield			26.53%
5. Exercise Price (₹)			1138.71
6. Price of the underlying share in market at the time of the option grant. (₹)			1138.71

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 publicly 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 standalone financial statement (₹ In Lakhs) :

Particulars	31-Mar-24	31-Mar-23
1 Employee share based payment expense (refer note 28)	1,087.46	1,084.00
2 Share option outstanding reserve (refer note 17)	2,698.94	1,874.06

Note 34 : Fair value measurements

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows

(₹ in Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23 (Restated)
A. Financial assets		
I. Measured at amortized cost		
Trade Receivables	117,610.87	113,105.31
Loans	50.38	34.59
Cash and Cash Equivalents	11,402.15	34,151.52
Bank Balances other than above	16,066.44	2,871.68
Other Financial Assets	6,111.81	3,478.84
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Assets		
- Forward contracts	-	135.83
Investments	3,497.64	4,678.81
	154,739.29	**158,456.58**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 34 : Fair Value Measurements : (Contd..)

(₹ in Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23 (Restated)
B. Financial liabilities		
I. Measured at amortized cost		
Borrowings	-	16.65
Trade Payables	55,899.63	60,914.00
Other Financial Liabilities	6,533.74	40,159.18
Lease Liabilities	21,489.56	10,051.52
Trade credits	128,272.38	118,689.14
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Liabilities		
- Forward contracts	2.18	-
	212,197.49	**229,830.49**

* Includes investment in preference shares of Starlite Lighting Limited (joint venture), where fair value is NIL

(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:**

(₹ in Lakhs)

Particulars	Valuation Techniques	Carrying values	Fair Values	Fair Values Measurement using		
				Level 1	Level 2	Level 3
As at March 31, 2024						
Other Financial Assets						
Investments	Net Asset Value (note a)	3,497.64	3,497.64	-		3,497.64
Other Financial Liabilities						
- Forward contracts	Mark to Market	(2.18)	(2.18)	-	(2.18)	-
		3,495.46	**3,495.46**	**-**	**(2.18)**	**3,497.64**
As at March 31, 2023						
Other Financial Assets						
- Forward contracts	Mark to Market	135.83	135.83	-	135.83	-
Investments	Net Asset Value (note a)	4,678.81	4,678.81	-		4,678.81
		4,814.64	**4,814.64**	**-**	**135.83**	**4,678.81**

There have been no transfers between Level 1 and Level 2 during the year.

Note a

In case of investments, the fair value has been determined based on the NAV (net asset value).

(iii) **Reconciliation of Level 3 fair value measurement**

Particulars	Amount
Balance as on 31st March 2022	**489.73**
Change during the year	4,610.49
Loss recognised in statement of profit and loss	(421.41)
Balance as on 31st March 2023	**4,678.81**
Change during the year	(1,254.37)
Profit recognised in statement of profit and loss	73.20
Balance as on 31st March 2024	**3,497.64**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade payables, trade credits, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the entity's operations and to provide support for its operations. The Company's principal financial assets include trade receivables, investments, cash and cash equivalents and bank balances, loans and other financial assets, that derive directly from its operations.

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 and investments.

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 products mainly through various 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.

Lighting Solutions

In case of Business to Consumer (B2C) sub-segment, the credit risk of the receivables are similar to consumer products.

In case of Busienss to Business (B2B) sub-segment, the Company undertakes projects for government institutions (including local bodies) and private institutional customers. The credit concentration is more towards government institutions. These projects are normally of duration of 6 months to 1 year. Such projects normally are regular tender business with the terms and conditions agreed as per the tender. 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. In case of B2B sub-segment in Lighting Solutions, the Company also provides on more case-to-case basis.

The maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of such trade and other receivables as shown in note 6, 8 and 13 of the standalone financial statements.

Reconciliation of impairment allowance on trade and other receivables

(₹ in Lakhs)

Particulars	Amount
Impairment allowance on March 31, 2022	**11,218.21**
Additions during the year	2,049.51
Reversals during the year since amounts are written off	(688.56)
Reversal during the year since provision no longer required	(1,574.67)
Impairment allowance on March 31, 2023	**11,004.49**
Additions during the year	1,060.02
Reversal during the year since provision no longer required	(705.08)
Derecognised purusant to discontinued operations (refer note 45)	(4,347.03)
Impairment allowance on March 31, 2024	**7,012.40**

Bank deposits & Investments

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

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

and high-quality credit rating. Hence, the credit risk is assessed to be low. The maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of such cash and cash equivalents and deposits with banks as shown in note 8 and 12 of the financials.

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. 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 Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Floating / Fixed Rate		
– Expiring within One year (Bank overdraft and other facilities)	131,118.48	131,751.33

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 Lakhs)

Particulars	Carrying value as at March 31, 2024	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	55,899.63	55,899.63	–	–	–	55,899.63
Lease liabilities (including expected interest payable)	21,489.56	5,916.16	5,620.13	12,450.66	2,540.60	26,527.55
Other financial liabilities	6,535.92	6,519.57	16.35	–	–	6,535.92
Trade credits	128,272.38	128,272.38	–	–	–	128,272.38
Total	**212,197.49**	**196,607.74**	**5,636.48**	**12,450.66**	**2,540.60**	**217,235.48**

(₹ in Lakhs)
(Restated)

Particulars	Carrying value as at March 31, 2023	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings (refer note 18)	16.65	16.65	–	–	–	16.65
Trade payables	60,914.00	60,914.00	–	–	–	60,914.00
Lease liabilities (including expected interest payable)	10,051.52	3,622.56	2,808.28	4,780.07	868.08	12,078.99
Other financial liabilities	40,159.18	40,142.66	16.52	–	–	40,159.18
Trade credits	118,689.14	118,689.14	–	–	–	118,689.14
Total	**229,830.49**	**223,385.01**	**2,824.80**	**4,780.07**	**868.08**	**231,857.96**

(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.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

(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'), United Arab Emirates Dirham ('AED'), and Canadian Dollar ('CAD'). Exposure is largely in exports receivables and Imports payables arising out of trade in the normal course of business. As these commercial transactions are recorded in currency other than the functional currency (INR), the Company is exposed to Foreign Exchange risk arising from future commercial transactions and recognised assets and liabilities. The Company is a net importer as its imports and other forex liabilities exceeds the exports. It ascertains its forex exposure and bifurcates the same into forex receivables and payables. These exposures are covered by taking appropriate forward cover from the banks.

The Company takes a forward cover based on the underlying liability for the estimated period which would be closed to the likely maturity date of the forex liability proposed to be hedged. On maturity date, the forward contracts are utilized for settlement of the underlying transactions or cancelled.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	1,260.65	2,731.91	304.63	2,841.08
EUR	-	37.97	-	13.82
CFA	-	-	63.55	9.33
GBP	-	1.29	-	1.29
RMB	-	-	67.82	41.68
KES	-	-	253.18	71.00
ZMW	-	-	-	95.01
SGD	-	0.41	-	0.41
CNY	8.70	9.12	17.49	17.37
AED	0.45	5.41	9.46	2.62

Further, the Company has open foreign exchange forward contracts amounting to USD 33.31 lakhs (March 31, 2023 - USD 37.01 lakhs)

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 Lakhs)

Particulars	Impact on profit after tax & Equity	
	31-03-24	31-03-23 (Restated)
USD sensitivity		
INR appreciates by 5% (31 March 2023 - 5%)	73.56	126.82
INR depreciated by 5%(31 March 2023 - 5%)	(73.56)	(126.82)

In respect of exposure in other currencies, 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. In case of short term borrowings, the interest rate is fixed in a large number of cases. Hence, interest rate risk is assessed to be low. Accordingly, the sensitivity / exposure to change in interest rate is insignificant

(iii) Commodity Price risk

The Company's revenue is exposed to market risk of price fluctuations related to the sales of its products. Market forces generally determine the prices for the products sold by the Company. This prices may be influenced by the factors such as supply, demand, production cost (including the cost of raw materials) , regional and global economic conditions and growth. Adverse changes

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

in any of the factors may reduce the revenue that Company earns from sale of its products. The Company is therefore subject to fluctuations in prices for the purpose of raw materials like Aluminium, Copper and other raw material inputs.

Commodity hedging is used primarily as a risk management tool to secure the future cash flow in case of volatility by entering into commodity forward contracts. The Company has entered into commodity forward contracts for aluminium and Copper. Hedging the price volatility of forecast aluminium and copper purchases is in accordance with the risk management strategy outlined by the Board of Directors. Hedging commodity is based on procurement schedule and price risk. Commodity is undertaken as a risk offsetting exercise and depending upon market conditions, hedges may extend beyond the financial year.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

A. The company is holding the following commodity future contracts:

(₹ in Lakhs)

Particulars	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
As at 31st March 2024						
Aluminium						
Notional Qty (in MT)	-	-	-	-	-	-
Notional amount (in INR Lacs)	-	-	-	-	-	-
Average hedged rates (per MT)	-	-	-	-	-	-
Copper						
Notional Qty (in MT)	-	-	-	-	-	-
Notional amount (in INR Lacs)	-	-	-	-	-	-
Average hedged rates (per MT)	-	-	-	-	-	-
As at 31st March 2023						
Aluminium						
Notional Qty (in MT)	140.00	-	-	-	-	140.00
Notional amount (in INR Lacs)	287.03	-	-	-	-	287.03
Average hedged rates (per MT)	2.05	-	-	-	-	2.05
Copper						
Notional Qty (in MT)	25.00	-	-	-	-	25.00
Notional amount (in INR Lacs)	192.53	-	-	-	-	192.53
Average hedged rates (per MT)	7.70	-	-	-	-	7.70

B. The impact of hedged items on the balance sheet is, as follows

Particulars	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	cost of cash flow hedges
As at 31st March 2024			
Commodity future contracts	-	-	-
As at 31st March 2023			
Commodity future contracts	9.47	9.47	6.87

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

C. The effect of the cash flow hedge in the statement of profit and loss is, as follows

Particulars	Total hedging gain/(loss) recognised in OCI*	Ineffectiveness recognised in profit or loss	Line item in statement of profit and loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Line item in statement of profit and loss
As at 31st March 2024						
Commodity future contracts	-	-	Other comprehensive (income) / loss	-	-	-
As at 31st March 2023						
Commodity future contracts	9.47	-	Other comprehensive (income) / loss	6.87	8.35	1.40

*This represents total unrealised gain/(loss) net of charges and net of taxes

Note 36: Capital Management

The Company has cash surplus and has no capital other than equity and reserves.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Further the objective of the Company's capital management is to safeguard its ability to continue as going concern, maintain strong credit rating, preserve cash and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company does not have any borrowings and does not borrow funds unless circumstances require. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

The cash surplus position as on March 31, 2024 and March 31, 2023 are as below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Cash and cash equivalents	11,402.15	34,151.52
Balances other than cash and cash equivalents	16,066.44	2,871.68
Investments	3,004.50	4,078.23
Total	**30,473.09**	**41,101.43**

NOTE 37: Segment reporting

The Company has identified its business segments as its primary reportable segments, which comprises of Consumer Products and Lighting Solutions. "Consumer Products" includes Appliances, Fans and Morphy Richards. "Lighting Solutions" includes Professional Lighting (B2B) and Consumer Lighting (B2C).

1) Segment Results

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
a) Consumer Products	11,422.04	24,757.99
b) Lighting	7,961.32	8,793.56
Operating Segment and Profit	**19,383.36**	**33,551.55**
Unallocated income / (expenses)		
Depreciation and amortisation expenses	(510.73)	-
Finance Cost	(6,347.88)	(4,361.51)
Interest income on financial assets measured at amortised cost	1,525.06	413.97
Profit / (Loss) on disposal of Property, plant & equipment	(228.21)	120.11

Notes to Standalone Financial Statements for the year ended March 31, 2024

NOTE 37: Segment reporting (Contd..)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Rent received	41.35	4.91
Interest on Income Tax refund	4,113.61	-
Others	(667.05)	510.38
Profit before tax for the year from continuing operations	**17,309.51**	**30,239.41**
Profit / (loss) before tax for the year from discountined operations	**(553.45)**	**123.96**
Profit before tax for the year from continuing operations and discountined operations	**16,756.06**	**30,363.37**

The operating segment results of continuing operations includes depreciation and amortization of Rs 9,377.37 lakhs (March 31, 2023 - Rs 6,286.66 lakhs) for consumer products and Rs 1,070.39 lakhs (March 31, 2023 - Rs 1,091.21 lakhs) for lighting solutions.

2) **Segment Revenue:**

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
a) Consumer Products	360,390.04	376,424.18
b) Lighting	103,736.79	112,500.31
Sub-total	**464,126.83**	**488,924.49**
Less: Inter Segment Revenue	-	-
Net Sales / Revenue from Operations	**464,126.83**	**488,924.49**

There is no single customer which is more than 10% of the entity's revenues. The amount of revenue from external customers broken down by location of the customers is shown in table below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
India	456,964.47	482,485.78
Outside India	7,162.36	6,438.71
Total	**464,126.83**	**488,924.49**

3) **Segment Assets:**

Segment assets are measured on the same principles as they have been for the purpose of these standalone financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023 (Restated)
a) Consumer Products	246,787.32	247,257.84
b) Lighting	51,416.14	54,835.21
Total Segment Assets	**298,203.46**	**302,093.05**
Unallocated		
Deferred tax assets	530.33	-
Income tax assets (net)	8,334.12	12,802.46
Investments in subsidiaries and an associates	-	50.00
Investments	3,497.64	4,678.81
Investment properties	13,324.91	12,600.00
Property, Plant and Equipments, Capital work in progress, Intangible assets and Intangible assets under development	12,889.51	15,122.36
Cash and cash equivalents and other bank balances	27,468.59	37,023.20
Assets held for sale	460.09	108,264.99
Others	18,607.60	6,642.07
Total assets as per balance sheet	**383,316.25**	**499,276.94**

Notes to Standalone Financial Statements for the year ended March 31, 2024

NOTE 37: Segment reporting (Contd..)

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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023 (Restated)
India	106,425.81	93,130.89
Outside India	-	-
Total	**106,425.81**	**93,130.89**

The capital expenditure incurred for consumer products is Rs 6,038.80 lakhs (March 31, 2023 – Rs 3,217.05 lakhs), for lighting solutions is Rs 169.54 lakhs (March 31, 2023 - ₹ 177.07 lakhs) and for Unallocable is Rs 4,764.90 lakhs (March 31, 2023 – Rs 3,747.57 lakhs).

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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023 (Restated)
a) Consumer Products	175,388.59	177,133.37
b) Lighting	50,680.34	44,611.58
Total Segment Liabilities	**226,068.93**	**221,744.95**
Unallocated		
Borrowings	-	16.65
Liabilities directly associated with assets classified as held for sale	-	50,121.42
Current tax liabilities	2,687.45	1,886.08
Others *	10,437.87	34,756.05
Total liabilities as per balance sheet	**239,194.25**	**308,525.15**

* includes Rs 31,558.99 lakhs payable to Bajel Projects Limited purusant to the scheme of demerger.

Note 38: Disclosure of transactions with related parties

(₹ in Lakhs)
(Restated)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24		2022-23	
		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					
	Not Applicable				
(B) Subsidiary - Bajel Projects Ltd (till August 31, 2023) ##					
	As a Subsidiary (till August 31, 2023)				
	Contribution to Equity	(50.00)	-	-	50.00
	Reimbursement of Expenses	139.18	-	0.01	4.14
	Cancellation of inter company receivable / (payable) before demerger	(143.32)	-	-	-
	Net payable created on demerger	(22,135.61)	-	-	-
	Transactions pursuant to the scheme of demerger (post Sep 1, 2023, i.e effective date)				
	Payment / adjustment of Payables (includes bank transfers and settlement of LC paid on behalf of them (property in trust))	21,590.56	(545.05)	-	-
	Net Purchases	5,287.30	2,061.10	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 38: Disclosure of transactions with related parties (Contd..)

(₹ in Lakhs)
(Restated)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24 Transaction Value for the year	2023-24 Outstanding receivable / (payable) carried in the Balance Sheet	2022-23 Transaction Value for the year	2022-23 Outstanding receivable / (payable) carried in the Balance Sheet
	Shared services	186.68	186.68	–	–
	Reimbursements of expenses	351.63	351.63	–	–
	Rent received	48.79	48.79	–	–
(C) Associate - Hind Lamps Limited					
	Sales	283.40	5.34	300.59	34.77
	Rent Received	2.23	–	2.77	–
(D) Key Management Personnel #					
	Short-term employee benefits	2,210.63	(774.56)	2,529.08	(1,199.07)
	Post- employment benefits (contribution to super annuation fund)	69.27	–	55.99	–
	Long-term employee benefits (contribution to provident fund)	61.16	–	60.01	–
	Perquisite value of ESOPs excercised during the year	–	–	31.41	–
	Total Compensation	**2,341.06**	**(774.56)**	**2,676.49**	**(1,199.07)**
	Sale of car proceeds	–	–	17.20	–
	Reimbursment of Expenses	0.81	–	–	–
	Purchase Of CCTV (part of Furnished accomodation)	1.14	–	–	–
	Received from chairman for advance rent of Metaoxide (Hill Park Residence)	(30.93)	28.18	–	–
	Sale of Asset (Laptop)	0.05	–	–	–
	Purchase Of TV	–	–	7.30	–
	Purchase of Car	–	–	186.91	–
	Sale of car proceeds	–	–	12.50	–
(E) 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	303.24	(19.76)	177.70	(3.27)
	Services Received	737.56	(527.23)	205.93	(18.97)
	Interest Received	–	–	0.23	3.68
	Rent Paid	57.00	–	57.30	–
	Deposits given	–	27.00	–	27.00
	Donations Given	29.28	–	25.00	–
	Deposits Refund	–	–	1.24	–
	Sales	–	2.29	68.52	3.38
	Purchases	–	–	90.17	(7.58)
(F) Dividend to Other Related Parties					
	Dividend Paid	2,937.94	–	2,203.14	–
(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					
	CSR Contribution	550.97	(0.19)	408.33	–
	Sales	(0.55)	0.83	0.33	1.38
	Reimbursement of Expenses	4.79	–	4.79	–
	Rent Deposit Advanced	–	200.00	–	200.00
	Rent Paid	49.56	–	49.56	–
	Purchases	0.46	–	–	–

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 38: Disclosure of transactions with related parties (Contd..)

(₹ in Lakhs)
(Restated)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24 Transaction Value for the year	2023-24 Outstanding receivable / (payable) carried in the Balance Sheet	2022-23 Transaction Value for the year	2022-23 Outstanding receivable / (payable) carried in the Balance Sheet
	Purchase of Asset	-	-	6.11	-
	Services Received	42.50	(2.49)	40.91	(0.59)
	Rent Received	1.65	0.12	1.64	0.11
(H) Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures has significant influence over the entities					
	Services Received	49.79	0.44	50.30	(3.52)
	Deposits Given/Refund	0.42	2.94	0.42	3.36
	Sales	4.26	(0.19)	3.86	2.67
(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	2,588.83	(208.67)	2,380.12	(200.48)
	Matchwel Electrical India Limited Employees Provident Fund Trust	74.20	(6.72)	57.57	(6.21)
(J) Transactions with the persons identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures					
	Refund of Advance Rent	-	(15.00)	-	(15.00)
	Sales	-	0.08	4.40	0.08
	Purchase of Capital Asset	-	-	3.90	(0.52)
	Services Recd	-	-	0.07	-
(K) Material transactions with related parties					
	Spencer Retail Limited				
	Sales	625.57	231.02	633.38	268.72
	Services Received	(6.45)	(25.44)	25.56	(49.10)
	Bajaj Allianz General Insurance Company Limited				
	Insurance Premium paid	9,087.46	(17.02)	5,527.63	(32.02)
	Advance Insurance Premium (Deposit)	1,001.22	1,001.22	680.54	680.54
	Claims Received	7,462.98	3,378.22	1,169.81	408.08
	Bajaj Allianz Life Insurance Co Ltd.				
	Insurance Premium paid	143.16	-	249.47	-
	Claims Received	585.49	-		
	Advance Insurance Premium for next year	90.00	90.00	132.61	132.61
	Employee Benefit Obligations and/or Retiremental Benefits	-	4,997.38	-	6,207.41
	Bajaj Finance Ltd				
	Sales	23.08	22.37	19.92	(2.87)
	Services Received	66.09	(6.09)	17.16	(5.42)
	Fixed Deposit Placed	9,500.00	6,000.00	7,000.00	7,000.00
	Interest Received on Fixed Deposit	419.12	146.31	53.58	48.22

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.

There are no loans or advances granted to promoters, directors, KMPs and the related parties that are repayable on demand or without any terms or period of repayment

Refer note 40(xii) and 40(xiii) for transactions entered between Bajaj Electricals Limited and Bajel Projects Limited pursuant to the scheme of demerger.

The Company has certain employee welfare funds which incurs expenses towards the benefit and welfare of the employees of the Company. The Company does not control these funds and hence the same is not disclosed as a related party.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 39. Earnings per share:

Particulars	31-Mar-24	31-Mar-23 (Restated)
Profit / (loss) for the year (A) (₹ In Lakhs) - continuing operations	13,587.71	21,544.16
Profit / (loss) for the year (B) (₹ In Lakhs) - discontinued operations	(408.91)	89.93
Profit for the year (A+B) (₹ In Lakhs) - continuing and discontinued operations	**13,178.80**	**21,634.09**
Weighted average number of equity shares for basic EPS (C)	**115,104,879**	**114,962,035**
Add: Effect of dilution (employee stock options - Refer Note 33)	175,578	238,771
Weighted average number of equity shares for diluted EPS (D)	**115,280,457**	**115,200,806**
Earnings Per Share in ₹ :- continuing operations		
(a) Basic EPS (A/C)	11.81	18.74
(b) Diluted EPS (A/D)	11.79	18.71
Earnings Per Share in ₹ :- discontinued operations		
(a) Basic EPS (B/C)	(0.36)	0.08
(b) Diluted EPS (B/D)	(0.36)	0.08
Earnings Per Share in ₹ :- continuing and discontinued operations		
(a) Basic EPS (A+B/C)	11.45	18.82
(b) Diluted EPS (A+B/D)	11.43	18.79

Note 40. Commitments and contingencies

a. Contingent liabilities

(₹ in Lakhs)

	Particulars	31-Mar-24	31-Mar-23 (Restated)
	Contingent Liabilities not provided for :		
i)	Claims against the Company not acknowledged as debts (Refer Note x and xi below)	1,406.17	1,753.31
ii)	Guarantees / Letter of Comfort given on behalf of Companies ₹ Nil (Previous Year ₹ 2,000.00 Lacs)	-	31.34
iii)	Excise and Customs duty matters under dispute	65.55	73.55
iv)	Service Tax matters under dispute	149.40	149.40
v)	Income Tax matters under dispute	-	625.73
vi)	Sales Tax and Goods and Service Tax matters under dispute	7,910.00	5,020.21
vii)	Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20
viii)	Others	1,062.60	1,062.60

ix) The E-waste Rules, 2022 replaced E-waste (Management) Rules, 2016 and became effective from April 1, 2023. The Company manufactures wide range of products like, consumer electrical and electronics and photovoltaic panels, and large and small electrical and electronic equipment, which are covered under the E-waste Rules, 2022. The Company has tied-up with various E-waste collection providers for achieving the collection target and accordingly has provided around Rs 932.20 lakhs for the current financial year for recycling due in current year.

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.

xi) The Company had in earlier years terminated employment agreements of few die casting workmen at the Chakan plant. On 3rd July, 2018, the Honourable Hight Court of Bombay had awarded the appeal in favour of the Company. On 27th June, 2019, the appeal on the matter has been admitted in the Honourable Supreme Court. Management has assessed that the outflow of resources embodying economic benefits is not probable and has accordingly considered the claim of Rs 328.70 lakhs as contingent liability.

xii) For certain customer contracts that formed part of the demerged undertaking (erstwhile EPC Segment of the Company), the Company had provided certain performance bank guarantees. For smooth transitioning, the Company had allowed these guarantees to remain in place for a limited period post the effective date (September 1, 2023) until such time as Bajel Projects Limited (BPL) is able to have them replaced by its own bank guarantees. In turn, BPL and the Company has entered into a back-to-back indemnity arrangement by way of an Undertaking cum Corporate Guarantee ("UGC"), whereby BPL shall, inter alia, agree to indemnify the Company for any loss, if any, suffered in the event that any Guarantee is invoked by a customer during this interim period. The open exposure as on March 31, 2024 is Rs 14,101.96 lakhs.

xiii) Before the Scheme of Demerger between the Company and Bajel Projects Limited ('BPL') (erstwhile EPC segment of the Company), took effect, the Company had secured a contract for developing the electric supply infrastructure in Sasaram and Munger, Bihar, by South Bihar Power Distribution Company Limited ("Contract"). Following the Scheme, this Contract stands transferred and vested in Bajel Projects Limited.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 40. Commitments and contingencies (Contd..)

To facilitate this transition of the Contract smoothly, it was proposed to form a Tripartite Agreement among Bajel Projects Limited, the Company, and South Bihar Power Distribution Company Limited, alongside an Irrevocable Indemnity Cum Undertaking between Bajel Projects Limited and the Company."

b. Commitments

i. Estimated amounts of contracts remaining to be executed in capital account (net of capital advances) is Rs 755.58 lakhs (March 31, 2023, Rs 2876.60 lakhs).

Note 41: Disclosures of revenue from contracts with customers

The disclosures as required for revenue from contracts with customers are as given below

(i) Disaggregation of revenue

Disaggregation of the Company's revenue from contracts with customers and reconciliation of amount of revenue recognised in the statement of profit and loss with the contracted price is as given below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
A. Revenue from contracts with customers		
Consumer products (includes appliances, lighting and fans)	360,196.55	376,323.94
Lighting solutions (includes professional and consumer lighting)	103,676.22	112,532.45
	463,872.77	**488,856.39**
B. Reconciliation of contracted price with (A) above		
Revenue at contracted price	497,028.52	500,437.60
Unbilled on account of work under certification	(25.30)	173.54
Billing in excess of contract revenue	(14.10)	287.36
Revenue deferred on customer loyalty program	(1,421.01)	10,493.85
Discounts	(31,545.59)	(22,405.15)
Others	(149.75)	(130.81)
Revenue from contracts with customers (a)	**463,872.77**	**488,856.39**
Add: Miscellaneous other operating income (b)		
Claims received, export incentives, etc	254.06	68.10
Revenue from operations (a+b)	**464,126.83**	**488,924.49**

(₹ in Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Timing of revenue recognition		
At a point in time	402,008.81	421,467.33
Over a period of time	62,118.02	67,457.16
Revenue from operations	**464,126.83**	**488,924.49**

(ii) Contract balances

The details of the contract assets, contract liabilities and receivables are as under

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Contract assets	325.07	350.37
Contract liabilities	4,496.46	6,108.33
Trade receivables	117,610.87	113,105.31

The contract assets and contract liabilities balances mentioned above pertain to the B2B sub-segment Lighting Solutions Unit of the Company. The Company executes the work as per the terms and agreements mentioned in the contracts. The Company receives payments from the customers based on the milestone achievement and billing schedule as established in the contracts.

Contract assets are initially recognised for revenue earned from supply of materials and erection services provided when the performance obligation is met. Upon achievement and acceptance of milestones mentioned by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 41: Disclosures of revenue from contracts with customers (Contd..)

Contract liabilities are relates to payments received in advance of performance under the contract and billing in excess of contract revenue recognised. Contract liabilities are recognised as revenue when the Company satisfies the performance obligation under the contract.

(iii) Performance obligations

Information about the Company's performance obligations under Consumer Products & Lighting Solutions segment are summarised below:

Consumer Product and B2C sub-segment of Lighting Solutions Segment:

a) **Delivery of goods:**

The Company sells fans, appliances and lighting products to the customers. The performance obligation is satisfied and revenue is recognised on dispatch of the goods to the customers. The stand alone selling price of the performance obligation is determined after taking the variable consideration and right to return. The contracts do not have a significant financing component. The Company offers standard warranty on selected products. The Company makes provision for same as per the principles laid down under Ind AS 37. The payment is generally due within 30 to 60 days across various streams of customers.

b) **Loyalty program:**

The Company operates a customer loyalty program (for retailers), where the customer is awarded certain points on purchase of selected products from the Company. The customer (retailer) can redeem these points in future. The Company treats the redemption of customer loyalty points as a separate performance obligation. Accordingly, the revenue is recognised by allocating the total transaction price on the stand alone selling prices of sale of goods and loyalty points.

c) **Extended warranties:**

The Company provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of products. Contracts for bundled sales of products and a service-type warranty comprise two performance obligations because the product and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as deferred revenue. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

B2B sub-segment of Lighting Solutions:

The performance obligations is the supply of materials and erection services. The supply of materials and erection services are promised goods and services which are not individually distinct. Hence both of them are counted as a single performance obligation under the contract. The satisfaction of this performance obligation happens over time, as the performance or enhancement of the obligation is controlled by the customer. Also, the performance of the obligation creates an asset without any alternative use to the customer. The Company uses the input method to determine the progress of the satisfaction of the performance obligation and accordingly recognises revenue.

The standalone selling price of the performance obligation is determined after taking the variable consideration and significant financing component ."

iv) Unsatisfied performance obligations

The transaction price allocated to the unsatisfied performance obligations are as below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Consumer products	3,099.76	2,773.74
Lighting solutions	349.70	349.70
Total	**3,449.46**	**3,123.44**

v) Assets recognised from the costs to obtain or fulfil a contract

The incremental costs of obtaining a contract with a customer are recognised as an asset if the Company expects to recover them. The Company incurs costs such as bank guarantee charges and insurance charges. The Company amortizes the same over the period of the contract. The total unamortised balances towards such cost is as below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Unamortised portion of cost to obtain a contract	170.02	113.39
Amount recognised in the profit and loss account	260.18	217.71

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 42: Leases:

The Company for the consumer products segment, generally takes godowns on lease to store the goods at various locations. These godowns generally have a term of 1 year to 3 years. There are few godowns with a longer lease period of 5 years or more also. Further, the Company has few guest houses, residential premises and office premises also on leases which generally for a longer period ranging from 2-5 years.

The Company's obligations under its leases are secured by the lessor's title to the leased assets. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, on the commencement of the lease. There are several lease contracts that include extension and termination options. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The leases which the Company enters, does not have any variable payments. The lease rents are fixed in nature with gradual escalation in lease rent.

Apart from the above, the Company also has various leases which are either short term in nature or the assets which are taken on the leases are generally low value assets (e.g. printers). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Disclosures under Ind AS 116

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Amortization charge for right of use assets	4,752.35	2,377.38
Interest expense on lease liabilities	1,551.30	544.44
Lease rent expenses for short term leases	2,083.70	685.46
Cash outflow towards lease liabilities	4,468.16	2,149.10
- as principal	2,916.86	1,604.66
- as interest	1,551.30	544.44
Carrying amount of right of use assets	22,221.90	11,947.22
Carrying amount of lease liabilities	21,489.56	10,051.52

For movement of right of use assets, refer note 3

For movement of lease liability, refer note 3. For maturity profile of lease liabilities, refer note 35 (liquidity risk)

For significant judgements used for accounting right of use assets and lease liabilities, refer note 1D(6)

Note 43: Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the gross amount to be spent by the Company during financial year 23-24 is ₹ 514.04 lakhs (Previous year ₹ 300.63 Lakhs). The Company has spent ₹ 396.24 lakhs (Previous year ₹ 246.24 Lakhs) on various CSR initiatives as below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Two percent of average net profit of the company as per section 135(5)	**514.04**	**300.63**
Spent on ongoing projects	370.56	231.21
Spent on other than ongoing projects	–	–
Administrative expenses	25.68	15.03
Total Amount Spent for the Financial Year. (in ₹) (a) *	**396.24**	**246.24**
Total Amount transferred to Unspent CSR Account as per section 135(6) (b)	**117.80**	**54.39**
Total (a + b)	**514.04**	**300.63**

* The amount has been spent on purposes other than construction / acquisition of asset and no amounts are yet to be paid in cash

Details of amounts lying in unspent CSR

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Financial year 2020-21	–	73.31
Financial year 2021-22	2.83	47.59
Financial year 2022-23	1.50	54.39
Financial year 2023-24	117.80	–
Total (refer note 19)	**122.13**	**175.29**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations

Merger of Nirlep Appliances Private Limited (NAPL) into the Company

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated March 01, 2024 ("Order") [passed in the matter of Company Scheme Petition No. C.P (C.A.A)/250(MB)2023 connected with C.A. (CAA)/246(MB)2022) ("Petition") in respect of the Scheme], has inter-alia approved the Scheme of Merger by Absorption of Nirlep Appliances Private Limited ("Transferor Company") with Bajaj Electricals Limited ("Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

Accordingly, the Company had accounted for the merger under the pooling of interest method retrospectively for all periods presented as prescribed in IND AS 103 Business Combinations of entities under common control. The previous year numbers have been accordingly restated.

The Company has recorded the assets and liabilities, of the Transferor Company vested in it pursuant to this Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferee Company. The identity of the reserves of the Transferor Company has been preserved and the Transferee Company has recorded the reserves of the Transferor Company in the same form and at the carrying amount as appearing in the consolidated financial statements of Transferee Company. The Impact of the merger on these standalone financial statements is as under:

(₹ in Lakhs)

Particulars	As on April 1, 2022
Total assets (A)	11,079.77
Total liabilities (B)	10,679.86
Net assets acquired (A+B)	**399.91**
Investment elimination	(4,333.20)
Net reserves acquired	**(3,933.29)**

Demerger of EPC segment

During the current year, Hon'ble National Company Law Tribunal, Mumbai Bench (""NCLT"") had approved the Scheme of Arrangement between Bajaj Electricals Limited "Demerged Company") and Bajel Projects Limited ("Resulting Company") and their respective shareholders (""Scheme""). On July 5, 2023, the Company had received a certified true copy of the order dated June 8, 2023 (""Order"") passed by the Hon'ble NCLT approving the Scheme. The Company has completed the the process of obtaining the requisite consent, approval or permission of the appropriate authorities, which by applicable law or contract, agreement, were necessary for the effective transfer of business and/or implementation of the Scheme. The Scheme, has been made effective from September 1, 2023.

Accordingly, effect of the de-merger has been considered in the standalone financial statements for the year ended March 31, 2024. The assets and liabilities relating to the demerged undertaking have been de-recognised from the books and have been adjusted against the retained earnings in the said standalone financial statements. For the previous year, the same has been shown as discontinued operations.

Below is the reconciliation of the reported numbers of Balance Sheet of April 1, 2022 with the restated numbers of April 1, 2022

(₹ in Lakhs)

Balance Sheet as at April 1,2022	Reported	Merger Impact on April 1, 2022		Restated
Particulars	**BEL Standalone as on April 1, 2022**	**Assets and Liabilities of NAPL**	**InterCo Eliminations**	**BEL Restated Standalone as on April 1, 2022**
ASSETS				
Non -Current Assets				
Property, plant and equipment	32,050.56	3,719.33	-	35,769.89
Capital work in progress	2,788.74	31.38	-	2,820.12
Right-of-use assets	6,855.68	-	-	6,855.68
Intangible assets	114.90	550.99	-	665.89
Intangible Assets under development	1,546.59	-	-	1,546.59
Investment properties	13,077.04	-	-	13,077.04
Goodwill on business combination	16,356.73	2,644.36	-	19,001.09
Investments in associates and joint ventures	4,383.20	(4,333.20)	-	50.00
Financial Assets				
i) Investments	489.73	-	-	489.73
ii) Trade receivables	22,109.94	-	-	22,109.94
iii) Loans	3,789.35	0.00	(3,767.00)	22.35

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

(₹ in Lakhs)

Balance Sheet as at April 1,2022	Reported	Merger Impact on April 1, 2022		Restated
Particulars	BEL Standalone as on April 1, 2022	Assets and Liabilities of NAPL	InterCo Eliminations	BEL Restated Standalone as on April 1, 2022
iv) Other financial assets	3,735.08	48.31	-	3,783.39
Deferred tax assets (net)	8,143.54	-	-	8,143.54
Income tax assets (net)	10,385.55	19.63	-	10,405.18
Other non-current assets	13,250.86	107.78	-	13,358.64
Total Non-Current Assets	**139,077.49**	**2,788.58**	**(3,767.00)**	**138,099.07**
Current Assets				
Inventories	97,594.62	2,193.41	-	99,788.03
Financial Assets				
i) Trade receivables	113,657.11	655.64	(361.52)	113,951.23
ii) Cash and cash equivalents	11,834.91	1.99	-	11,836.90
iii) Bank balances other than (ii) above	2,352.64	19.62	-	2,372.26
iv) Loans	1,000.84	-	(1,000.00)	0.84
v) Other current financial assets	776.35	0.04	-	776.39
Other current assets	26,795.77	1,087.29	(2,610.00)	25,273.06
Contract assets	5,344.33	-	-	5,344.33
Assets classified as held for sale	1,719.41	-	-	1,719.41
Total Current Assets	**261,075.98**	**3,957.99**	**(3,971.52)**	**261,062.45**
Total Assets	**400,153.47**	**6,746.57**	**(7,738.52)**	**399,161.52**
EQUITY & LIABILITIES				
Equity				
Equity share capital	2,297.48	-	-	2,297.48
Other Equity	172,171.74	(3,933.29)	-	168,238.45
Total Equity	**174,469.22**	**(3,933.29)**	**-**	**170,535.93**
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
i) Borrowings	1,183.32	3,767.00	(3,767.00)	1,183.32
ia) Lease liabilities	3,035.04	-	-	3,035.04
ii) Other financial liabilities	16.36	18.12	-	34.48
Provisions	2,254.73	54.38	-	2,309.11
Employee Benefit Obligations	6,175.68	138.88	-	6,314.56
Total Non-Current Liabilities	**12,665.13**	**3,978.38**	**(3,767.00)**	**12,876.51**
Current Liabilities				
Financial Liabilities				
i) Borrowings	2,398.58	1,909.10	(1,000.00)	3,307.68
ia) Lease liabilities	1,552.76	-	-	1,552.76
ii) Trade payables				
Total Outstanding dues of micro enterprises & small enterprises	7,138.94	766.29	-	7,905.23
Total Outstanding dues of other than micro enterprises & small enterprises	115,257.85	697.07	(318.67)	115,636.25
iii) Other current financial liabilities	46,039.88	160.90	(42.85)	46,157.93
Provisions	7,853.75	1.04	-	7,854.79
Employee Benefit Obligations	913.80	4.98	-	918.78
Current Tax Liabilities (net)	1,701.21	-	-	1,701.21
Other Current Liabilities	21,044.91	552.10	-	21,597.01
Contract liabilities	9,117.44	2,610.00	(2,610.00)	9,117.44
Total Current Liabilities	**213,019.12**	**6,701.48**	**(3,971.52)**	**215,749.08**
Total Liabilities	**225,684.25**	**10,679.86**	**(7,738.52)**	**228,625.59**
Total Equity & Liabilities	**400,153.47**	**6,746.57**	**(7,738.52)**	**399,161.52**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

Below is the reconciliation of the reported numbers of Statement of Changes in equity of March 31, 2022 with the restated numbers of March 31, 2022

Particulars	Reported	Merger Impact	Restated
	BEL Standalone as on March 31, 2022	Merger Impact	BEL Restated Standalone as on March 31, 2022
Retained earnings	61,577.08	(3,933.29)	57,643.79
General Reserve	45,967.75	-	45,967.75
Securities premium reserve	65,356.13	-	65,356.13
Shares Option Outstanding	1,198.56	-	1,198.56
Capital Reserve	175.18	-	175.18
Capital Redemption Reserve	135.71	-	135.71
Effective Portion of Cashflow Hedges	88.29	-	88.29
Share Application Money Pending Allotment	0.19	-	0.19
Amalgamation Adjustment Reserve	(2,327.15)	-	(2,327.15)
Total	**172,171.74**	**(3,933.29)**	**168,238.45**

Below is the reconciliation of the reported numbers of Balance sheet of March 31, 2023 with the restated numbers of March 31, 2023

(₹ in Lakhs)

Balance Sheet as at March 31,2023	Reported	Demerger Impact	Merger Impact		Restated
Particulars	BEL Standalone as on March 31, 2023	Discontinued Operations	Impact of NAPL Merger	InterCo Eliminations	BEL Restated Standalone as on March 31, 2023
ASSETS					
Non-Current Assets					
Property, plant and equipment	31,981.99	(4,412.45)	3,566.49	-	31,136.03
Capital work in progress	4,049.97	(41.29)	50.14	-	4,058.82
Right-of-use assets	12,298.88	(351.66)	-	-	11,947.22
Intangible assets	1,762.70	(0.01)	160.53	-	1,923.22
Intangible assets under development	145.91	(14.97)	-	-	130.94
Investment properties	12,947.65	-	-	-	12,947.65
Goodwill on business combination	16,356.73	-	2,644.36	-	19,001.09
Investments in subsidiaries and associate	4,383.20	-	(4,333.20)	-	50.00
Financial Assets	-	-	-	-	
i) Investments	600.58	-	-	-	600.58
ii) Trade receivables	8,436.72	(6,461.67)	-	-	1,975.05
iii) Loans	3,460.50	-	-	(3,460.50)	-
iv) Other financial assets	3,032.24	(584.75)	47.69	-	2,495.18
Income tax assets (net)	12,750.19	(0.00)	52.27	-	12,802.46
Other non-current assets	15,676.61	(3,563.53)	97.69	(190.58)	12,020.19
Total Non-Current Assets	**127,883.87**	**(15,430.33)**	**2,285.97**	**(3,651.08)**	**111,088.43**
Current Assets					
Inventories	104,957.82	(9,647.80)	2,249.68	-	97,559.70
Financial Assets	-	-	-	-	
i) Investments	4,078.23	-	-	-	4,078.23
ii) Trade receivables	148,047.02	(36,932.06)	464.87	(449.57)	111,130.26
iii) Cash and cash equivalents	34,047.35	15.64	88.53	-	34,151.52
iv) Bank balances other than (iii) above	2,871.68	-	-	-	2,871.68
v) Loans	2,897.71	(0.62)	-	(2,862.50)	34.59
vi) Other current financial assets	1,260.04	(140.55)	-	-	1,119.49
Other current assets	40,563.90	(10,050.27)	1,114.05	(3,000.00)	28,627.68
Contract assets	4,650.98	(4,300.61)	-	-	350.37
	343,374.73	**(61,056.27)**	**3,917.13**	**(6,312.07)**	**279,923.52**
Assets classified as held for sale	219.40	108,045.59	-	-	108,264.99
Total Current Assets	**343,594.13**	**46,989.32**	**3,917.13**	**(6,312.07)**	**388,188.51**
Total Assets	**471,478.00**	**31,558.99**	**6,203.10**	**(9,963.15)**	**499,276.94**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

(₹ in Lakhs)

Balance Sheet as at March 31,2023	Reported	Demerger Impact	Merger Impact		Restated
Particulars	**BEL Standalone as on March 31, 2023**	**Discontinued Operations**	**Impact of NAPL Merger**	**InterCo Eliminations**	**BEL Restated Standalone as on March 31, 2023**
EQUITY & LIABILITIES					
EQUITY					
Equity share capital *	2,301.51	-	-	-	2,301.51
Other Equity	193,803.16	-	(5,352.88)	-	188,450.28
Total Equity	**196,104.67**	**-**	**(5,352.88)**	**-**	**190,751.79**
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
i) Borrowings	-	-	3,460.50	(3,460.50)	-
ia) Lease liabilities	7,183.97	(17.62)	-	-	7,166.35
ii) Other financial liabilities	5.69	-	10.83	-	16.52
Provisions	1,689.40	-	-	-	1,689.40
Employee benefit obligations	5,770.24	(1,016.16)	127.58	-	4,881.66
Deferred tax liabilities (net)	539.73	-	-	-	539.73
Total Non-Current Liabilities	**15,189.03**	**(1,033.78)**	**3,598.91**	**(3,460.50)**	**14,293.66**
Current Liabilities					
Financial Liabilities					
i) Borrowings	16.65	-	2,862.50	(2,862.50)	16.65
ia) Lease liabilities	2,939.67	(54.50)	-	-	2,885.17
ii) Trade credits	124,257.14	(5,568.00)	-	-	118,689.14
iii) Trade payables	-	-	-	-	
Total Outstanding dues of micro enterprises & small enterprises	5,268.10	(1,730.78)	230.88	-	3,768.20
Total Outstanding dues of other than micro enterprises & small enterprises	84,471.38	(27,940.95)	1,255.52	(640.15)	57,145.80
iv) Other current financial liabilities	11,899.37	28,181.07	62.22	-	40,142.66
Provisions	4,873.21	6.30	2.82	-	4,882.33
Employee benefit obligations	1,526.90	(309.75)	42.70	-	1,259.85
Current tax liabilities (net)	1,915.14	(29.06)	-	-	1,886.08
Contract liabilities	15,764.36	(9,656.03)	3,000.00	(3,000.00)	6,108.33
Other current liabilities	7,252.38	(426.95)	500.43	-	7,325.86
Liabilities directly associated with the assets held for sale	-	50,121.42	-	-	50,121.42
Total Current Liabilities	**260,184.30**	**32,592.77**	**7,957.07**	**(6,502.65)**	**294,231.49**
Total Liabilities	**275,373.33**	**31,558.99**	**11,555.98**	**(9,963.15)**	**308,525.15**
Total Equity & Liabilities	**471,478.00**	**31,558.99**	**6,203.10**	**(9,963.15)**	**499,276.94**

Below is the reconciliation of the reported numbers of Profit & Loss Account of March 31, 2023 with the restated numbers of March 31, 2023

(₹ in Lakhs)

Profit & Loss account for the year ended March 31,2023	Reported	Demerger Impact	Merger Impact on March 31, 2023		Restated
Particulars	**BEL Standalone as on March 31, 2023**	**Discontinued Operations**	**Profit & Loss of NAPL**	**InterCo Eliminations**	**BEL Restated Standalone as on March 31, 2023**
Income:					
Revenue from operations	541,740.91	(54,001.96)	7,076.20	(5,890.66)	488,924.49
Other income	8,331.98	(3,080.17)	8.57	(756.63)	4,503.75
Total Income	**550,072.89**	**(57,082.13)**	**7,084.77**	**(6,647.29)**	**493,428.24**

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

(₹ in Lakhs)

Profit & Loss account for the year ended March 31,2023	Reported	Demerger Impact	Merger Impact on March 31, 2023		Restated
Particulars	**BEL Standalone as on March 31, 2023**	**Discontinued Operations**	**Profit & Loss of NAPL**	**InterCo Eliminations**	**BEL Restated Standalone as on March 31, 2023**
Expenses:					
Cost of raw materials consumed	51,677.76	(7,874.43)	5,436.03	-	49,239.36
Purchases of traded goods	324,303.04	(26,967.76)	212.87	(5,849.80)	291,698.35
Changes in inventories of work-in-progress, finished goods, traded goods	(4,556.20)	(83.91)	(36.63)	-	(4,676.74)
Erection and subcontracting expenses	5,409.03	(3,532.40)	10.44	-	1,887.07
Employee benefits expenses	41,909.08	(8,258.76)	720.29	-	34,370.61
Depreciation and amortisation expense	7,541.87	(795.43)	631.44	-	7,377.88
Other expenses	87,245.30	(8,969.96)	696.31	(40.86)	78,930.79
Finance costs	4,770.32	(475.52)	823.34	(756.63)	4,361.51
Total Expenses	**518,300.20**	**(56,958.17)**	**8,494.09**	**(6,647.29)**	**463,188.83**
Profit before tax	**31,772.69**	**(123.96)**	**(1,409.32)**	**-**	**30,239.41**
Tax expense / (credit):					
Current tax	5,178.79	(34.03)	6.00	-	5,150.76
Deferred tax	3,543.38	-	1.11	-	3,544.49
Total tax expenses	**8,722.17**	**(34.03)**	**7.11**	**-**	**8,695.25**
Profit / (loss) for the year	**23,050.52**	**(89.93)**	**(1,416.43)**	**-**	**21,544.16**
Profit / (loss) before tax for the year from discontinued operations	-	123.96	-	-	123.96
Tax expense / (Credit) from discontinued operations	-	34.03	-	-	34.03
Net profit / (loss) for the year from discontinued operations	**-**	**89.93**	**-**	**-**	**89.93**
Profit / (loss) for the year	**23,050.52**	**-**	**(1,416.43)**	**-**	**21,634.09**
Other comprehensive (income) / loss					
Items that will be reclassified to profit and loss in subsequent periods					
Cash flow hedge reserve	41.72	-	-	-	41.72
Tax impacts on above	(10.50)	-	-	-	(10.50)
Items that will not be reclassified to profit and loss in subsequent periods					
Remeasurement (gains)/losses on defined benefit plans	**(276.47)**	**-**	**4.27**	**-**	**(272.20)**
Tax impacts on above	69.58	-	(1.11)	-	68.47
Other comprehensive income / (loss) net of tax	**(175.67)**	**-**	**3.16**	**-**	**(172.51)**
Total Comprehensive Income / (loss) net of tax	**23,226.19**	**-**	**(1,419.59)**	**-**	**21,806.60**

Below is the reconciliation of the reported numbers of Statement of Changes in equity of March 31, 2023 with the restated numbers of March 31, 2023

Particulars	Reported	Merger Impact	Restated
	BEL Standalone as on March 31, 2023	**Merger Impact**	**BEL Restated Standalone as on March 31, 2023**
Retained earnings	81,452.12	(5,352.88)	76,099.24
General Reserve	45,967.75	-	45,967.75
Securities premium reserve	66,594.40	-	66,594.40
Shares Option Outstanding	1,874.06	-	1,874.06
Capital Reserve	175.18	-	175.18
Capital Redemption Reserve	135.71	-	135.71
Effective Portion of Cashflow Hedges	(68.91)	-	(68.91)

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

Particulars	Reported	Merger Impact	Restated
	BEL Standalone as on March 31, 2023	Merger Impact	BEL Restated Standalone as on March 31, 2023
Amalgamation Adjustment Reserve	(2,327.15)	-	(2,327.15)
Total	**193,803.16**	**(5,352.88)**	**188,450.28**

Below is the reconciliation of the reported numbers of Cash flow statement of March 31, 2023 with the restated numbers of March 31, 2023

Particulars	Reported	Merger Impact	Restated
	BEL Standalone as on March 31, 2023	Merger Impact	BEL Restated Standalone as on March 31, 2023
Net cash inflow / (outflow) from operating activities from continuing and discontinued operations	45,028.51	(89.68)	44,938.83
Net cash from / (used in) investing activities for continued and discontinued operations	(9,927.90)	1,125.95	(8,801.95)
Net cash from / (used in) financing activities for continuing and discontinued operations	(12,888.17)	(979.10)	(13,867.27)
Net increase / (decrease) in cash and cash equivalents	**22,212.44**	**57.17**	**22,269.61**

Note 45: Discontinued operations

The statement of profit and loss of EPC segment (discontinued operations) for the year are presented below:

(₹ in Lakhs)

Particulars	For the period ended 31-Aug-2023	For the year ended 31-Mar-2023
Revenue from contracts with customers	34,037.96	54,001.96
Expenses net of other income	34,222.07	53,402.48
Finance costs	369.34	475.52
Profit/(loss) before tax from a discontinued operation	**(553.45)**	**123.96**
Tax (expenses)/income:	(144.54)	34.03
Profit/(loss) for the year from a discontinued operation	**(408.91)**	**89.93**
Other comprehensive income	70.65	-
Total comprehensive income	**(338.26)**	**89.93**

The major classes of assets and liabilities of EPC segment held for sale to Bajel Projects limited as at 31 March 2023 and as at 31 August 2023 are, as follows:

(₹ in Lakhs)

Particulars	As at 31-Aug-2023	As at 31-Mar-2023
Assets		
Property, plant and equipment	4,449.04	4,412.45
Capital work in progress	37.46	41.29
Right of use assets	700.76	351.66
Intangible assets under development	-	14.97
Other non-current assets	3,217.24	4,148.29
Inventories	12,618.05	9,647.80
Trade receivable	45,447.89	43,393.73
Cash and cash equivalents, including cash attributable to the segment, pursuant to the scheme of demerger	23,842.51	31,558.99
Other current assets	9,723.34	14,476.41
Assets held for sale	100,036.29	108,045.59
Liabilities		
Trade credits	9,952.04	5,568.00

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 45: Discontinued operations (Contd..)

Trade payable	17,664.89	29,671.73
Employee benefit obligations	1,369.91	1,325.91
Contract liabilities	11,716.97	9,656.03
Others liabilities	2,532.75	3,899.75
Liabilities directly associated with assets held for sale	**43,236.56**	**50,121.42**
Net assets directly associated with disposal group	**56,799.73**	**57,924.17**
Add: Investments knocked off	50.00	
Net debited to retained earnings	**56,849.73**	

The net cash flows of discontinued operations are, as follows

(₹ in Lakhs)

Particulars	For the period ended 31-Aug-2023	For the year ended 31-Mar-2023
Operating	(298.83)	688.77
Investing	-	(172.29)
Financing	-	(550.17)
Net cash (outflow)/inflow	**(298.83)**	**(33.69)**

Note 46: Goodwill

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23 (Restated)
Goodwill on merger of Nirlep Appliances Private Limited	2,644.36	2,644.36
Goodwill on merger of Starlite Lighting Limited	16,356.73	16,356.73
TOTAL	**19,001.09**	**19,001.09**

During the year ended March 31, 2024, the Company has performed its annual impairment test and determined that there is no impairment. The recoverable amounts of the CGU's have been determined on the basis of the value in use calculations. The calculation uses cash flow projections based on budgets approved by the management, discounting rate and terminal growth rate. Management believes that any reasonably possible change in the key assumptions on which the specific CGU's recoverable amount is based would not cause its carrying amount to exceed its recoverable amount.

Significant unobservable inputs used in Level 3 fair values as at March 31, 2024

Particulars	Significant Unobservable Inputs	Sensitivity
Goodwill on business combinations	**BEL Nashik Unit** Discount rate - 15.50% Terminal value growth rate - 3% **BEL Aurangabad Unit** Discount rate - 15.0% Terminal value growth rate - 3%	**BEL Nashik Unit** The enterprise value is greater than the value of the goodwill plus WDV of CGU of Nashik Unit and considering the sensitivity around the assumptions used, there is no impairment required as on March 31, 2024 0.50% increase in discount rate will decrease fair value by ₹ 320.52 lakhs. 0.50% decrease in discount rate will increase the fair value by ₹ 347.59 lakhs 0.50% increase in terminal value growth rate will increase fair value by ₹ 217.52 lakhs. 0.50% decrease in terminal value growth rate will decrease the fair value by ₹ 200.79 lakhs **BEL Aurangabad Unit** The enterprise value is greater than the value of the goodwill plus WDV of CGU of Aurangabad Unit and considering the sensitivity around the assumptions used, there is no impairment required as on March 31, 2024 0.50% increase in discount rate will decrease the fair value by ₹ 67.97 lakhs. 0.50% decrease in discount rate will increase the fair value by ₹ 73.96 lakhs 0.50% increase in terminal value growth rate will increase fair value by ₹ 48.79 lakhs. 0.50% decrease in terminal value growth rate will decrease the fair value by ₹ 44.89 lakhs

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 47: Ratios

(₹ in Lakhs)

Ratio	Numerator	Denominator	31-Mar-24	(Restated) 31-Mar-23	% Change	Reasons for variance > 25%
Current ratio (in times)	Total current assets	Total current liabilities	1.21	1.32	(8.24%)	NA
Debt equity ratio (in times)	Total borrowings (excluding lease liabilities)	Total equity	-	0.00	(100.00%)	Opening borrowings were only ₹ 16.65 lakhs pertaining to sales tax deferral, which has now been paid in full
Debt service coverage ratio (in times)	(Net Profit / (Loss) for the year + Finance Costs + Depreciation and amortisation expense + Non-cash operating expenses	Finance Costs + Long term borrowings scheduled principal repayments during the year, excluding lease liabilities	5.04	5.89	(14.43%)	NA
Return on equity ratio (%)	Profit / (loss) for the year	Average total equity	7.87%	11.85%	(33.56%)	Reduction in profit after tax of 39% due to weak consumer sentiment and operating deleverage is the reason for drag in the overall return on net worth ratio.
Inventory turnover ratio (in times)	Cost of raw materials consumed + Purchases of traded goods + Changes in inventories of work-in-progress, finished goods, traded goods + Erection & subcontracting expenses	Average inventory	3.80	3.47	9.51%	NA
Trade receivables turnover ratio (in times)	Revenue from operations (including other operating income)	Average receivables	4.02	3.93	2.40%	NA
Trade payables turnover ratio (in times)	Cost of raw materials consumed + Purchases of traded goods + Changes in inventories of work-in-progress, finished goods, traded goods + Erection & subcontracting expenses	Average payables	5.63	4.86	15.86%	NA
Net capital turnover ratio (in times)	Revenue from operations (including other operating income)	Net capital (current assets - current liabilities)	10.21	5.20	96.22%	Reduction of around 5,924 lakhs in overall current assets due to derecognition of assets pertaining to discountinued operations.
Net profit ratio (%)	Profit for the year	Revenue from operations	2.84%	4.42%	(35.83%)	Revenues are down by 5% due to weak economic scenario in the consumer durable space and profit after tax has reduced by 39%, thereby affecting the overall operating leverage. The Company is in an investment stage whereby there are investments made for new and refreshed products, which has resulted in higher depreciation. This has resulted in the overall drag in the PAT margins.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 47: Ratios (Contd..)

(₹ in Lakhs)

Ratio	Numerator	Denominator	31-Mar-24	(Restated) 31-Mar-23	% Change	Reasons for variance > 25%
Return on capital employed (%)	Finance cost + Profit before tax	Average capital employed	14.02%	19.09%	(26.56%)	EBIT reduction of 33% has resulted in an overall reduction in the return on capital employed
Return on investment (%)	Interest / income on bank deposits / mutual funds	Average bank deposits / mutual funds	5.60%	4.07%	37.54%	Investments have been made in high yielding financial products, thereby resulting in higher returns

Note 48: Other statutory information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
2. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period,
3. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
4. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
5. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
6. The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
7. The Company has not granted any loans or advances in nature of loans to promoters, directors and KMPs either severally or jointly with any other person during the year ended March 31, 2024 and March 31, 2023.
8. The Company has not been declared wilful defaulter by any bank, financial institution, government or government authority.
9. The Company has not revalued its property, plant and equipment (including right-to-use assets) or intangible assets during the year ended March 31, 2024 and March 31, 2023."
10. Transactions with the companies which are struck off are as under

(₹ in Lakhs)

Nature of Transaction	Count (FY24)	Count (FY23)	As on March 31, 2024	As on March 31, 2023
Receivables from customers	1	-	53.12	-
Receivables / (Payable) from /(to) vendors	11	59	0.39	71.43

11. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the Company is unable to assess on whether certain features of the audit trail of the said software has operated from the period April 01, 2023 to June 04, 2023 and from October 08, 2023 to November 12, 2023 or whether there were any instances of audit trail feature being tampered during the said period in the absence of log of changes to certain audit features. The same has been remediated as on date of adoption of these standalone financial statements.

Notes to Standalone Financial Statements for the year ended March 31, 2024

Note 49: Subsequent events

The Company has evaluated subsequent events from the balance sheet date through May 14, 2024, the date at which the standalone financial statements were available to be issued, and determined that there are no material items to disclose.

Note 50:

Previous year's figures have been regrouped / reclassed wherever necessary to correspond with the current year's classification / disclosure.

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Consolidated Financial Statements

Independent Auditor's Report

To the Members of **Bajaj Electricals Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Bajaj Electricals Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the separate financial statements and on the other financial information of an associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 Group and its associate as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matters
A. Timing of revenue recognition for Consumer Product business (Refer Notes 1B(3)(1) and 24 of the consolidated Ind financial statements)	
Revenue from contracts with customers is recognised upon transfer of control of promised goods and is measured at the transaction price of the consideration received or receivable, net of returns, schemes and rebates, based on contractually defined terms. The timing of transfer of control in case of sales to distributors is basis the arrangements including delivery specifications and incoterms, payment terms and ability of customers to return the goods if unsold in the market which create complexity and judgment in determining the timing of recognition of revenues. The risk is, therefore, that revenue is not recognized in the correct period and accordingly, it was determined to be a key audit matter in our audit of the consolidated financial statements.	Audit procedures included the following: • Assessed the Holding Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal financial controls related to timing of revenue recognition; • For sample customers, obtained and assessed the arrangements with the Holding Company and impact on revenue recognition including their payment terms and right to returns; • Performed sample tests of individual sales transaction based on sales invoices and other related documents. In respect of the samples selected, tested the timing of revenue recognition in accordance with Ind AS 115; • Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents and the terms of sale; • Performed analytical procedures on sales and sales return trend including subsequent sales returns; • For sample customer balances, obtained direct confirmation and tested the reconciliations if any.

<table>
<tr><th colspan="2">Key audit matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>B.</td><td colspan="2">Inventory existence and allowance for inventory (Refer note 1B(13) and 11 disclosure of the accompanying consolidated financial statements)</td></tr>
<tr><td></td><td>As at 31 March 2024, the carrying amount of inventories amounted to Rs 75,664.03 lakhs, after considering allowance for inventory obsolescence of Rs 4,553.96 lakhs. These inventories are kept at Factories, Warehouses and Branches of the Holding Company.

Inventory valuation and existence was an audit focus area because of the additional risks assessed due to the number of locations that the inventory was held at, and the judgement applied in the provision of inventory. Additionally during the year the Company has discontinued end-to-end logistics arrangement (including warehousing and pre-primary, primary and secondary transportation) with a third party provider in a phased manner leading to relocation of inventory to new warehouses and locations.

The spread of inventory and the hand over from the third-party warehouse management system in the current year has significantly increased our focus on the inventory management including the existence of inventory as at the year end. Further there are judgements applied in assessing the level of provision for stock basis ageing and obsolescence. Hence this matter has been considered as a key audit matter in the current year.</td><td>Audit procedures included the following:

• Obtained an understanding, evaluated the design and tested the operating effectiveness of internal financial controls that the Holding Company has in relation to the inventory count process and allowance for inventory;

• We have obtained the physical verification reports of the third party appointed by the Holding Company and have reconciled the same with books of accounts;

• We performed testing on the Holding Company's controls over the inventory count process. In testing these controls we observed the inventory count process at selected Factory, Warehouse and Branches on a sample basis near to period end, inspected the results of the inventory count and confirmed variances were accounted for and approved by management;

• We evaluated whether the provisions towards ageing and obsolete inventory has been made in accordance with the approved policy. On a sample basis, we tested the aging of inventory. For our sample we agreed the purchase date recorded in the inventory aging report to supplier invoices.

• We assessed whether there were inventories which were sold with a consistent negative margin by evaluating recent sales invoices to validate management's assessment and decision whether inventories should or should not be provided for.

• Furthermore we analyzed the inventory turnaround and compared that to management's estimates on obsolete inventories.

• We assessed the adequacy and appropriateness of the Group's disclosures in Note 1B(13) on material accounting policy and Note 11 Inventories to the consolidated financial statements, as required by the applicable Indian Accounting Standards.</td></tr>
<tr><td>C.</td><td colspan="2">Impairment testing of Goodwill (Refer Note 1B(2) and 46 of the consolidated financial statements)</td></tr>
<tr><td></td><td>As at March 31, 2024, the Group has carrying amount of Goodwill of Rs 19,001.09 lakhs pertaining to Starlite Lighting Limited and Nirlep Appliances Private Limited

In accordance with the requirements of Ind AS 36 Impairment of Assets, the Group performs an annual impairment assessment of Goodwill and the corresponding cash generating units to determine whether the recoverable value is below the carrying amount as at March 31, 2024.

For this purpose, the recoverable value of the cash generating unit is based on the value in use model, which has been derived from the discounted cash flow model. The model requires the Group to make significant assumptions such as discount rate, near and long-term revenue growth rate and projected margins which involves inherent uncertainty since they are based on future business prospects and economic outlook.

Changes in certain methodologies and assumptions can lead to significant changes in the assessment of the recoverable value.

Due to the level of judgments involved and its significance to the Group's financial position, this is considered to be a key audit matter.</td><td>Our audit procedures included the following:

• Obtained an understanding of the process followed by the management to determine the recoverable amounts of cash generating units determined by the Group.

• Evaluated the design and implementation and tested the operating effectiveness of key internal controls related to the Group's process relating to review of the annual impairment analysis.

• Assessed Group's valuation methodology applied in determining recoverable value including the reasonableness of identification of cash generating units around the key drivers (cash flow forecasts, discount rates, expected growth rates, forecasted margins and terminal growth rates) based on our knowledge of the Group and Industry. Compared the historical accuracy by comparing past forecasts to actual results achieved.

• Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.

• Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units

• Assessed the disclosures made in the consolidated financial statements</td></tr>
</table>

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of 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 Group including its associate in accordance with the 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. The respective Board of Directors of the company included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the company included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements also include the Group's share of net profit of Rs. 0.00 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates 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 such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of separate financial statements and the other financial information of the associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of separate financial statements and the other financial information of subsidiary and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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 except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the 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 financial statements;

   (d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who are appointed under Section 139 of the Act, of its associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2024 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 with reference to consolidated financial statements of the Holding Company and its subsidiary company and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiary and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

   (i) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration on separate financial statements as also the other financial information of the subsidiary and an associate, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 40 to the consolidated financial statements;

      ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and associate, incorporated in India during the year ended March 31, 2024.

      iv. a) The respective managements of the Holding Company and its subsidiary and associate which are companies incorporated in India that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary and, associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary and associate which are companies incorporated in India that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary and an associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) As stated in note 17 to the consolidated financial statements, The final dividend paid by the Holding Company, its subsidiary and an associate companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, the respective Board of Directors of the Holding Company and its subsidiary and associate company, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) Based on our examination which included test checks, except for the instances discussed in note 48(11) to the consolidated financial statements, the Holding Company, subsidiary and associate has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on whether certain features of the audit trail of the said software has operated from period April 01, 2023 to June 04, 2023 and from October 01, 2023 to November 12, 2023 or whether there were any instances of audit trail feature being tampered during the said period in the absence of log of changes to certain audit features.

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXU6962

Mumbai, May 14, 2024

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

Re: Bajaj Electricals Limited ("the Holding Company")

(xxi) Qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Company included in the consolidated financial statements are:

Sr no	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Bajaj Electricals Limited	L31500MH1938PLC009887	Holding Company	Paragraph 3(i)(c)

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXU6962

Mumbai, May 14, 2024

Annexure '2' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Bajaj Electricals Limited ("the Holding Company")

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 (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to 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 Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to 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 with reference to 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 With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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 Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2024, 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 issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to an associate, which is company incorporated in India, is based on the unaudited financial statements and other unaudited financial information which have been furnished to us by the Management.

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

per **Vikram Mehta**
Partner
Membership No.: 105938
UDIN: 24105938BKELXU6962

Mumbai, May 14, 2024

Consolidated Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31-Mar-24	As at 31-Mar-23
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	35,236.25	31,136.03
Capital work in progress	2	6,183.96	4,058.82
Right-of-use assets	3	22,221.90	11,947.22
Intangible assets	4	1,541.99	1,923.22
Intangible assets under development	4	161.71	130.94
Investment properties	4.1	13,582.07	12,947.65
Goodwill	46	19,001.09	19,001.09
Investments in associate	5.1	–	–
Financial Assets			
i) Investments	5.3	493.14	600.58
ii) Trade receivables	6	1,293.37	1,975.05
iii) Other financial assets	8	5,027.53	2,495.18
Deferred tax assets (net)	9	530.33	–
Income tax assets (net)		8,334.12	12,802.46
Other non-current assets	10	8,496.85	12,020.19
Total Non-Current Assets		**122,104.31**	**111,038.43**
Current Assets			
Inventories	11	75,664.03	97,559.70
Financial Assets			
i) Investments	5.2	3,004.50	4,078.23
ii) Trade receivables	6	116,317.50	111,130.26
iii) Cash and cash equivalents	12	11,402.15	34,151.52
iv) Bank balances other than (iii) above	12.1	16,066.44	2,871.68
v) Loans	7	50.38	34.59
vi) Other current financial assets	13	1,084.28	1,119.49
Other current assets	14	36,837.50	28,627.68
Contract assets	41	325.07	350.37
		260,751.85	**279,923.52**
Assets classified as held for sale	15 & 45	460.09	108,311.18
Total Current Assets		**261,211.94**	**388,234.70**
Total Assets		**383,316.25**	**499,273.13**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	16	2,303.92	2,301.51
Other Equity	17	141,818.08	188,420.07
Total Equity		**144,122.00**	**190,721.58**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
ia) Lease liabilities	3	17,261.23	7,166.35
ii) Other financial liabilities	19	16.35	16.52
Provisions	20	969.70	1,689.40
Employee benefit obligations	21	5,190.51	4,881.66
Deferred tax liabilities (net)	9	–	539.73
Total Non-Current Liabilities		**23,437.79**	**14,293.66**
Current Liabilities			
Financial Liabilities			
i) Borrowings	18	–	16.65
ia) Lease liabilities	3	4,228.33	2,885.17
ii) Trade credits	22.1	128,272.38	118,689.14
iii) Trade payables	22		
Total Outstanding dues of micro enterprises & small enterprises		3,781.66	3,768.20
Total Outstanding dues of other than micro enterprises & small enterprises		52,117.97	57,145.80
iv) Other current financial liabilities	19	6,519.57	40,142.66
Provisions	20	5,227.62	4,882.33
Employee benefit obligations	21	1,324.79	1,259.85
Current tax liabilities (net)		2,687.45	1,886.08
Contract liabilities	41	4,496.46	6,108.33
Other current liabilities	23	7,100.23	7,325.86
		215,756.46	**244,110.07**
Liabilities directly associated with the assets held for sale	45	–	50,147.82
Total Current Liabilities		**215,756.46**	**294,257.89**
Total Liabilities		**239,194.25**	**308,551.55**
Total Equity & Liabilities		**383,316.25**	**499,273.13**
Summary of material accounting policies	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**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Statement of Consolidated Profit and Loss for the year ended 31st March 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Continuing operations			
Income:			
Revenue from operations	24	464,126.83	488,924.49
Other income	25	8,647.07	4,503.75
Total Income		**472,773.90**	**493,428.24**
Expenses:			
Cost of raw materials consumed	26	51,349.38	49,239.36
Purchases of traded goods		256,674.51	291,698.35
Changes in inventories of work-in-progress, finished goods and traded goods	26	18,060.24	(4,676.74)
Erection and subcontracting expenses	27	2,621.02	1,887.07
Employee benefits expenses	28	36,492.85	34,370.61
Depreciation and amortisation expense	29	10,958.49	7,377.88
Other expenses	30	72,960.02	78,930.79
Finance costs	31	6,347.88	4,361.51
Total Expenses		**455,464.39**	**463,188.83**
Profit before share of profit / (loss) of an associate and tax from continuing operations		**17,309.51**	**30,239.41**
Share of profit / (loss) of associate		-	-
Profit before tax for the year from continuing operations		**17,309.51**	**30,239.41**
Tax expense / (credit) :			
Current tax	32	5,719.86	5,150.76
Deferred tax	9	(2,009.37)	3,544.49
Adjustment of tax relating to earlier periods	32	11.31	-
Total tax expenses from continuing operations		**3,721.80**	**8,695.25**
Profit for the year from continuing operations		**13,587.71**	**21,544.16**
Discontinued operations	45		
Profit / (loss) before tax for the year from discontinued operations		(681.26)	102.28
Tax expense / (Credit) from discontinued operations	32	(201.06)	28.04
Profit / (loss) for the year from discontinued operations		**(480.20)**	**74.24**
Profit for the year		**13,107.51**	**21,618.40**
Continuing operations			
Other comprehensive (income) / loss			
Items that will be reclassified to profit and loss in subsequent periods			
Cash flow hedge reserve	35c	9.47	41.72
Income tax effect		(2.38)	(10.50)
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans	21	75.94	(272.20)
Income tax effect	9	(21.09)	68.47
Other comprehensive (income) / loss net of tax from continuing operations		**61.94**	**(172.51)**
Discontinued operations	45		
Other comprehensive (income) / loss			
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans		(94.41)	-
Income tax effect		23.46	-
Other comprehensive (income) / loss net of tax from discontinued operations		**(70.95)**	**-**
Total Comprehensive Income for the year net of tax		**13,116.52**	**21,790.91**

Statement of Consolidated Profit and Loss for the year ended 31st March 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Profit for the year attributable to			
Equity holders of the parent		13,107.51	21,618.40
Non-controlling interest		-	-
Other comprehensive (income) / loss for the year attributable to			
Equity holders of the parent		(9.01)	(172.51)
Non-controlling interest		-	-
Total comprehensive income / (loss) for the year attributable to			
Equity holders of the parent		13,116.52	21,790.91
Non-controlling interest		-	-
Earnings Per Share from Continuing operations			
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic computed on the basis on profit from continuing operations		11.81	18.74
Diluted computed on the basis on profit from continuing operations		11.79	18.71
Earnings Per Share Discontinued operations			
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic computed on the basis on profit / (loss) from discontinued operations		(0.42)	0.06
Diluted computed on the basis on profit / (loss) from discontinued operations		(0.42)	0.06
Earnings Per Share			
Earnings per equity share after exceptional items (face value per share ₹ 2)	39		
Basic computed on the basis of profit for the year		11.39	18.80
Diluted computed on the basis of profit for the year		11.37	18.77
Summary of material accounting policies	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**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Consolidated Statement of changes in equity for the year ended 31st March 2024

A. Equity share capital (Note 16)

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Equity shares of ₹ 2 each issued, subscribed and fully paid-up		
At the beginning of the year	2,301.51	2,297.48
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the year	**2,301.51**	**2,297.48**
Issue of equity share capital during the year	2.41	4.03
At the end of the year	**2,303.92**	**2,301.51**

B. Other equity (Note 17)

(₹ in Lakhs)

Name of the person or entity	Share Application Money Pending Allotment	Reserves and surplus								
		Amalga-mation Adjustment Reserve	Effective Portion of Cashflow Hedges	Securities premium reserve	Shares Option Outstanding	General Reserve	Retained earnings *	Capital Redemption Reserve	Capital Reserve	Total
Balance as at 31st March 2023	-	**(2,327.15)**	**(68.91)**	**66,594.40**	**1,874.06**	**45,967.75**	**76,069.03**	**135.71**	**175.18**	**188,420.07**
Profit for the year	-	-	-	-	-	-	13,107.51	-	-	13,107.51
Other comprehensive income/ (loss)	-	-	(7.09)	-	-	-	16.10	-	-	9.01
Total	**-**	**(2,327.15)**	**(76.00)**	**66,594.40**	**1,874.06**	**45,967.75**	**89,192.64**	**135.71**	**175.18**	**201,536.59**
Exercise of share options	-	-	-	505.92	-	-	-	-	-	505.92
Exercise of share options - transferred from shares options outstanding account	-	-	-	207.14	(207.14)	-	-	-	-	-
Employee stock option expense for the year	-	-	-	-	1,087.46	-	-	-	-	1,087.46
Transferred from share options outstanding account on lapse of vested options	-	-	-	-	(55.44)	-	55.44	-	-	-
Dividend on equity shares	-	-	-	-	-	-	(4,604.08)	-	-	(4,604.08)
Share application monies received	3.03	-	-	-	-	-	-	-	-	3.03
Derecognised pursuant to discontinued operations (refer note 45)	-	-	-	-	-	-	(56,748.53)	-	-	(56,748.53)
Charge for the year	-	-	37.69	-	-	-	-	-	-	37.69
Balance as at 31st March 2024	**3.03**	**(2,327.15)**	**(38.31)**	**67,307.46**	**2,698.94**	**45,967.75**	**27,895.47**	**135.71**	**175.18**	**141,818.08**

* Retained earnings includes revaluation reserve of ₹ 808.60 lakhs subsumed during transition to Ind AS

Consolidated Statement of changes in equity for the year ended 31st March 2024

B. Other equity (Note 17)

(₹ in Lakhs)

Particulars	Share Application Money Pending Allotment	Reserves and surplus: Amalgamation Adjustment Reserve	Effective Portion of Cashflow Hedges	Securities premium reserve	Shares Option Outstanding	General Reserve	Retained earnings *	Capital Redemption Reserve	Capital Reserve	Total
Balance as at 31st March 2022	**-**	**-**	**88.29**	**65,356.13**	**1,198.56**	**45,967.75**	**57,936.30**	**135.71**	**175.18**	**170,857.92**
Profit for the year	-	-	-	-	-	-	21,618.40	-	-	21,618.40
Other comprehensive income/ (loss)	-	-	(31.22)	-	-	-	203.73	-	-	172.51
Total comprehensive income for the year	**-**	**-**	**57.07**	**65,356.13**	**1,198.56**	**45,967.75**	**79,758.43**	**135.71**	**175.18**	**192,648.83**
Exercise of share options	-	-	-	893.24	-	-	-	-	-	893.24
Exercise of share options - transferred from shares options outstanding account	-	-	-	344.84	(344.84)	-	-	-	-	-
Employee stock option expense for the year	-	-	-	-	1,084.00	-	-	-	-	1,084.00
Issue of share capital	(0.19)	-	-	0.19	-	-	-	-	-	-
Transferred from share options outstanding account on lapse of vested options	-	-	-	-	(63.66)	-	63.66	-	-	-
Dividend on equity shares	-	-	-	-	-	-	(3,447.13)	-	-	(3,447.13)
Transfer from minority interest on account of business combination	0.19	(2,327.15)	-	-	-	-	(305.93)	-	-	(2,632.89)
Charge for the year	-	-	(125.98)	-	-	-	-	-	-	(125.98)
Balance at 31st March 2023	**-**	**(2,327.15)**	**(68.91)**	**66,594.40**	**1,874.06**	**45,967.75**	**76,069.03**	**135.71**	**175.18**	**188,420.07**

* Retained earnings includes revaluation reserve of ₹ 808.60 lakhs subsumed during transition to Ind AS

Summary of material accounting policies (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**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Consolidated Cash Flow Statement for the year ended 31st March 2024

(₹ in in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Cash flow from operating activities		
Profit before income tax from continuing operations	**17,309.51**	**30,239.41**
Adjustments for:		
Depreciation and amortisation expense	10,958.49	7,377.88
Employee share-based payment expense	1,032.97	1,084.00
(Gain) / loss on disposal of property, plant and equipment (net)	79.76	(279.91)
Measurement of financial assets held at fair value through Profit or Loss	(73.20)	(110.85)
Measurement of financial assets and liabilities held at amortised cost	(123.65)	(58.37)
Finance costs	6,347.88	4,361.51
Interest income	(5,560.20)	(658.17)
Credit balances written back	(1,341.65)	(776.38)
Impairment allowance for doubtful debts & advances (net of write back)	633.88	(208.70)
Bad debts and other irrecoverable debit balances written off	(379.28)	(526.90)
	28,884.51	**40,443.52**
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables (current & non-current)	(4,870.16)	(49,532.60)
(Increase)/decrease in financial and other assets (current & non-current)	(6,025.72)	(11,425.94)
(Increase)/decrease in inventories	21,895.67	(6,487.63)
Increase/(decrease) in trade payables , provisions, employee benefit obligations, other financial liabilities and other liabilities (current & non-current)	(3,952.69)	73,534.04
Cash generated from operations	**35,931.61**	**46,531.39**
Income taxes paid (net of refunds)	(253.98)	(2,281.33)
Net cash inflow from operating activities from continuing operations	**35,677.63**	**44,250.06**
Net cash inflow / (outflow) from operating activities from discontinued operations	**(298.83)**	**688.77**
Net cash inflow from operating activities from continuing and discontinued operations (A)	**35,378.80**	**44,938.83**
Cash flows from investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advances	(12,365.70)	(7,160.79)
Purchase of intangible assets including intangible assets under development	(750.99)	(958.59)
Proceeds from sale of property, plant and equipment including advances received	43.77	968.93
Proceeds from sale of assets held for sale	-	1,500.00
Proceeds from sale of investment properties	7.71	16.52
Loans repaid by an associate	-	10.00
Purchase of mutual funds	(10,445.63)	(4,078.23)
Proceeds from sale of mutual funds	11,700.00	-
Investments / (realisations) in bank deposits	(14,295.93)	534.16
Interest received	5,083.65	538.34
Net cash used in investing activities for continuing operations	**(21,023.12)**	**(8,629.66)**
Net cash used in investing activities for discontinued operations	**-**	**(172.29)**
Net cash used in investing activities for continued and discontinued operations (B)	**(21,023.12)**	**(8,801.95)**
Cash flows from financing activities		
Proceeds from issues of shares	511.35	897.27
Repayment of borrowings	(16.65)	(4,474.35)
Payment of principal portion of lease liabilities	(2,916.86)	(1,604.66)
Interest paid on lease liabilities	(1,551.30)	(544.44)
Interest paid on borrowings	(4,685.00)	(4,143.79)
Dividend paid to equity shareholders	(4,604.08)	(3,447.13)
Net cash used in financing activities	**(13,262.54)**	**(13,317.10)**
Net cash used in financing activities for discontinued operations	**-**	**(550.17)**
Net cash used in financing activities for continuing and discontinued operations (C)	**(13,262.54)**	**(13,867.27)**
Net increase in cash and cash equivalents (A+B+C)	**1,093.14**	**22,269.61**

Consolidated Cash Flow Statement for the year ended 31st March 2024

(₹ in in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Cash and cash equivalents at the beginning of the year	34,151.52	11,881.91
Less: Cash transferred pursuant to demerger (refer note 45)	(23,842.51)	-
Cash and cash equivalents at the end of the year	11,402.15	34,151.52
Cash and cash equivalents from continuing operations	**11,402.15**	**34,151.52**
Cash and cash equivalents from discontinued operations	-	-
Cash and cash equivalents from continuing and discontinued operations	**11,402.15**	**34,151.52**

(₹ in in Lakhs)

Change in liability arising from financing activities	Year ended 31-Mar-24	Year ended 31-Mar-23
Borrowings as on the beginning of the year	**16.65**	**4,491.00**
Repayment of borrowings	(16.65)	(4,474.35)
Borrowings as on the end of the year	**-**	**16.65**

Summary of material accounting policies (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**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Notes to Consolidated Financial Statements for the year ended March 31, 2024

1A GENERAL INFORMATION.

Bajaj Electricals Limited ('the Parent Company') is an existing public limited company incorporated on 14th July 1938 under the provisions of the Indian Companies Act, 1913 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at 45/47, Veer Nariman Road, Mumbai-400 001.

The Parent Company deals in Consumer Products (CP) (which includes domestic appliances, kitchen appliances, and electric Fans). The Parent Company deals in Lighting Solutions (which includes consumer and professional lighting). The equity shares of the Parent Company are listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The consolidated financial statements are presented in Indian Rupee (INR). The Consolidated financial statements comprises the financial statements of the holding Company and its subsidiary and an associate, together are referred to as "the Group"

The consolidated Parent financial statements have been recommended for approval by the audit committee and is approved and adopted by the Board of the Parent Company, in their meeting held in Mumbai on May 14, 2024.

1B MATERIAL 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 Statement of Compliance and basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, as amended from time to time 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.

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. Deferred tax assets and liabilities are classified as non-current.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities as classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and 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 its subsidiary (together referred as a Group), and an associate and results, consolidated in accordance with Ind AS 28 - Investments in associate and joint venture, Ind AS 111 – Joint Arrangements and Ind AS 110 – Consolidated financial statements as given below:

Name of the Company	Country of Incorporation	% share holding of the Company	Consolidated / Equity accounted as
Hind Lamps Limited	India	19.00%	Associate
Bajel Projects Limited	India	100.00%	Subsidiary (upto August 31,2023)

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)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

- 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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 2024.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiary

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 initial 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 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share

Notes to Consolidated Financial Statements for the year ended March 31, 2024

of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values (including related deferred tax). For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Policy for demerger transactions

The accounting for demerger transactions are applicable from the date on which all substantive approvals are received.

The Group derecognises the carrying value of assets and liabilities pertaining to the demerged undertaking, from the carrying value of assets and liabilities as appearing in its books. The Group derecognises the carrying amount of investments. Loans and advances, receivables, payables and other dues outstanding relating to the demerged undertaking are cancelled and there are no further obligation / outstanding in that behalf. The excess/deficit if any, of the net assets transferred are adjusted with the retained earnings of the Group.

3 Revenue from contract with customers:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The recognition criteria for sale of products and construction contracts is described below

(1) Sale of products

Revenue from sale of products is recognized at the point in time when control of the asset is transferred to the customer, generally on dispatch of the product to the customer's destination. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., customer loyalty points and warranties). In determining the transaction price for the sale of product, the Group considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer (if any).

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable

Notes to Consolidated Financial Statements for the year ended March 31, 2024

consideration for the expected future rebates, the Group applies the most likely amount method. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Group has a loyalty points program, “Retailer Bonding Program”, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognized as deferred revenue until the points are redeemed. Revenue is recognized upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the deferred revenue are charged against revenue.

The Group provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of products. Contracts for bundled sales of products and a service-type warranty comprise two performance obligations because the product and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as deferred revenue. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

(2) Construction contracts

Performance obligation in case of construction contracts is satisfied over a period of time, as the Group creates an asset that the customer control and the Group has an enforceable right to payment for performance completed to date if it meets the agreed specifications. 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. Cost estimates involves judgments including those relating to cost escalations; assessment of technical, political, regulatory and other related contract risks and their financial estimation; scope of deliveries and services required for fulfilling the contractually defined obligations and expected delays, if any. Provision for foreseeable losses/ construction contingencies on said contracts is made based on technical assessments of costs to be incurred and revenue to be accounted for. The Group has long-term receivables from customers. The transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component

(3) Contract balances

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

4 Leases:

As a lessee:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised

Leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases that are considered of low value (i.e., below ₹ 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5 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 income from sale of power generated, income from scrap sales) on accrual basis. However, where the ultimate collection of the same is uncertain, revenue recognition is postponed to the extent of uncertainty. Rental income arising from operating leases is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Consolidate Statement of profit or loss due to its operating nature.

6 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.

vi) Capital work-in-progress, property, plant and equipment is stated at cost, net of accumulated depreciation. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing cost for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their

Notes to Consolidated Financial Statements for the year ended March 31, 2024

specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred. Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

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 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 Life (in years)
Building - Office	1 to 70
Building - Factory	1 to 60
Ownership Premises	60
Plant & Machinery	1 to 22
Furniture & Fixtures	1 to 15
Electric Installations	1 to 25
Office Equipment	1 to 16
Vehicles	8 to 10
Dies & Jigs	1 to 16
Leasehold Improvements	5 to 10
Roads & Borewell	3 to 21
IT hardware	1 to 10
Laboratory equipment's	1 to 15

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.

7 Intngible 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 amortization and impairment. Intangible assets are amortized 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.

Brand (Nirlep) is recognised on business combination and is amortised over a period of 5 years.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidate statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset

Notes to Consolidated Financial Statements for the year ended March 31, 2024

- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the consolidate statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

8 Investment properties:

Investment properties that are not intended to be occupied substantially for use by, or in the operations of the Group have been considered as investment properties. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Group does not charge depreciation to investment property land which is held for future undetermined use. Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. The Group depreciates its investment properties over the useful life which is similar to that of property, plant and equipment.

9 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 & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidate statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

10 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:

Notes to Consolidated Financial Statements for the year ended March 31, 2024

- 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 recognized 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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized 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 recognized 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 recognized 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 recognized 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

Notes to Consolidated Financial Statements for the year ended March 31, 2024

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 the 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 recognized 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 and 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 Group are those contracts that require a payment to be made to reimburse the holder for a loss it

Notes to Consolidated Financial Statements for the year ended March 31, 2024

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 forwards 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.

The Group designates certain hedging instruments, which includes derivatives, embedded derivatives and non-derivatives in respect of foreign currency and commodity risk, as either cash flow hedge, fair value hedge or hedges or net investment in foreign operations. Hedges of foreign currency risk on firm commitments are accounted for cash flow hedges.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedge is when hedging the exposure to change in fair value of a recognised asset or liability or an unrecognised song commitment
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability or highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of hedge relationship, the Group formally designates and keeps the hedge relationship to which the Group wishes to apply hedge accounting and risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk by hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting exposure to changes in the hedge item fair value or cash flow attributable to the hedge risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cashflows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the

Notes to Consolidated Financial Statements for the year ended March 31, 2024

financial reporting periods for which they were designated. Hedge that meet the strict criteria for hedge accounting accounted for as described below

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to commodity contracts is recognised in other income or expenses.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

11. 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.

12. Cash and cash equivalents:

Cash and cash equivalents in the consolidated balance sheet and for the purpose of the

Notes to Consolidated Financial Statements for the year ended March 31, 2024

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.

13. Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

14. 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 (INR), which is the Group 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively)

15. Income tax

The income tax expense or credit for the year is the tax payable on the current year'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 recognized in the consolidated statement of profit and loss. except to the extent, it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized 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 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

Notes to Consolidated Financial Statements for the year ended March 31, 2024

offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

16. 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.

17. 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.

The Group provides for general repairs of defects that existed at the time of sale, as required by the law. 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.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

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.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

18. 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.

Retirement benefit in the form of provident fund is a defined contribution plan. The Group has no obligation , other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the Contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payment or a cash refund.

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.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

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 as per the

Notes to Consolidated Financial Statements for the year ended March 31, 2024

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. Share based payments

The Parent Company operates a number of equity settled, employee share based compensation plans, under which the Parent Company receives services from employees as consideration for equity shares of the Parent Company. Equity settled share based payment to employees and other providing similar services are measured at fair value of the equity instrument at grant date.

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 Parent Company), the fair value of the options accruing in favour of the said employee are written back to the retained earnings in the reporting period in which the right expires.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

19. Trade Credits

Suppliers' credit

Supplier's credit also includes amounts payable towards vendor financing entered into with the suppliers. Under this arrangement, the supplier is eligible to receive payment prior to the expiry of extended credit period by assigning such invoices to a third-party purchaser bank based on security in the form of an undertaking issued by the Group to the bank. Further, the supplier charges interest to the Group for the extended credit period which has been presented under Finance Cost.

These are normally settled up to four months. Where these arrangements are for goods used in the normal operations of the Group with a maturity of up to four months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational suppliers' credit and disclosed on the face of the balance sheet under trade credits. Interest expense on these are recognised in the finance cost.

Payments made to vendors are treated as cash item and disclosed as cash flow from operating activity depending on the nature of the underlying transaction.

Customers' credit

Customer credits include receivables which are subject to factoring arrangements and channel financing facilities. Under this arrangement the Group has transferred the relevant receivables to the factor in exchange for cash. The Group continues to recognise the transferred assets in their entirety in its balance sheet with the corresponding liability under customer credits.

20. 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

21. Dividends

The Parent Company recognises a liability to pay dividend to equity holders when the distribution is authorised and is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved

Notes to Consolidated Financial Statements for the year ended March 31, 2024

by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Parent Company's Board of Directors.

22. Assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification. For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

23. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings/ (loss) considered in ascertaining the Group 's earnings per share is the net profit / (loss) for the year. The weighted average number equity shares outstanding during the year and all year's presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of share outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

24. 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 NEW AND AMENDED STANDARDS

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the

Notes to Consolidated Financial Statements for the year ended March 31, 2024

measurement, recognition or presentation of any items in the Group's consolidated financial statements.

(iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendments had no impact on the Group's consolidated financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are no standards that are notified and not yet effective as on the date.

CLIMATE RELATED MATTERS

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

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 1-2 years standard warranties for its consumer products. The Group has taken warranty insurance under which most of the products are covered. The Group recognises warranty provision basis assumptions, on serviceable sales and cost to service those serviceable sales. The warranty insurance premium paid is charged off to the statement of profit and loss account and warranty insurance assets is created on an estimated basis. The insurance claims received are then netted against the said warranty insurance assets.

The Group also sells certain lighting fitting to its customers. In few lighting fittings products, the drivers are an essential part and are expected to last for a longer period. In such cases, the Group provides warranties beyond fixing defects that existed at the time of sale. Basis this, the Group recognises this as a separate performance obligation and recognises revenue only in the period in which such service is provided based on time elapsed.

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. Further, in case of operationally closed projects, Group makes specific assessment of the overdue balances by considering the customer's historical payment patterns, latest correspondences with the customers for recovery of the amounts outstanding and credit status of the significant counterparties where available. Accordingly, a best judgment estimate is made to record the impairment allowance in respect of operationally closed projects.

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

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 and related sensitivity.

5 Employee benefits

The cost of the defined benefit gratuity plan and other post-employment leave benefits 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

Notes to Consolidated Financial Statements for the year ended March 31, 2024

future inflation rates. Refer note 21 of financial statements for the disclosure.

6 **Leases**

Estimates are required to determine the appropriate discount rate used to measure lease liabilities. The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates, bank rates to the Group for a loan of a similar tenure, etc). The Group has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

7 **Impairment of non-financial assets and goodwill**

In case of non-financial assets, the Group estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

8 **Retailer Bonding Program**

The Parent Company has a loyalty points program, "Retailer Bonding Program", which allows customers to accumulate points that can be redeemed for free products upto a limited time period. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognized as deferred revenue until the points are redeemed. Revenue is recognized upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Parent Company considers the likelihood that the customer will redeem the points. The Parent Company considers various judgement and estimates like determination of fair value, redeemed points, expiry, etc. The Parent Company updates its estimates on a quarterly basis and any adjustments to the deferred revenue are charged against revenue.

9 **Share based payments**

The Parent Company initially measures the cost of cash-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

10 **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

11 For judgements relating to contingent liabilities, refer note 40(a).

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 2 : Property, plant and equipment

(₹ in in Lakhs)

Particulars	Freehold Land	Building	Ownership Premises	Plant & Machinery	Furniture & Fixtures	Electrical Installations	Office Equipment	Vehicles	Dies & Jigs	Leasehold Improvements	Temporary Structures	Roads & Borewell	IT Hardware	Total
Opening gross block as at 1st April 2022	**3,722.28**	**9,756.63**	**9,087.55**	**12,789.79**	**2,606.46**	**1,421.82**	**1,837.33**	**808.73**	**6,500.26**	**376.09**	**126.59**	**99.18**	**8,461.40**	**57,594.11**
Additions	-	258.22	5.21	1,460.04	131.93	287.62	106.21	260.67	1,637.88	7.83	-	97.38	693.34	4,946.33
Disposals	-	(6.14)	(398.46)	(316.00)	(85.26)	(1.34)	(84.29)	(90.55)	-	-	-	(0.94)	(117.13)	(1,100.11)
Discontinued operations (refer note 45)		(1,274.47)	(2,422.76)	(4,232.60)	(246.34)	(350.67)	(217.72)	(586.18)	(0.01)		(95.55)	(36.18)	(324.08)	(9,786.56)
Closing gross block as at 31st March 2023	**3,722.28**	**8,734.24**	**6,271.54**	**9,701.23**	**2,406.79**	**1,357.43**	**1,641.53**	**392.67**	**8,138.13**	**383.92**	**31.04**	**159.44**	**8,713.53**	**51,653.77**
Additions	-	304.17	(16.62)	1,628.50	419.16	190.42	334.21	20.84	5,047.72	1,021.26	-	78.14	1,552.17	10,579.97
Disposals	-	(2.49)	-	(651.74)	(80.12)	(1.28)	(53.43)	(22.79)	-	-	(2.83)	-	(3,164.93)	(3,979.61)
Classified as held for sale	-	-	(277.77)	-	-	-	-	-	-	-	-	-	-	(277.77)
Classified as investment property (refer note 4.1)	-	-	(862.61)	-	-	-	-	-	-	-	-	-	-	(862.61)
Discontinued operations (refer note 45)	-	49.14	-	(154.64)	(7.63)	(82.71)	(6.86)	13.56	(0.01)	-	2.83	-	(5.06)	(191.36)
Closing gross block as at 31st March 2024	**3,722.28**	**9,085.06**	**5,114.54**	**10,523.35**	**2,738.20**	**1,463.86**	**1,915.45**	**404.28**	**13,185.86**	**1,405.18**	**31.04**	**237.58**	**7,095.71**	**56,922.39**
Opening accumulated depreciation as at 1st April 2022	**-**	**1,038.17**	**1,177.27**	**5,472.68**	**1,425.77**	**408.24**	**1,219.57**	**394.93**	**3,560.90**	**153.52**	**126.59**	**56.42**	**6,790.16**	**21,824.22**
Depreciation charge during the year	-	334.08	168.70	487.32	326.43	154.71	203.47	90.40	1,250.09	33.86	-	5.51	831.38	3,885.95
Disposals	-	45.88	(100.60)	(66.13)	(82.25)	(0.60)	(73.29)	(53.32)	6.76	-	-	0.00	(103.98)	(427.53)
Discontinued operations (refer note 45)	-	(481.88)	(347.43)	(2,715.37)	(192.06)	(66.20)	(196.99)	(333.58)	(0.01)		(95.55)	(32.05)	(303.78)	(4,764.90)
Closing accumulated depreciation as at 31st March 2023	**-**	**936.25**	**897.94**	**3,178.50**	**1,477.89**	**496.15**	**1,152.76**	**98.43**	**4,817.74**	**187.38**	**31.04**	**29.88**	**7,213.78**	**20,517.74**
Depreciation charge during the year	-	336.91	131.10	933.10	357.63	158.79	189.21	65.81	1,812.26	96.40	-	26.94	913.74	5,021.89
Disposal	-	-	-	(472.79)	(71.75)	(0.65)	(46.62)	(17.23)	-	-	(2.83)	-	(3,095.75)	(3,707.62)
Classified as held for sale	-	-	(36.87)	-	-	-	-	-	-	-	-	-	-	(36.87)
Classified as investment property (refer note 4.1)	-	-	(137.70)	-	-	-	-	-	-	-	-	-	-	(137.70)
Discontinued operations (refer note 45)	-	(27.44)	(18.19)	91.98	(11.77)	(28.60)	(8.82)	(12.17)	(0.00)	-	2.83	(0.24)	41.12	28.70
Closing accumulated depreciation as at 31st March 2024	**-**	**1,245.72**	**836.28**	**3,730.79**	**1,752.00**	**625.69**	**1,286.53**	**134.84**	**6,630.00**	**283.78**	**31.04**	**56.58**	**5,072.89**	**21,686.14**
Closing Net carrying amount as at 31st March 2023	**3,722.28**	**7,797.99**	**5,373.60**	**6,522.73**	**928.90**	**861.28**	**488.77**	**294.24**	**3,320.39**	**196.54**	**-**	**129.56**	**1,499.75**	**31,136.03**
Closing Net carrying amount as at 31st March 2024	**3,722.28**	**7,839.34**	**4,278.26**	**6,792.56**	**986.20**	**838.17**	**628.92**	**269.44**	**6,555.86**	**1,121.40**	**-**	**181.00**	**2,022.82**	**35,236.25**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 2 : Property, plant and equipment (Contd..)

(i) Leased assets

The Group has given following assets on operating lease to third parties, the gross block, accumulated depreciation and net book value is as mentioned below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Plant and Machinery		
Cost / Deemed cost	-	637.91
Accumulated depreciation	-	426.15
Net carrying amount	**-**	**211.76**

(ii) Property, plant and equipment pledged as security

Refer to note 18 for information on property, plant and equipment pledged as security by the Group.

(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 dies & jigs, plant and machineries and factory building amounting to ₹ 5,840.46 lakhs (March 31, 2023 - ₹ 3,228.22 lakhs), ₹ 23.50 lakhs (March 31, 2023 - ₹ 376.72 lakhs) and ₹ 37.87 lakhs (March 31, 2023 - ₹ 236.14 lakhs) respectively, pending to be put to use.

Movement of capital work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening at the start of the year	**4,058.82**	**2,820.12**
Additions during the year	5,796.29	2,590.10
Capitalised during the year	(3,671.15)	(1,351.40)
Closing at the end of the year	**6,183.96**	**4,058.82**

(v) Title deeds

The title deeds of immovable properties are held in the name of the Group. Certain title deeds of the immovable properties, in the nature of freehold land and building, which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated May 21st 2020 for Hind Lamps Limited, dated August 25th 2022 for Starlite Lighting Limited and dated March 07th 2024 for Nirlep Appliances Private Limited are not individually held in the name of the Parent Company, however the deed of merger has been registered by the Parent Company on March 31, 2024.

(vi) Ageing schedule

CWIP aging schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	5,721.36	103.55	351.70	7.35	6,183.96
Projects temporarily suspended	-	-	-	-	-
TOTAL	**5,721.36**	**103.55**	**351.70**	**7.35**	**6,183.96**

CWIP aging schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	2,621.48	1,415.75	14.24	7.35	4,058.82
Projects temporarily suspended	-	-	-	-	-
TOTAL	**2,621.48**	**1,415.75**	**14.24**	**7.35**	**4,058.82**

All the upcoming projects of the Group are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the Group as at the Balance Sheet date.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 3 : Right of use assets and Lease liabilities

The details of the right-of-use asset held by the Group is as follows:

Right-of-use assets

(₹ in Lakhs)

Particulars	Buildings	Equipments	Leasehold land	Total
Gross block as on March 31, 2022	**7,277.51**	**22.72**	**2,805.69**	**10,105.92**
Additions for the year	8,875.87	-	12.93	8,888.80
Deletions for the year	(2,323.22)	-	-	(2,323.22)
Discontinued operations (refer note 45)	(440.81)	-	-	(440.81)
Gross block as on March 31, 2023	**13,389.35**	**22.72**	**2,818.62**	**16,230.69**
Additions for the year	19,327.08	-	-	19,327.08
Deletions for the year	(6,925.27)	-	-	(6,925.27)
Discontinued operations (refer note 45)	-	-	(324.30)	(324.30)
Closing gross block as on March 31, 2024	**25,791.16**	**22.72**	**2,494.32**	**28,308.20**
Accumulated depreciation as on March 31, 2022	**2,967.19**	**21.27**	**261.78**	**3,250.24**
Depreciation for the year	2,339.56	0.45	37.37	2,377.38
Deletions for the year	(1,338.26)	-	12.94	(1,325.32)
Discontinued operations (refer note 45)	(18.83)	-	-	(18.83)
Accumulated depreciation as on March 31, 2023	**3,949.66**	**21.72**	**312.09**	**4,283.47**
Depreciation for the year	4,717.27	-	35.08	4,752.35
Deletions for the year	(2,941.43)	-	-	(2,941.43)
Discontinued operations (refer note 45)	25.08	-	(33.17)	(8.09)
Closing accumulated depreciation as March 31, 2024	**5,750.58**	**21.72**	**314.00**	**6,086.30**
Net carrying value of right of use assets as on March 31, 2023	**9,439.69**	**1.00**	**2,506.53**	**11,947.22**
Net carrying value of right of use assets as on March 31, 2024	**20,040.58**	**1.00**	**2,180.32**	**22,221.90**

The details of the lease liabilities held by the Group is as follows:

Lease liabilities

(₹ in Lakhs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Opening lease liabilities	**10,051.52**	**4,587.80**
Additions for the year	18,958.89	8,766.02
Deletions / Modifications for the year	(4,180.91)	(1,625.52)
Discontinued operations (refer note 45)	(423.08)	(72.12)
Finance cost for the year	1,551.30	544.44
Lease instalments paid for the year	(4,468.16)	(2,149.10)
Closing lease liabilities	**21,489.56**	**10,051.52**
- classified as current	4,228.33	2,885.17
- classified as non-current	17,261.23	7,166.35

For maturity profile of lease liabilities, refer Note 35 (B)(ii)

Note 4: Intangible Assets

(₹ in Lakhs)

Particulars	Trade Marks	Computer Software	Brand	Distributor / Dealer Network	Customer relationships	Total
Opening gross block as at 1st April 2022	**0.51**	**994.90**	**1,952.33**	**195.57**	**26.10**	**3,169.41**
Additions	-	2,374.79	-	-	-	2,374.79
Closing gross block as at 31st March 2023	**0.51**	**3,369.69**	**1,952.33**	**195.57**	**26.10**	**5,544.20**
Additions	-	720.25	-	-	-	720.25
Disposals	-	(465.75)	-	-	-	(465.75)
Closing gross block as at 31st March 2024	**0.51**	**3,624.19**	**1,952.33**	**195.57**	**26.10**	**5,798.70**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 4: Intangible Assets (Contd..)

(₹ in Lakhs)

Particulars	Trade Marks	Computer Software	Brand	Distributor / Dealer Network	Customer relationships	Total
Opening accumulated amortization as at 1st April 2022	**0.35**	**880.16**	**1,401.34**	**195.57**	**26.10**	**2,503.52**
Amortisation charge for the year	0.05	611.16	390.47	-	-	1,001.68
Adjustment *	-	115.78	-	-	-	115.78
Closing gross accumulated depreciation as at 31st March 2023	**0.40**	**1,607.10**	**1,791.81**	**195.57**	**26.10**	**3,620.98**
Amortisation charge for the year	0.06	940.90	160.52	-	-	1,101.48
Disposals	-	(465.75)	-	-	-	(465.75)
Closing accumulated amortization as at 31st March 2024	**0.46**	**2,082.25**	**1,952.33**	**195.57**	**26.10**	**4,256.71**
Closing Net carrying amount as at 31st March 2023	**0.11**	**1,762.59**	**160.52**	**-**	**-**	**1,923.22**
Closing Net carrying amount as at 31st March 2024	**0.05**	**1,541.94**	**-**	**-**	**-**	**1,541.99**

* Adjustments includes changes in the value of the intangible assets due to system migration

(i) Note

Intangible assets under development mainly comprises of IT softwares license and implementation cost amounting to ₹ 161.71 lakhs (March 31, 2023 - ₹ 130.94 lakhs).

(ii) Ageing schedule

Intangible asset under development (IAUD) ageing schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	161.71	-	-	-	161.71
Projects temporarily suspended	-	-	-	-	-
TOTAL	**161.71**	**-**	**-**	**-**	**161.71**

Intangible asset under development aging schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	130.94	-	-	-	130.94
Projects temporarily suspended	-	-	-	-	-
TOTAL	**130.94**	**-**	**-**	**-**	**130.94**

All the upcoming projects of the Group are within the timelines as estimated during the original plan and the actual cost of projects are within the total cost as estimated by the management of the Group as at the Balance Sheet date.

(iii) Movement in intangible assets under development

(₹ in Lakhs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening at the start of the year	**130.94**	**1,546.59**
Additions during the year	161.71	130.94
Capitalised during the year	(130.94)	(1,546.59)
Closing at the end of the year	**161.71**	**130.94**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 4.1: Investment properties

(₹ in Lakhs)

Particulars	Building & Ownership Premises	Land	Total
Gross block as at 1st April 2022	**809.06**	**12,600.00**	**13,409.06**
Disposals	(58.59)	–	(58.59)
Gross block as at 31st March 2023	**750.47**	**12,600.00**	**13,350.47**
Disposals	(20.76)	-	(20.76)
Transferred from property, plant and equipment (refer note 2)	862.61	-	862.61
Gross block as at 31st March 2024	**1,592.32**	**12,600.00**	**14,192.32**
Accumulated depreciation as at 1st April 2022	**332.02**	**-**	**332.02**
Depreciation	112.87	–	112.87
Disposals	(42.07)	–	(42.07)
Accumulated depreciation as at 31st March 2023	**402.82**	**-**	**402.82**
Depreciation	82.78	–	82.78
Disposals	(13.05)	–	(13.05)
Transferred from property, plant and equipment (refer note 2)	137.70	–	137.70
Accumulated depreciation as at 31st March 2024	**610.25**	**-**	**610.25**
Net carrying amount as at 31st March 2023	**347.65**	**12,600.00**	**12,947.65**
Net carrying amount as at 31st March 2024	**982.07**	**12,600.00**	**13,582.07**

The amounts recorded above for freehold land are fair values on acquisition date based on valuation performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Group has no restrictions on the realisability of its investment property. Fair value of land as at 31st March 2024 is ₹ 12,600 lakhs (₹ 12,600 lakhs as at 31st March 2023). The fair valuation is based on current prices in the active market for similar lands. The main inputs used are quantum, area, location, demand, etc.

Note 5.1 : Investments in an associate

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Investment in equity instruments of an associate (fully paid up)		
Unquoted		
Investment in an associate		
Non-current equity investments (unquoted) in Hind Lamps Limited. – 1,140,000 (March 31, 2023 - 1,140,000) equity shares of ₹ 25 each	–	–
Accumulated impairment allowance in value of investments in Hind Lamps Limited	**-**	**-**
Total investments in an associate	**-**	**-**

Note 5.2 : Financial assets (Investments)

(a) **Investment in equity instruments**

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Measured at fair value through profit and loss		
Unquoted		
Investment in mutual funds		
Investment in equity/debt mutual funds	3,004.50	4,078.23
	3,004.50	**4,078.23**

(₹ in Lakhs)

Particulars	No. of Units as on March 31, 2024	No. of Units as on March 31, 2023	Value as on March 31, 2024	Value as on March 31, 2023
ICICI Prudential - Money Market Fund	–	158,830.98	–	515.10
ICICI Prudential - Overnight Fund	38,828.39	24,860.12	501.09	300.43
HDFC Mutual Fund - Money Market Fund	–	10,469.98	–	515.30
HDFC Mutual Fund - Liquid Fund	1.20	–	0.06	–

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 5.2 : Financial assets (Investments) (Contd..)

(₹ in Lakhs)

Particulars	No. of Units as on March 31, 2024	No. of Units as on March 31, 2023	Value as on March 31, 2024	Value as on March 31, 2023
HDFC Mutual Fund - Overnight Fund	14,087.24	9,025.93	500.54	300.42
LIC Mutual Fund - Liquid Fund	-	1.28	-	0.05
DSP Mutual Fund - Money Market Fund	-	1,120,166.24	-	515.14
DSP Mutual Fund - Overnight Fund	-	25,022.25	-	300.43
SBI Mutual Fund - Money Market Fund	-	1,371,425.20	-	515.26
SBI Mutual Fund - Overnight Fund	12,848.31	8,232.51	500.53	300.42
Tata Mutual Fund - Overnight Fund	39,625.06	-	500.56	-
Mirae Asset Mutual Fund - Overnight Fund	40,816.84	-	501.09	-
Kotak Mutual Fund - Money Market Fund	-	13,455.57	-	515.12
Kotak Mutual Fund - Liquid Fund	-	-	0.06	-
Kotak Mutual Fund - Overnight Fund	39,189.49	25,123.67	500.57	300.56
Total			**3,004.50**	**4,078.23**
Aggregate value of quoted investments			3,004.50	4,078.23
Aggregate value of impairment in value of investment			-	-

Note 5.3 : Financial assets (Investments - Non-Current)

(a) Investment in equity instruments

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Measured at fair value through profit and loss		
Unquoted		
Investment in equity shares		
Non-current equity investments (unquoted) in M. P. Lamps Limited *	2.40	2.40
- 48,000 (March 31, 2023 - 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, 2023 - 95,997) equity shares of ₹ 10/- each; (Partly paid shares - ₹ 1.25 Per share paid up, Called up ₹ 5 per share)."		
Accumulated Fair value loss recorded in value of investments M. P. Lamps Limited.	(2.40)	(2.40)
	-	-
Non-current equity investments (unquoted) in Mayank Electro Ltd.	0.10	0.10
- 100 (March 31, 2023 - 100) equity shares of ₹ 100/- each.		
Total equity instruments	**0.10**	**0.10**

(b) Investment in debt instruments

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Measured at fair value through profit and loss		
Unquoted		
Investment in venture capital fund		
Units of Bharat Innovation Fund - 4,189.470 Units as on March 31, 2024 (4,189.470 Units as on March 31, 2023)	492.67	600.11
Investment in other securities		
Gold coins	0.37	0.37
Total debt instruments	**493.04**	**600.48**
Total non-current investments	**493.14**	**600.58**
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	493.14	600.58

* 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 Lakhs have not been paid by the Parent Company. On principles of prudence the entire investment in M.P. Lamps Ltd. is considered as impaired and accordingly carried at ₹ NIL.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 6 : Trade receivables

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current	116,317.50	111,130.26
Non-current	1,293.37	1,975.05
	117,610.87	**113,105.31**
Unsecured, considered good	117,610.87	113,105.31
Unsecured, with significant increase in credit risk	–	–
Unsecured, credit impaired	6,649.85	6,224.83
Total	**124,260.72**	**119,330.14**
Impairment allowance, credit impaired (allowance for bad and doubtful debts)	(6,649.85)	(6,224.83)
Total trade receivables (net of impairment allowance)	**117,610.87**	**113,105.31**

The above includes receivables from related parties. Refer note 38 for more details.

Transferred receivables

The carrying amount of trade receivables, include receivables which are subject to factoring arrangements and channel financing facilities. Under this arrangement the Parent Company has transferred the relevant receivables to the factor in exchange for cash. The Parent 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 other financial liabilities.The amount repayable under the factoring agreement is presented as trade credits in note 22.1

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Trade credits (Note 22.1)	59,442.37	57,967.35
Total Transferred receivables	**59,442.37**	**57,967.35**

Trade receivable are non-interest bearing and are generally received within the credit period. 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.

Trade Receivables ageing schedule as at 31st March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from *						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	–	106,872.00	7,666.85	508.28	736.82	1,826.92	117,610.87
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables — credit impaired	–	–	384.21	328.61	766.57	2,621.97	4,101.36
(iv) Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables — credit impaired	–	–	0.01	1,825.89	0.01	722.58	2,548.49
Total	**-**	**106,872.00**	**8,051.07**	**2,662.78**	**1,503.40**	**5,171.47**	**124,260.72**

Trade Receivables ageing schedule as at 31st March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from *						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	–	99,968.66	6,403.76	2,630.43	766.21	3,336.25	113,105.31
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade Receivables — credit impaired	–	–	253.97	653.50	57.50	2,613.75	3,578.72
(iv) Disputed Trade Receivables — considered good	–	–	–	–	–	–	–
(v) Disputed Trade Receivables — which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade Receivables — credit impaired	–	–	0.47	1,964.35	–	681.29	2,646.11
Total	**-**	**99,968.66**	**6,658.20**	**5,248.28**	**823.71**	**6,631.29**	**119,330.14**

* Outstanding from the transaction date for FY24 & FY23

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 7 : Loans

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current		
Unsecured, considered good	50.38	34.59
Total current loans	**50.38**	**34.59**

Note 8 : Other financial assets

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Security deposits, considered good	3,295.41	2,394.65
Security deposits, credit impaired	97.13	140.45
Impairment allowance for credit impaired security deposits	(97.13)	(140.45)
	3,295.41	**2,394.65**
Long term deposits with banks with maturity period of more than 12 months (provided as security for various regulatory registrations)	1,182.43	92.96
Interest accrued on bank deposits	549.69	7.57
Total non-current other financial assets	**5,027.53**	**2,495.18**

For breakup of financial assets carried at amortised cost, refer note 34. For deposits with related parties, refer note 38

Note 9 : Deferred tax assets (net)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Deferred tax assets	6,627.66	6,767.53
Deferred tax liabilities	(6,097.33)	(7,307.26)
Total deferred tax assets/ (liabilities) (net)	**530.33**	**(539.73)**

Breakup and movement in deferred tax assets

(₹ in Lakhs)

Particulars	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	Carried forward losses *	Lease liabilities and Others	Total
As at 31st March, 2022	**(51.01)**	**7.38**	**3,446.93**	**1.40**	**528.44**	**8,485.53**	**2,821.47**	**15,240.14**
(Charged) / Credited :								
to statement of profit and loss	89.02	140.07	(666.01)	(0.55)	23.34	(3,415.22)	495.52	(3,333.83)
to other comprehensive income	-	-	-	-	-	-	(68.47)	(68.47)
transferred to income tax assets	-	-	-	-	-	(5,070.31)	-	(5,070.31)
As at 31st March, 2023	**38.01**	**147.45**	**2,780.92**	**0.85**	**551.78**	**-**	**3,248.52**	**6,767.53**
(Charged) / Credited :								
to statement of profit and loss	93.19	47.78	141.55	(0.85)	28.34	1,414.71	(571.20)	1,153.52
to other comprehensive income	2.37	-	-	-	-	-	-	2.37
to discontinued operations	(56.13)	(28.76)	(1,126.02)	-	-	-	(84.85)	(1,295.76)
As at 31st March, 2024	**77.44**	**166.47**	**1,796.45**	**-**	**580.12**	**1,414.71**	**2,592.47**	**6,627.66**

* Movement for FY 23-24 of ₹ 1,414.71 lakhs pertains to deferred tax assets created on the losses of the subsidiary (Nirlep Appliances Private Limited) pursuant to the merger, which were not earlier accounted as there was no reasonable certainty.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 9 : Deferred tax assets (net) (Contd..)

Breakup and movement in deferred tax liabilities

(₹ in Lakhs)

Particulars	Property, plant and equipment	Intangible Assets	Financial Assets measured at Amortised Cost	Financial Liabilities measured at Amortised Cost	Employee benefit obligations (gratuity)	Investment properties	Right of Use assets and Others	Total
As at 31st March, 2022	**2,396.79**	**138.67**	**104.42**	**163.04**	**-**	**2,568.70**	**1,724.98**	**7,096.60**
Charged / (credited) :								
to Statement of Profit or Loss	(33.74)	(85.21)	3.20	(163.04)	-	(789.42)	1,278.87	210.66
As at 31st March, 2023	**2,363.05**	**53.46**	**107.62**	**-**	**-**	**1,779.28**	**3,003.85**	**7,307.26**
Charged / (credited) :								
to Statement of Profit or Loss	(109.71)	(53.46)	(32.47)	-	-	868.93	(1,529.14)	(855.85)
to discontinued operations	(354.08)	-	-	-	-	-	-	(354.08)
As at 31st March, 2024	**1,899.26**	**-**	**75.15**	**-**	**-**	**2,648.21**	**1,474.71**	**6,097.33**

Note 10 : Other non-current assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Capital advances	1,871.48	1,966.58
Impairment allowance for credit impaired capital advances	(6.63)	(24.94)
	1,864.85	**1,941.64**
Sales tax recoverables	2,499.17	389.69
Balances with government authorities	80.83	-
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	3,047.26	3,454.58
Others	1,263.54	6,501.52
	8,755.65	**12,287.43**
Impairment allowance for doubtful advances	(258.80)	(267.24)
Total other non-current assets	**8,496.85**	**12,020.19**

Note 11 : Inventories

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Raw material	7,266.08	10,668.73
Work-in-progress	2,872.34	3,210.20
Finished goods	1,789.40	1,467.85
Traded goods	60,428.07	77,202.72
Material in Transit (traded goods)	2,261.77	3,531.06
Others (majorly stores and spares)	1,046.37	1,479.14
Total Inventories	**75,664.03**	**97,559.70**

The above includes provision of inventories of ₹ 4,553.96 lakhs and ₹ 3,814.46 lakhs for March 31, 2024 and March 31, 2023 respectively.

Note 12 : Cash and cash equivalents

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Balances with banks		
in current accounts	2,111.23	2,619.41
in cash credit accounts	5,776.30	5,482.47
Deposits with orignal maturity of less than three months	3,513.45	26,041.44
Cash on hand	1.17	8.20
Total cash and cash equivalents	**11,402.15**	**34,151.52**

There are no restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 12.1 : Bank balances

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Unpaid Dividend Accounts *	48.62	60.32
Fixed deposit under lien	-	144.75
Deposits with maturity of more than three months & less than twelve months	16,013.45	2,545.67
Others	4.37	120.94
Total other bank balances	**16,066.44**	**2,871.68**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2024 and March 31, 2023

Note 13 : Other current financial assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Interest accrued on bank deposits	136.01	201.41
Security deposits	948.27	590.11
Receivable from Gratuity Fund	-	192.14
Derivative Asset	-	135.83
Total other current financial assets	**1,084.28**	**1,119.49**

For deposits with related parties, refer note 38

Note 14 : Other current assets

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Export benefits receivable	58.16	683.34
Balances with government authorities	13,627.71	14,694.93
Right to reimbursement against employee benefit obligations for insurers who are related parties (Non-qualifying insurance policies)	1,950.12	1,774.16
Others *	21,087.98	11,361.72
Sales tax recoverables	113.53	113.53
Total other current assets	**36,837.50**	**28,627.68**

*Others mainly includes warranty insurance assets of ₹ 5,715.82 lakhs (March 31, 2023 ₹ NIL lakhs), insurance claims receivable of ₹ 3,378.22 lakhs (March 31, 2023 ₹ 416.03 lakhs) and advances to suppliers of ₹ 11,454.96 lakhs (March 31, 2023 ₹ 10,376.73 lakhs)

Note 15 : Assets classified as held for sale

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Leasehold premises *	219.40	219.40
Ownership premises **	240.69	
Discontinued operations (EPC segment of the Parent Company), pursuant to the scheme of demerger (refer note 45)	-	108,091.78
Total assets classified as held for sale	**460.09**	**108,311.18**

* Upon relocation of Parent Company's employees to new office premises in Mumbai, the erstwhile leasehold immovable property together with buildings and structure standing thereon was lying vacant. Therefore, the Board of Directors of the Parent 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 local / municipal authorities the transaction execution is pending. The purchaser and the Parent Company are committed for the transaction to consummated.

The asset held for sale of ₹219.40 lakhs are not attached to any reported business segment but part of other unallocable assets. The Parent Company has received an advance of ₹ 800 lakhs from the purchaser in relation to this sale and is expected to be completed in near future. The same is shown as a liability under other current liabilities.

** ₹ 240.69 lakhs pertains to an ownership office premise at Mohali, for which the Board of Directors of the Parent Company have approved the sale in favour of the purchaser vide Resolution dated October 27, 2023. The said transaction is expected to be completed in FY24-25.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Authorised	Amount	Amount
75,50,00,000 *** equity shares (March 31, 2023 - 71,25,00,000) of ₹ 2/- each.	15,100.00	14,250.00

i) Movement in Issued, Subscribed and Paid up Equity Share Capital

Issued capital

(₹ in Lakhs)

Particulars	No of Shares	Amount
As at 31st March 2023	**114,874,114**	**2,297.48**
Exercise of Options under employee stock option scheme (refer note iv below)	201,505	4.03
Issue pursuant to merger of Starlite Lighting Limited	19	0.00
As at 31st March 2024	**115,075,638**	**2,301.51**
Exercise of Options under employee stock option scheme (refer note iv below)	120,440	2.41
As at 31st March 2024	**115,196,078**	**2,303.92**
Paid-up capital	-	
Calls in arrears @ ₹ 2 per share, under rights issue (refer note iii below)	(55)	(0.00)
As at 31st March 2024	**115,196,023**	**2,303.92**

ii) Terms and rights attached to equity shares

The Parent 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 Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent 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:

(₹ in Lakhs)

Name of the Shareholder	As at 31st March 2024		As at 31st March 2023	
	Nos.	% Holding	Nos.	% Holding
Jamnalal Sons Private Limited	22,548,276	19.57	22,548,276	19.59
Bajaj Holdings & Investment Limited	19,136,840	16.61	19,136,840	16.63
Kiran Bajaj	7,545,224	6.55	7,545,224	6.56
HDFC Small Cap Fund	6,793,915	5.90	6,475,269	5.63
Smallcap World Fund, Inc	-	-	6,098,271	5.30

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 Parent Company, please refer Note 33.

v) Change in promoter shareholding

(₹ in Lakhs)

Promoter Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Promoters					
Mr. Shekhar Bajaj	1,814,639	1.58%	1,814,639	1.58%	0.00%
Mr. Madhur Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Mr. Niraj Bajaj	1,130,882	0.98%	1,130,882	0.98%	0.00%
Mr. Sanjivnayan Bajaj *	428,749	0.37%	428,749	0.37%	0.00%
Mr. Rahulkumar Bajaj **	NA	NA	NA	NA	0.00%
Mr. Rajivnayan Bajaj ****	0	0.00%	NA	NA	0.00%
Promoter Group					
Individuals :					
Mrs. Kiran Bajaj	7,545,224	6.55%	7,545,224	6.56%	(0.01%)
Ms. Neelima Bajaj Swamy	200,000	0.17%	200,000	0.17%	0.00%
Ms. Minal Bajaj	694,674	0.60%	694,674	0.60%	0.00%

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

(₹ in Lakhs)

Promoter Name	As at 31st March 2024		As at 31st March 2023		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Ms. Geetika Bajaj	2,160,084	1.88%	2,160,084	1.88%	0.00%
Ms. Nimisha Jaipuria	0.00%	0.00%	NA	NA	0.00%
Ms. Sunaina Kejriwal	1,240,730	1.08%	1,240,730	1.08%	0.00%
Mr. Niravnayan Bajaj	282,507	0.25%	282,507	0.25%	0.00%
Ms. Kumud Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Ms. Pooja Bajaj	1,541,875	1.34%	1,541,875	1.34%	0.00%
Ms. Suman Jain	110,700	0.10%	110,700	0.10%	0.00%
Ms. Kriti Bajaj	101,297	0.09%	101,297	0.09%	0.00%
Ms. Shefali Bajaj	33,767	0.03%	33,767	0.03%	0.00%
Ms. Deepa Bajaj	1,126	0.00%	1,126	0.00%	0.00%
Master Vanraj Bajaj	1,843,556	1.60%	1,843,556	1.60%	0.00%
Bodies Corporate					
Jamnalal Sons Private Limited	22,548,276	19.57%	22,548,276	19.59%	(0.02%)
Bajaj Holdings And Investment Limited	19,136,840	16.61%	19,136,840	16.63%	(0.02%)
Hind Musafir Agency Limited	1,288,000	1.12%	1,288,000	1.12%	0.00%
Baroda Industries Private Limited	1,412,738	1.23%	1,412,738	1.23%	0.00%
Bajaj International Private Limited	917,881	0.80%	917,881	0.80%	0.00%
Hercules Hoists Limited	624,596	0.54%	624,596	0.54%	0.00%
Shekhar Holdings Private Limited	540,253	0.47%	540,253	0.47%	0.00%
Rahul Securities Private Limited	467,093	0.41%	467,093	0.41%	0.00%
Bachhraj Factories Private Limited	105,466	0.09%	105,466	0.09%	0.00%
Bajaj Sevashram Private Limited	5,550	0.00%	5,550	0.00%	0.00%
Bachhraj And Company Private Limited	66,585	0.06%	66,585	0.06%	0.00%
Kamalnayan Investment & Trading Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Madhur Securities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Niraj Holdings Private Limited	472,162	0.41%	1,110	0.00%	0.41%
Rupa Equities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Sanraj Nayan Investments Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Trusts					
Geetika Trust No.2 (Kiran Bajaj as a Trustee)	NA	NA	NA	NA	0.00%
Niravnayan Trust (Niraj Bajaj as a Trustee)	524,721	0.46%	524,721	0.46%	0.00%
Neelima Bajaj Swamy Family Trust (Neelima Bajaj Swamy as a Trustee)	812,973	0.71%	812,973	0.71%	0.00%
Nimisha Jaipuria Family Trust (Nimisha Jaipuria as a Trustee)	628,043	0.55%	628,043	0.55%	0.00%
Kriti Bajaj Family Trust (Minal Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.43%	0.00%
Niravnayan Bajaj Family Trust (Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.43%	0.00%
Rishab Family Trust	0	0.00%	471,052	0.41%	(0.41%)
Sanjali Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Siddhant Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Nimisha Bajaj Family Trust (Madhur Bajaj as a Trustee)	206,575	0.18%	206,575	0.18%	0.00%
Neelima Bajaj Family Trust (Kumud Bajaj as a Trustee)	21,644	0.02%	21,644	0.02%	0.00%
Vanraj Bajaj Trust (Kiran Bajaj as a Trustee)	1,000,000	0.87%	1,000,000	0.87%	0.00%
Kumud Neelima Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Kumud Nimisha Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Neelima Family Trust (Kumud Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Nimisha Family Trust (Kumud Bajaj as a Trustee)	125,799	0.11%	125,799	0.11%	0.00%
Total	**72,342,279**	**62.82%**	**72,342,279**	**62.86%**	**(0.04%)**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

(₹ in Lakhs)

Promoter Name	As at 31st March 2023		As at 31st March 2022		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Promoters					
Mr. Shekhar Bajaj	1,814,639	1.58%	1,814,639	1.58%	0.00%
Mr. Madhur Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Mr. Niraj Bajaj	1,130,882	0.98%	1,130,882	0.98%	0.00%
Mr. Sanjivnayan Bajaj *	428,749	0.37%	428,749	0.37%	0.00%
Mr. Rahulkumar Bajaj **	NA	NA	NA	NA	0.00%
Promoter Group					
Individuals :					
Mrs. Kiran Bajaj	7,545,224	6.56%	7,545,224	6.57%	(0.01%)
Ms. Neelima Bajaj Swamy	200,000	0.17%	200,000	0.17%	0.00%
Ms. Minal Bajaj	694,674	0.60%	694,674	0.60%	0.00%
Ms. Geetika Bajaj	2,160,084	1.88%	2,160,084	1.88%	0.00%
Ms. Nimisha Jaipuria	NA	NA	NA	NA	0.00%
Ms. Sunaina Kejriwal	1,240,730	1.08%	1,240,730	1.08%	0.00%
Mr. Niravnayan Bajaj	282,507	0.25%	282,507	0.25%	0.00%
Ms. Kumud Bajaj	200,000	0.17%	200,000	0.17%	0.00%
Ms. Pooja Bajaj	1,541,875	1.34%	1,989,875	1.73%	(0.39%)
Ms. Suman Jain	110,700	0.10%	110,700	0.10%	0.00%
Ms. Kriti Bajaj	101,297	0.09%	101,297	0.09%	0.00%
Ms. Shefali Bajaj	33,767	0.03%	33,767	0.03%	0.00%
Ms. Deepa Bajaj	1,126	0.00%	1,126	0.00%	0.00%
Master Vanraj Bajaj	1,843,556	1.60%	1,843,556	1.60%	0.00%
Bodies Corporate					
Jamnalal Sons Private Limited	22,548,276	19.59%	22,443,275	19.54%	0.06%
Bajaj Holdings And Investment Limited	19,136,840	16.63%	18,793,840	16.36%	0.27%
Hind Musafir Agency Limited	1,288,000	1.12%	1,288,000	1.12%	0.00%
Baroda Industries Private Limited	1,412,738	1.23%	1,412,738	1.23%	0.00%
Bajaj International Private Limited	917,881	0.80%	917,881	0.80%	0.00%
Hercules Hoists Limited	624,596	0.54%	624,596	0.54%	0.00%
Shekhar Holdings Private Limited	540,253	0.47%	540,253	0.47%	0.00%
Rahul Securities Private Limited	467,093	0.41%	467,093	0.41%	0.00%
Bachhraj Factories Private Limited	105,466	0.09%	105,466	0.09%	0.00%
Bajaj Sevashram Private Limited	5,550	0.00%	5,550	0.00%	0.00%
Bachhraj And Company Private Limited	66,585	0.06%	66,585	0.06%	0.00%
Kamalnayan Investment & Trading Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Madhur Securities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Niraj Holdings Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Rupa Equities Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Sanraj Nayan Investments Private Limited	1,110	0.00%	1,110	0.00%	0.00%
Trusts					
Geetika Trust No.2 (Kiran Bajaj as a Trustee)	NA	NA	NA	NA	0.00%
Niravnayan Trust (Niraj Bajaj as a Trustee)	524,721	0.46%	524,721	0.46%	0.00%
Neelima Bajaj Swamy Family Trust (Neelima Bajaj Swamy as a Trustee)	812,973	0.71%	812,973	0.71%	0.00%
Nimisha Jaipuria Family Trust (Nimisha Jaipuria as a Trustee)	628,043	0.55%	628,043	0.55%	0.00%
Kriti Bajaj Family Trust (Minal Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.44%	0.00%
Niravnayan Bajaj Family Trust (Niraj Bajaj as a Trustee)	500,000	0.43%	500,000	0.44%	0.00%
Rishab Family Trust	471,052	0.41%	471,052	0.41%	0.00%
Sanjali Family Trust	262,717	0.23%	262,717	0.23%	0.00%
Siddhant Family Trust	262,717	0.23%	262,717	0.23%	0.00%

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 16 : Equity share capital (Contd..)

(₹ in Lakhs)

Promoter Name	As at 31st March 2023		As at 31st March 2022		% change during the year
	No of shares	% of total shares	No of shares	% of total shares	
Nimisha Bajaj Family Trust (Madhur Bajaj as a Trustee)	206,575	0.18%	206,575	0.18%	0.00%
Neelima Bajaj Family Trust (Kumud Bajaj as a Trustee)	21,644	0.02%	21,644	0.02%	0.00%
Vanraj Bajaj Trust (Kiran Bajaj as a Trustee)	1,000,000	0.87%	1,000,000	0.87%	0.00%
Kumud Neelima Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Kumud Nimisha Family Trust (Madhur Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Neelima Family Trust (Kumud Bajaj as a Trustee)	125,800	0.11%	125,800	0.11%	0.00%
Madhur Nimisha Family Trust (Kumud Bajaj as a Trustee)	125,799	0.11%	125,799	0.11%	0.00%
Total	**72,342,279**	**62.86%**	**72,342,278**	**62.98%**	**(0.11%)**

* Considered as a Promoter post demise of Mr. Rahulkumar Bajaj on February 12, 2022

** Ceased to be a promoter post sad demise on February 12, 2022

*** Amended with effect from March 31, 2024, pursuant to the Scheme of Merger by Absorption of Nirlep Appliances Private Limited with Bajaj Electricals Limited and their respective Shareholders under Section 230-232 of the Companies Act, 2013 (which was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated March 1, 2024, having reference number as C.P.(CAA)/250(MB)2023 connected with C.A.(CAA)/246(MB)2022).

**** Rajivnayan Bajaj classified in Promoter category from June, 2023 quarter

Note 17 : Other Equity

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
i) Securities premium reserve	67,307.46	66,594.40
ii) General reserve	45,967.75	45,967.75
iii) Share options outstanding account	2,698.94	1,874.06
iv) Retained earnings	27,895.47	76,069.03
v) Capital reserve	175.18	175.18
vi) Capital redemption reserve	135.71	135.71
vii) Efective portion of cash flow hedges	(38.31)	(68.91)
viii) Share application money pending allotment	3.03	-
ix) Amalgamation adjustment reserve	(2,327.15)	(2,327.15)
Total reserves and surplus	**141,818.08**	**188,420.07**

i) Securities premium reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**66,594.40**	**65,356.13**
Add: Exercise of share options	505.92	893.24
Add: Exercise of share options - transferred from shares options outstanding account	207.14	344.84
Add: Issue of share capital	-	0.19
Closing Balance	**67,307.46**	**66,594.40**

ii) General Reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**45,967.75**	**45,967.75**
Closing Balance	**45,967.75**	**45,967.75**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 17 : Other Equity (Contd..)

iii) Shares options outstanding account

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**1,874.06**	**1,198.56**
Add : Employee stock option expense for the year	1,087.46	1,084.00
Less : Transferred to retained earnings on account on lapse of vested options	(55.44)	(63.66)
Less : Exercise of options - to securities premium	(207.14)	(344.84)
Closing Balance	**2,698.94**	**1,874.06**

iv) Retained earnings

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**76,069.03**	**57,936.30**
Add: Net profit for the year	13,107.51	21,618.40
Add: Other comprehensive income	16.10	203.73
Add : Transferred from share options reserve for vested cancelled options	55.44	63.66
Less: Dividend on equity shares	(4,604.08)	(3,447.13)
Less: Derecognised pursuant to discontinued operations (refer note 45)	(56,748.53)	-
Less: Transfer from minority interest on account of business combination	-	(305.93)
Closing Balance	**27,895.47**	**76,069.03**

v) Capital reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**175.18**	**175.18**
Closing Balance	**175.18**	**175.18**

vi) Capital redemption reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**135.71**	**135.71**
Closing Balance	**135.71**	**135.71**

vii) Effective Portion of Cashflow Hedges

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**(68.91)**	**88.29**
Add / (less): Charge for the year	37.69	(125.98)
Add / (less): Other comprehensive loss	(7.09)	(31.22)
Closing Balance	**(38.31)**	**(68.91)**

viii) Share application money pending allotment

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	-	-
Add / (less) : (Issue of share capital) / share application monies received	3.03	(0.19)
Less: Transfer from minority interest on accuont of business combination	-	0.19
Closing Balance	**3.03**	-

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 17 : Other Equity (Contd..)

ix) Amalgamation adjustment reserve

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Balance	**(2,327.15)**	**-**
Less: Transfer from minority interest on account of business combination	-	(2,327.15)
Closing Balance	**(2,327.15)**	**(2,327.15)**

Nature and purpose of reserves

Securities Premium

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Parent Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Share options outstanding account

The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Effective Portion of Cashflow Hedges

The Group uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Group uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.

Amalgamation adjustment reserve

The Group creates amalgamation adjustment reserve on account of business combination pursuant to any schemes for merger/demerger, etc.

Retained earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Capital reserve

In case of business combinations, if the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Capital redemption reserve

The Parent Company in the past had redeemed certain preference shares of ₹ 1,000.00 lakhs. The Parent Company had set aside an equal amount from retained earnings into capital redemption reserve. Further, the said capital redemption reserve was used for issue of bonus shares in the year ended March 31, 2008 and an amount of ₹ 864.29 lakhs was utilised from the said reserve.

Distribution paid and proposed

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Dividend proposed		
Final dividend proposed for the year ended March 31, 2024 of 3/- per share	3,455.88	-
Dividend paid:		
Final dividend paid for the year ended March 31, 2023 of 4/- per share and March 31, 2022 of 3/- per share	4,604.08	3,447.13

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 18 : Borrowings

(₹ in Lakhs)

Particulars	Note No.	31-Mar-24	31-Mar-23
Current			
Unsecured			
Sales tax deferral liability (payable in June 2023)	Note a	-	16.65
Total unsecured current borrowings		**-**	**16.65**

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. There are no amounts outstanding as on March 31, 2024.

Note b : Below are the details of the assets hypothecated and immovable properties charged towards the facility of fund and non-fund based limits with the Group

First pari passu charge by way of hypothecation of inventories, book debts and all movable assets under the head 'property, plant and equipment

First pari passu charge on the Parent Company's immovable properties at

- Wardha premises - Plot no. 36, Block no. 17, Mouza no. 225, Bacharaj road, Gandhi Chowk, Wardha
- Hari Kunj - Flat No. 103 and 104, 'B' wing, Sindhi Society, Chembur East, Mumbai - 400071

Second pari passu charge over present and future property, plant and equipment of the Parent Company, situated at

- Chakan Unit : Village Mahalunge, Chakan Talegaon Road, Khed, Pune - 410501;
- Showroom on Ground floor and Office Premises on Second Floor at Bajaj Bhawan 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.
- Office Premises No : 001, 502 and 701, 'Rustomjee Aspiree', Bhanu Shankar Yagnik Marg, Off Eastern Highway, Sion (East), Mumbai - 400 022
- R & D centre at Plot no. 27/ pt 2/ at Millennium Business Park, TTC Industrial area, Mahape, Navi Mumbai

The below assets of the subsidiary have been kept on charge for the secured borrowings.

- First and exclusive charge by way of mortgage of land & building at Gut No. 16 Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of mortgage of land at Gut No 09, situated at Naighavan Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of hypothecation of plant and machinery at Gut No 16, Naigavhan, Khandewadi, Tq. Paithan, Paithan Road, Aurangabad.
- First and exclusive charge by way of hypothecation of inventory and receivables of the subsidiary.

The Parent Company has not defaulted on any loans which were due for repayment during the year.

Note c : The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken. Further, the Group has borrowings from banks or financial institutions on the basis of security of current assets and has filed quarterly returns / statement of current assets with banks or financial institutions which are in agreement with the books of accounts.

Note 19 : Other Financial Liabilities

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Non Current		
Employee benefit liabilities	16.35	16.52
Total other non-current financial liabilities	**16.35**	**16.52**
Current	31-Mar-24	31-Mar-23
Capital creditors	312.34	379.10
Unpaid dividends	48.62	60.32
Trade deposits (dealers, vendors etc.)	664.65	808.95
Derivative liability	2.18	-
Other payables *	968.64	32,720.37
Liability towards corporate social responsibility (shortfall) (refer note 43)	122.13	175.29
Employee benefit liabilities	4,401.01	5,998.63
Total other current financial liabilities	**6,519.57**	**40,142.66**

* includes ₹ 31,557.03 lakhs payable to Bajel Projects Limited purusant to the scheme of demerger.

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.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 20 : Provisions

(₹ in Lakhs)

Particulars	31-Mar-24			31-Mar-23		
	Current	Non Current	Total	Current	Non Current	Total
Service warranties*	4,477.05	969.70	5,446.75	4,173.48	1,689.40	5,862.88
Legal claims	302.41	-	302.41	200.69	-	200.69
Other matters**	448.16	-	448.16	508.16	-	508.16
Total Provisions	**5,227.62**	**969.70**	**6,197.32**	**4,882.33**	**1,689.40**	**6,571.73**

Movement in provisions is as given below:

(₹ in Lakhs)

Particulars	Service Warranties	Legal Claims	Other matters
Opening balance as on 1st April, 2022	**8,147.02**	**373.42**	**1,643.46**
Utilised during the year	(2,284.14)	(172.73)	(1,135.30)
Closing balance as on 31st March, 2023	**5,862.88**	**200.69**	**508.16**
Provision for the year	-	101.72	-
Utilised during the year	(416.13)	-	(60.00)
Closing balance as on 31st March, 2024	**5,446.75**	**302.41**	**448.16**

*Refer note 1D(1)

**The Group 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 21 : Employee Benefit Obligations

(₹ in Lakhs)

Particulars	31-Mar-24			31-Mar-23		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	458.03	1,356.61	1,814.64	374.57	1,165.79	1,540.36
Interest rate guarantee on provident fund	-	547.58	547.58	-	311.23	311.23
Gratuity (refer note a below)	866.76	3,286.32	4,153.08	885.28	3,404.64	4,289.92
Total employee benefit obligations	**1,324.79**	**5,190.51**	**6,515.30**	**1,259.85**	**4,881.66**	**6,141.51**

Disclosure of defined benefit plans are as given below :

A. Gratuity :

The Group 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 Group is greater of the two : (i) The provisions of the Payment of Gratuity Act, 1972 or (ii) The Group'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	₹ 20 lakhs

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

(ii) **The Group's gratuity scheme :**

Benefits as per the Group'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 Group'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.

In case of employees with age above the retirement age, the retirement is assumed to happen immediately and valuation is done accordingly.

Changes in the Present Value of Obligation are as given below (Amounts in INR Lakhs) :

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-24	For the year ended 31-Mar-23
Present Value of Obligation as at the beginning	**4,490.07**	**4,501.91**
Current Service Cost	480.21	460.40
Interest Cost	326.52	303.54
Re-measurement (gain) / loss arising from:	-	
- change in demographic assumptions	-	(184.59)
- change in financial assumptions	19.83	(90.69)
- experience adjustments (i.e. Actual experience vs assumptions)	25.09	(130.64)
Benefits Paid	(425.51)	(369.86)
Acquisition Adjustment (SLL Mfg absorbed in Merger)	-	-
Present Value of Obligation as at the end	**4,916.21**	**4,490.07**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Changes in the Fair Value of Plan Assets is as given below (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Plan Assets as at the beginning	200.15	682.36
Adjustment on account of merger	516.14	-
Investment Income	52.04	45.00
Employer's Contribution	-	-
Benefits Paid	(67.94)	(124.05)
Return on plan assets , excluding amount recognised in interest (expense)/income	62.74	(403.16)
Fair Value of Plan Assets as at the end	**763.13**	**200.15**

Changes in the Fair Value of Reimbursement Right is as given below * (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Reimbursement Right as at the beginning	4,232.55	3,958.57
Adjustment on account of merger	666.37	-
Less : Assets transferred to BAJEL as per Arrangement of Scheme	(1,408.76)	-
Investment Income	355.93	261.08
Employer's Contribution	-	-
Benefits Paid	(436.98)	(389.56)
Return on plan assets , excluding amount recognised in interest (expense)/income	435.07	402.46
Fair Value of Reimbursement Right as at the end	**3,844.18**	**4,232.55**

* 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 disclosed in Note 10 and Note 14 of the consolidated financials statements

Amount recognised in balance sheet is as given below (Amounts in INR Lakhs) :

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	4,916.21	4,490.07
Fair Value of Plan Assets	763.13	200.15
Surplus / (Deficit)	4,153.08	4,289.92
Effects of Asset Ceiling, if any	-	-
Net Actuarially Valued Asset / (Liability)	4,153.08	4,289.92
Liability on an actual basis for employees at foreign branches	-	-
Total Net Asset / (Liability)	**4,153.08**	**4,289.92**

Amount recognised in statement of profit and loss and other comprehensive income is as given below (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Costs charged to statement of profit and loss :		
Current Service Cost	480.21	460.40
Interest Expense or Cost	326.52	303.54
Investment Income	(375.88)	(306.09)
Expense recognised in statement of profit and loss	**430.85**	**457.85**
Re-measurement (gain) / loss arising from:		
Change in demographic assumptions	-	(184.59)
Change in financial assumptions	19.83	(90.69)
Experience adjustments (i.e. Actual experience vs assumptions)	25.09	(137.88)
Adjustment due to corporate action / de-merger	132.61	-
Return on plan assets , excluding amount recognised in interest expense/(income)	(352.06)	0.70
(Income) / Expense recognised in Other Comprehensive Income	**(174.53)**	**(412.46)**
Total Expense Recognised during the year	**256.32**	**45.39**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Major categories of Plan Assets & Reimbursement Right (as percentage of Total Assets)

Particulars	As on	
	31-Mar-24	31-Mar-23
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-24	31-Mar-23
Discount rate (per annum) - Range	7.15%	7.25%
Salary growth rate (per annum) - Range	**8.50%**	**8.50%**

Demographic Assumptions

Particulars	As on	
	31-Mar-24	31-Mar-23
Mortality Rate	100% of IALM 12-14	100% of IALM 12-14
Withdrawal rates, based on age: (per annum) :		
Up to 30 years	27.00%	27.00%
31 - 44 years	18.00%	18.00%
Above 44 years	18.00%	18.00%

*For the subsidiary Nirlep, it is 1.6% across all the categories

Summary of Membership Status

Particulars	As on	
	31-Mar-24	31-Mar-23
Number of employees	2,040	2,406
Total monthly salary (₹ In Lakhs)	908.79	953.50
Average past service (years) - Range	5.83	6.72
Average age (years) - Range	37.27	37.39
Average remaining working life (years)	20.74	20.62
Number of completed years valued	11,044	16,157
Decrement adjusted remaining working life (years) - Range	4.54	4.58
Normal retirement age	58	58

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. The retirement date for Nirlep employee is the 58th date of birth of the employee

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. (Amounts in INR Lakhs)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Defined Benefit Obligation (Base)	4,916.19	5,913.95

(₹ in Lakhs)

Particulars	31-Mar-24		31-Mar-23	
	Result of decrease	Result of increase	Result of decrease	Result of increase
Discount Rate (- / + 1%)	5,101.33	4,753.18	6,139.49	5,702.07
(% change compared to base due to sensitivity)	3.77%	(3.32%)	24.88%	15.99%
Salary Growth Rate (- / + 1%)	4,766.20	5,083.58	5,718.42	6,117.18
(% change compared to base due to sensitivity)	(3.05%)	3.40%	16.32%	24.43%
Attrition Rate (- / + 50% of attrition rates)	5,320.02	4,714.47	6,357.45	5,695.06
(% change compared to base due to sensitivity)	8.21%	(4.10%)	29.32%	15.84%
Mortality Rate (- / + 10% of mortality rates)	4,917.75	4,920.99	5,912.39	5,912.47
(% change compared to base due to sensitivity)	0.03%	0.10%	20.26%	20.27%

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 Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

b Expected Contribution during the next annual reporting period (Amounts in INR Lakhs)

Particulars	31-Mar-24	31-Mar-23
The Group's best estimate of Contribution during the next year	607.52	650.03

c) Maturity Profile of Defined Benefit Obligation (Amounts in INR)

Particulars	31-Mar-24	31-Mar-23
Weighted average duration (based on discounted cashflows)	4 Years	4 Years

Expected cash flows over the next (valued on undiscounted basis):(Amounts in INR Lakhs):

Particulars	31-Mar-24	31-Mar-23
1 year	1,629.89	1,775.19
More than 1 and upto 2 years	575.27	775.69
More than 2 and upto 5 years	1,628.98	1,954.24
More than 5 and upto 10 years	1,685.95	2,001.55
More than 10 years	1,223.51	1,421.97

d) Asset liability matching strategies

For gratuity, the Group 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 Group 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)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

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 Group arises from the possibility that during anytime in the future, the scheme may earn insufficient investment income to meet the guaranteed interest rate declared by government / EPFO / relevant authorities as well as for fund assets shortfall as against the liabilities of the Trusts

The net defined benefit obligation as at the valuation date represents the excess of accumulated 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.

The Group'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 Group and the board of trustees. The board of trustees are composed of representatives of the Group and plan participants in accordance with the plan's regulations

Changes in the Present Value of Obligation of Trusts are as given below (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Present Value of Obligation as at the beginning	**20,328.77**	**18,154.10**
Interest Cost	1,551.07	1,288.11
Current Service Cost	1,028.10	906.03
Employee's Contributions	1,639.11	1,516.25
Transfer In / (out) of the liability	875.49	749.03
Benefits Paid	(2,619.42)	(2,343.73)
Re-measurement (gain) / loss arising from:		
– experience variance (i.e. Actual experience vs assumptions), loss if positive	52.31	116.85
– change in financial assumptions	189.41	(57.87)
Present Value of Obligation as at the end	**23,044.84**	**20,328.77**

Changes in the Fair Value of Plan Assets of Trusts are as given below (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Fair Value of Plan Assets as at the beginning	**20,418.54**	**18,146.23**
Investment Income	1,555.74	1,285.57
Employer's Contributions	973.59	848.57
Employee's Contributions	1,639.11	1,516.25
Transfers In	875.49	749.03
Benefits Paid	(2,619.42)	(2,343.73)
Return on plan assets , excluding amount recognised in interest (expense)/income	662.34	216.62
Fair Value of Plan Assets as at the end	**23,505.39**	**20,418.54**

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

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Amount recognised in balance sheet of Trusts is as given below:

Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (for Chakan unit employees) (Amounts in INR Lakhs) :

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	440.67	448.81
Fair Value of Plan Assets	1,018.38	966.73
Surplus / (Deficit)	577.71	517.92
Effects of Asset Ceiling, if any	–	–
Net Asset / (Liability)	**577.71**	**517.92**

The present value of obligation of Matchwel Electricals (India) Ltd Employees' Provident Fund Trust represents the aggregate of accumulated fund value of ₹ 430.98 lakhs (As on March 31, 2023 - ₹ 441.90 lakhs) and interest rate guarantee ₹ 9.70 lakhs (As on March 31, 2023 - ₹ 6.91 lakhs). Of the above, the interest rate guarantee is recognised as provision in the Group's books, while the accumulated fund value is recognised by the Trust. The interest rate guarantee so recognised in the Group's books is considered as non-current liability

Bajaj Electricals Limited Employees' Provident Fund Trust (for H.O. employees) (Amounts in INR Lakhs) :

Particulars	As on	
	31-Mar-24	31-Mar-23
Present Value of Obligation	22,604.19	19,879.97
Fair Value of Plan Assets	22,487.02	19,451.82
Surplus / (Deficit)	(117.17)	(428.15)
Effects of Asset Ceiling, if any	–	–
Net Asset / (Liability)	**(117.17)**	**(428.15)**

The present value of obligation of Bajaj Electricals Limited Employees' Provident Fund Trust represents the aggregate of accumulated fund value of ₹ 22,106.9 lakhs (As on March 31, 2023 - ₹ 19,574.05 lakhs) and interest rate guarantee ₹ 497.33 lakhs (As on March 31, 2023 - ₹ 305.92 lakhs). Of the above, the interest rate guarantee is recognised as provision in the Group's books, while the accumulated fund value is recognised by the Trust. The interest rate guarantee so recognised in the Group's books is considered as non-current liability.

Since interest rate guarantee is already accounted in BEL's books, the liability of ₹ 22,106.86 lakhs (As on Mar 31, 2023 - ₹ 19,574.05 lakhs) which is Accumulated Fund Value of ₹ 380.17 lakhs (As on Mar 31, 2023 - ₹ 122.23) in excess of Fair Value of Plan Assets of ₹ 22,487.02 (As on Mar 31, 2023 - ₹ 19,451.82 lakhs) is accounted by BEL as payable to Trust on shortfall of plan assets. During the financial year 2021-22, out of the liability which had arisen mainly on account of negative return on plan assets contributed by negative return on Trust's investment in IL&FS as well as DHFL in past years; the partial recovery in the form of fresh debt security units and cash has happened from DHFL and the differential value is funded by BEL to the Trust. BEL has also recorded full liability towards IL&FS which is to be paid by BEL to the Trust to the extent of unrecovered balances from IL&FS

Bajaj Electricals Limited can offset an asset relating to one plan against a liability relating to another plan when, and only when, Bajaj Electricals Limited has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and intends either to settle the obligations on a net basis, or to realize the surplus in one plan and settle its obligation under the other plan simultaneously. However the two trusts namely Matchwel Electricals (India) Ltd Employees' Provident Fund Trust (for Chakan employees) and Bajaj Electricals Limited Employees' Provident Fund Trust (for H.O. employees) are independent trusts. Accordingly, surplus assets of trust for Chakan employees cannot be offset against liability relating to trust for H.O. employees

Amount recognised in statement of profit and loss and other comprehensive income of Trusts is as given below (Amounts in INR Lakhs) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Costs charged to statement of profit and loss :		
Current Service Cost	1,028.10	906.03
Interest Cost	1,551.07	1,288.11
Investment Income	(1,555.74)	(1,285.57)
Expense recognised in statement of profit and loss	**1,023.43**	**908.57**
Re-measurement (gain) / loss arising from:		
– Experience variance (i.e. Actual experience vs assumptions) *"	52.31	116.85

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
– change in financial assumptions	189.41	(57.87)
Return on plan assets , excluding amount recognised in interest expense/(income)	(662.34)	(216.62)
Expense recognised in Other Comprehensive Income	**(420.62)**	**(157.64)**
Total Expense Recognised during the year	**602.81**	**750.93**

* included in other comprehensive income in the statement of profit and loss

The significant actuarial assumptions are as follows :

Financial and Demographic Assumptions

Financial and Demographic Assumptions

Particulars	As on 31-Mar-24		As on 31-Mar-23	
	HO Unit	Chakan Unit	HO Unit	Chakan Unit
Discount rate (per annum)	7.17%	7.17%	6.94%	6.94%
Interest rate guarantee (per annum)	8.25%	8.25%	8.10%	8.10%
Discount Rate for the Remaining Term to Maturity of the Investment (p.a.)	6.94%	6.94%	6.94%	6.94%
Average Historic Yield on the Investment (p.a.)	7.91%	7.82%	7.82%	7.82%
Mortality Rate	100.00%	100.00%	100.00%	100.00%

Particulars	As on	
	31-Mar-24	31-Mar-23
	Live Employees	Live Employees
Attrition Rate, based on ages:		
– Upto 30 years	4.99%	4.99%
– 31 to 44 years	3.63%	3.63%
– 45 to 57 years	3.62%	3.62%
– Above 57 years	0.38%	0.38%

Summary of Membership Status :

Particulars	As on	
	31-Mar-24	31-Mar-23
Dormant/Inoperative Employees	2,815	2,501
Live Number of employees	1,650	1,747
Total Number of employees	4,465	4,248
Average age (years)	40.00	36.88

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-24	31-Mar-23
Government of India securities	3.20%	3.70%
State Government securities	37.50%	38.60%
High quality corporate bonds	34.40%	33.60%
Equity shares of listed companies	0.00%	0.00%
Special Deposit Scheme	6.50%	7.50%
Funds managed by Insurer	0.00%	0.00%
Bank balance	0.40%	0.50%
Other Investments	18.00%	16.10%
Total	**100.00%**	**100.00%**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 21 : Employee Benefit Obligations (Contd..)

Sensitivity Analysis

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. (Amounts in INR Lakhs)

Particulars	31-Mar-24	31-Mar-23
Defined Benefit Obligation (Base)	23,044.86	20,328.78

(₹ in Lakhs)

Particulars	As on 31-Mar-24		As on 31-Mar-23	
	Result of decrease	Result of increase	Result of decrease	Result of increase
Discount Rate (- / + 1%)	23,065.04	23,025.85	20,342.38	20,316.02
(% change compared to base due to sensitivity)	0.09%	(0.08%)	0.07%	(0.06%)
Interest rate guarantee (- / + 1%)	22,537.83	24,614.39	20,015.95	21,761.17
(% change compared to base due to sensitivity)	(2.20%)	6.81%	(1.54%)	7.05%

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 Group 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 Group. The provident fund for certain employees is a defined contribution plans covered under RPFC Contributions

b) Expected contribution during the next annual reporting period (Amounts in INR Lakhs)

Particulars	31-Mar-24	31-Mar-23
The Trusts' best estimate of Contribution during the next year	1,017.39	889.17

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 / Sub-Category	Percentage of amount to be invested
Government Securities and Related Investments	Minimum 45% and upto 50%
Debt Instruments and Related Investments	Minimum 35% and upto 45%
Short-Term Debt Instruments and Related Investments	Upto 5%
Equity and Related Investments	Minimum 5% and upto 15%
Asset Backed, Trust Structured and Miscellaneous Investments	Upto 5%

C. Expenses Recognised during the year (Defined Contribution Plan) :

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Provident Fund	2,041.00	1,757.22
Superannuation	213.04	201.75
Pension	519.58	455.62

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 22 : Trade Payables

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current		
Trade payable due to others	52,117.97	57,145.80
Dues to micro, small and medium enterprises *	3,781.66	3,768.20
Total current trade payables	**55,899.63**	**60,914.00**

For payables to related parties, refer note 38

* 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 Group.

Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Principal	3,454.50	3,212.00
Interest	327.16	556.20
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.	133.19	369.32
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	327.16	556.20
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.	-	-

Trade Payables aging schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from transaction date					
	Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) Micro, small and medium enterprises (MSME)	3,381.61	330.78	16.55	22.47	15.03	3,766.44
(ii) Others	21,694.67	28,392.50	841.33	743.66	444.88	52,117.04
(iii) Disputed Dues - MSME	-	-	-	-	15.22	15.22
(iv) Disputed Dues - Others	-	-	-	0.12	0.81	0.93
TOTAL	**25,076.28**	**28,723.28**	**857.88**	**766.25**	**475.94**	**55,899.63**

Trade Payables aging schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from transaction date					
	Not Due	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) Micro, small and medium enterprises (MSME)	3,268.78	413.68	9.16	27.47	24.10	3,743.19
(ii) Others	18,271.23	31,120.00	3,729.96	3,536.19	486.73	57,144.11
(iii) Disputed Dues - MSME	-	-	-	-	25.01	25.01
(iv) Disputed Dues - Others	-	0.12	0.07	0.50	1.00	1.69
TOTAL	**21,540.01**	**31,533.80**	**3,739.19**	**3,564.16**	**536.84**	**60,914.00**

Note 22.1 : Trade credits

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Customer credits *	59,442.37	57,967.35
Supplier credits **	68,830.01	60,721.79
Total trade credits	**128,272.38**	**118,689.14**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Considering the emerging practices in India and globally, the Group has certain obligations on behalf of suppliers or customers and in certain cases bears portion of interest cost. The group has treated the same as a separate line item as trade credit arrangements on the face of the balance sheet under financial liabilities to provide users to assess impact on liabilities, cash flows and liquidity risks more clearly. Suppliers credit was hitherto included in trade payables and customer channel financing was included in other financial liabilities. These are not due as on the date of the balancesheet.

* Customer credits include receivables which are subject to factoring arrangements and channel financing facilities. Under this arrangement the Group has transferred the relevant receivables to the factor in exchange for cash. The Group continues to recognise the transferred assets in their entirety in its balance sheet with the corresponding liability under customer credits.

** Supplier's credit also includes amounts payable towards vendor financing entered into with the suppliers. Under this arrangement, the supplier is eligible to receive payment prior to the expiry of extended credit period by assigning such invoices to a third-party purchaser bank based on security in the form of an undertaking issued by the Group to the bank. Further, the supplier charges interest to the Group for the extended credit period which has been presented under Finance Cost

Note 23 : Other Current Liabilities

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Statutory liabilities payable	2,817.72	3,198.42
Deferred revenue *	3,449.45	3,123.44
Others	833.06	1,003.99
Total other current liabilities	**7,100.23**	**7,325.86**

* Deferred revenue includes ₹ 3,099.75 lakhs (March 31, 2023 - ₹ 2,773.74 lakhs) for accrual of points under the Retailer Bonding Program and ₹ 349.70 lakhs (March 31, 2023 - ₹ 349.70 lakhs) for extended warranty provision considered as a separate performance obligation.

Note 24 : Revenue from operations

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Sale of products	453,623.31	459,612.33
Contract Revenue	8,611.29	27,164.95
Other operating revenue		
Scrap sales	1,604.58	2,010.71
Insurance claims	36.80	110.09
Others	250.85	26.41
Total revenue from operations (Refer Note 41(i))	**464,126.83**	**488,924.49**

Note 25 : Other income

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Interest income on bank deposits and others	1,446.59	601.58
Interest income from financial assets at amortised cost	123.65	56.58
Interest on income tax refund	4,113.61	-
Rental income	152.85	251.57
Net gain on disposal of property, plant & equipment	-	282.82
Net gain from sale of investment	180.63	310.56
Impairment allowance on trade receivables and others written back	705.08	927.87
Credit balance written back	1,341.65	776.39
Gain on termination of right-of-use assets	148.45	27.24
Others	434.56	1,269.15
Total other income	**8,647.07**	**4,503.75**

Note 26 : Cost of raw materials consumed

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Raw materials at the beginning of the year	10,668.73	9,878.17
Add : Purchases	47,946.73	50,029.92
Less : Raw materials at the end of the year (refer note 11)	7,266.08	10,668.73
Total cost of raw material consumed	**51,349.38**	**49,239.36**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 26 : Changes in inventories of work-in-progress, finished goods, traded goods

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening balance		
Work in progress	3,210.20	2,241.77
Finished Goods	1,467.85	1,587.28
Traded goods	80,733.78	76,906.04
Total opening balance	**85,411.83**	**80,735.09**
Closing balance		
Work in progress (refer note 11)	2,872.34	3,210.20
Finished Goods (refer note 11)	1,789.40	1,467.85
Traded goods (refer note 11)	62,689.85	80,733.78
Total Closing balance	**67,351.59**	**85,411.83**
Total Changes in inventories of work in progress, traded goods and finished goods	**18,060.24**	**(4,676.74)**

Note 27 : Erection and subcontracting expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Erection and subcontracting expense	2,621.02	1,887.07
Total Erection and subcontracting expense	**2,621.02**	**1,887.07**

Note 28 : Employee benefits expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Salaries, wages and bonus	32,729.65	30,534.74
Contribution to provident and other funds (refer note 21)	1,882.68	1,640.42
Employees share based payment expense (refer note 33)	1,087.46	1,084.00
Gratuity (refer note 21)	430.85	457.85
Staff welfare expenses	362.21	653.60
Total employee benefit expense	**36,492.85**	**34,370.61**

Note 29 : Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Depreciation of property, plant and equipment (Note 2)	5,021.89	3,885.95
Depreciation on investment properties (Note 4.1)	82.78	112.87
Amortisation of intangible assets (Note 4)	1,101.47	1,001.68
Depreciation of Right of Use assets (Note 3)	4,752.35	2,377.38
Total depreciation and amortisation expense	**10,958.49**	**7,377.88**

Note 30 : Other expenses

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Consumption of stores and spares	648.99	1,148.25
Packing material consumed	3,763.17	3,050.52
Power and fuel	1,434.43	1,147.28
Rent (refer note 42)	2,083.70	685.46
Repairs and maintenance		
Plant and machinery	525.45	635.09
Buildings	9.74	29.66
Others	261.18	214.69
Telephone and communication charges	662.23	688.32
Rates and taxes	227.41	89.52

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 30 : Other expenses (Contd..)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Travel and conveyance	3,987.57	3,554.04
Insurance	502.71	535.30
Printing and stationery	46.87	73.43
Directors fees	80.15	64.72
Non executive directors commission	68.00	47.91
Advertisement and publicity	11,264.96	13,443.80
Freight and forwarding	12,401.22	12,605.93
Product promotion, demonstration and installation charges	9,719.30	15,781.37
Sales commission	1,731.77	1,048.38
Impairment allowance for doubtful debts and advances (net of reversals)	1,338.96	718.57
Bad debts and other irrecoverable debit balances written off	379.45	526.89
Payments to auditors	150.72	194.56
Corporate social responsibility expenditure (refer note 43)	514.04	300.63
E-Waste Management	850.83	-
Legal and Professional Fees	2,477.15	2,080.47
Site support charges	59.95	58.73
Sales tax expenses (net)	224.28	(23.53)
Security service charges	1,246.49	574.38
Software expenses (AMC)	2,335.18	2,897.25
Warehouse Management Services	3,892.98	5,493.75
Warranty expenses (net of insurance premium and claims)	2,843.79	4,633.37
Miscellaneous expenses	7,227.35	6,632.05
Total other expenses	**72,960.02**	**78,930.79**

Note 31 : Finance costs

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Interest expense on financing activities including trade credits	3,631.00	2,003.07
Interest expense on mobilization advances	677.29	1,536.70
Interest expense on lease liability (refer note 3)	1,551.30	544.44
Unwinding of discount on provisions	110.74	192.77
Other borrowing costs	377.55	84.53
Total finance cost	**6,347.88**	**4,361.51**

Note 32 : Income Tax Expense

(a) Income Tax Expense

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current Tax		
Current income tax charge	5,719.86	5,150.76
Adjustments of tax relating to earlier periods	11.31	-
Total Current tax expense	**5,731.17**	**5,150.76**
Total deferred tax expense / (benefit)	**(2,009.37)**	**3,544.49**
Income tax expense in the statement of profit and loss for continuing operations	**3,721.80**	**8,695.25**
Income tax expense in the statement of profit and loss for discontinued operations	**(201.06)**	**28.04**
Income tax expense in the statement of profit and loss for continuing and discontinued operations	**3,520.74**	**8,723.29**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(b) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Profit from continuing operations before income tax expense	17,309.51	30,239.41
Profit / (loss) from discontinued operations before income tax expense	(681.26)	102.28
Profit from continuing and discontinued operations before income tax expense	**16,628.25**	**30,341.69**
Income Tax @ standard tax rate of 25.168% (March 31, 2023 - 25.168%)	4,185.00	7,636.40
Permanent differences due to:		
Corporate social responsibility	164.28	67.21
Interest on micro, small & medium enterprises	98.57	128.29
Donation expenses	18.37	6.48
Adjustment of tax relating to earlier periods	11.31	-
Deferred tax written off on account of utilisation of business losses	-	393.95
Loss on impairment of capital assets	-	214.09
Deferred tax (created) / not created on subsidiary's losses	(1,414.71)	356.05
Block of depreciable assets for subsidiary' property, plant & equipment not recognised earlier	405.17	
Others	52.75	(79.18)
Income Tax Expense reported in statement of profit and loss	**3,520.74**	**8,723.29**

Note 33 : Employee stock options :

A. Summary of Status of ESOPs Granted :

The position of the existing schemes is summarized as under :

I. Details of the ESOS :

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
1	Date of Shareholder's Approval	Originally approved in AGM held on 26 Jul 2007 and revised in AGM held on 28 Jul 2010		As per the Postal Ballot dated 21 Jan 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 happen 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, SEBI (Share Based Employee Benefits) (Amendment) Regulations, 2015 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, there is a minimum period of one year between the grant of options and vesting of option observed by the Parent Company. As per the Parent Company Policy, 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

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

Sr. No.	Particulars	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
8	Variation in terms of ESOP	Nil	Nil	The Nomination & Remuneration Committee of the Parent Company at its meeting held on 12 November 2021 amended the Scheme to align it with the requirements of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
9	Equity Shares reserved for issue under Employee Stock Options outstanding as at March 31, 2024	The Parent Company has 3,027,073 Equity Shares of ₹2/- each available to issue as Employees Stock Options as its Total Pool Size as of March 31, 2024 under ESOPs 2015 Scheme, of which number of stock options not yet granted under ESOP 2015 scheme are 841,348, number of stock options vested & exercisable under ESOP 2015 schemes are 439,225 and number of stock options unvested under ESOP 2015 scheme are 729,250. Thus, total equity shares reserved for issuance under ESOP Scheme outstanding as at March 31, 2024 are 2,009,823.		

II. Option Movement during the year ended March 31, 2024

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	-	-	-	-	1,147,540.00	909.95
2	Options Granted during the year	-	-	-	-	255,000.00	1,063.20
3	Options Forfeited / Surrendered during the year	-	-	-	-	112,250.00	1,059.00
4	Options Expired (Lapsed) during the year	-	-	-	-	1,375.00	291.68
5	Options Exercised during the year	-	-	-	-	120,440.00	422.06
6	Number of options outstanding at the end of the year	-	-	-	-	1,168,475.00	875.16
7	Number of options exercisable at the end of the year	-	-	-	-	439,225.00	698.73

Option Movement during the year ended March 31, 2023

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	-	-	1,900	257.81	1,172,520	752.14
2	Options Granted during the year	-	-	-	-	327,500	1,138.71
3	Options Forfeited / Surrendered during the year	-	-	-	-	148,750	806.79
4	Options Expired (Lapsed) during the year	-	-	1,250	257.81	2,875	361.28
5	Options Exercised during the year	-	-	650	257.81	200,855	445.97
6	Number of options outstanding at the end of the year	-	-	-	-	1,147,540	909.95
7	Number of Options exercisable at the end of the year	-	-	-	-	296,790	688.66

III. Weighted Average remaining contractual life

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2024		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	Nil	0.41
No. of Options Outstanding	Nil	Nil	1,500.00
201 to 300	Nil	Nil	2.26
No. of Options Outstanding	Nil	Nil	76,250

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2024		
301 to 400	Nil	Nil	2.78
No. of Options Outstanding	Nil	Nil	56,350
401 to 500	Nil	Nil	1.22
No. of Options Outstanding	Nil	Nil	50,500
501 to 600	Nil	Nil	1.25
No. of Options Outstanding	Nil	Nil	19,750
601 to 700	Nil	Nil	2.87
No. of Options Outstanding	Nil	Nil	71,825
701 to 800	Nil	Nil	3.86
No. of Options Outstanding	Nil	Nil	22,500
801 to 900	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
901 to 1000	Nil	Nil	4
No. of Options Outstanding	Nil	Nil	359,800
1001 to 1100	Nil	Nil	4.56
No. of Options Outstanding	Nil	Nil	510,000
1101 to 1200	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
1201 to 1300	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil

Range of Exercise Price	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted average contractual life (years) as on March 31, 2023		
0 to 100	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
101 to 200	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
201 to 300	Nil	Nil	0.40
No. of Options Outstanding	Nil	Nil	5,250
301 to 400	Nil	Nil	2.93
No. of Options Outstanding	Nil	Nil	140,725
401 to 500	Nil	Nil	3.18
No. of Options Outstanding	Nil	Nil	77,750
501 to 600	Nil	Nil	1.89
No. of Options Outstanding	Nil	Nil	42,250
601 to 700	Nil	Nil	1.78
No. of Options Outstanding	Nil	Nil	48,815
701 to 800	Nil	Nil	3.67
No. of Options Outstanding	Nil	Nil	83,450
801 to 900	Nil	Nil	Nil
No. of Options Outstanding	Nil	Nil	Nil
901 to 1000	Nil	Nil	5
No. of Options Outstanding	Nil	Nil	25,000
1001 to 1100	Nil	Nil	4.02
No. of Options Outstanding	Nil	Nil	55,000
1101 to 1200	Nil	Nil	4.67
No. of Options Outstanding	Nil	Nil	631,800
1201 to 1300	Nil	Nil	4.51
No. of Options Outstanding	Nil	Nil	37,500

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 33 : Employee stock options : (Contd..)

IV Weighted average Fair Value of Options Granted during the year ended March 31, 2024 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	481.74
(b)	Exercise price is greater than market price			None
(c)	Exercise price is less than market price			None

Weighted average Fair Value of Options Granted during the year ended March 31, 2023 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	481.74
(b)	Exercise price is greater than market price			None
(c)	Exercise price is less than market price			None

V The weighted average market price of options exercised :

	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
During the year ended March 31, 2024	NIL	NIL	1,047.08
During the year ended March 31, 2023	NIL	989.70	1,135.93

VI Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2024:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.98%
2. Expected Life (in years)			4.15
3. Expected Volatility			38.83%
4. Dividend Yield			0.27%
5. Exercise Price (₹)			1193.95
6. Price of the underlying share in market at the time of the option grant. (₹)			1193.95

Method and Assumptions used to estimate the fair value of options granted during the year ended March 31, 2023:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Variables	BAJAJ GROWTH 2007	ESOP 2011	ESOP 2015
	Weighted Average	Weighted Average	Weighted Average
1. Risk Free Interest Rate	No options granted during the year	No options granted during the year	6.98%
2. Expected Life (in years)			4.15
3. Expected Volatility			42.99%
4. Dividend Yield			26.53%
5. Exercise Price (₹)			1138.71
6. Price of the underlying share in market at the time of the option grant. (₹)			1138.71

Notes to Consolidated Financial Statements for the year ended March 31, 2024

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 publicly 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 Parent 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 consolidated financial statement (₹ In Lakhs) :

Particulars	31-Mar-24	31-Mar-23
1 Employee share based payment expense (refer note 28)	1,087.46	1,084.00
2 Share option outstanding reserve (refer note 17)	2,698.94	1,874.06

Note 34 : Fair value measurements

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows

(₹ in Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
A. Financial assets		
I. Measured at amortized cost		
Trade Receivables	117,610.87	113,105.31
Loans	50.38	34.59
Cash and Cash Equivalents	11,402.15	34,151.52
Bank Balances other than above	16,066.44	2,871.68
Other Financial Assets	6,111.81	3,478.84
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Assets		
- Forward contracts	-	135.83
Investments	3,497.64	4,678.81
	154,739.29	**158,456.58**
B. Financial liabilities		
I. Measured at amortized cost		
Borrowings	-	16.65
Trade Payables	55,899.63	60,914.00
Other Financial Liabilities	6,533.74	40,159.18
Lease Liabilities	21,489.56	10,051.52
Trade credits	128,272.38	118,689.14
II. Measured at fair value through profit and loss (FVTPL)		
Other Financial Liabilities		
- Forward contracts	2.18	-
	212,197.49	**229,830.49**

* Includes investment in preference shares of Starlite Lighting Limited (joint venture), where fair value is NIL

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 34 : Fair value measurements : (Contd..)

(ii) **Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:**

(₹ in Lakhs)

Particulars	Valuation Techniques	Carrying values	Fair Values	Fair Values Measurement using		
				Level 1	Level 2	Level 3
As at March 31, 2024						
Other Financial Assets						
Investments	Net Asset Value (note a)	3,497.64	3,497.64	-		3,497.64
Other Financial Liabilities						
- Forward contracts	Mark to Market	(2.18)	(2.18)	-	(2.18)	-
		3,495.46	**3,495.46**	**-**	**(2.18)**	**3,497.64**
As at March 31, 2023						
Other Financial Assets						
- Forward contracts	Mark to Market	135.83	135.83	-	135.83	-
Investments	Net Asset Value (note a)	4,678.81	4,678.81	-		4,678.81
		4,814.64	**4,814.64**	**-**	**135.83**	**4,678.81**

There have been no transfers between Level 1 and Level 2 during the year.

Note a

In case of investments, the fair value has been determined based on the NAV (net asset value).

(iii) **Reconciliation of level 3 fair value measurement**

(₹ in Lakhs)

Particulars	Amount
Balance as on 31st March 2022	**489.73**
Change during the year	4,610.49
Loss recognised in statement of profit and loss	(421.41)
Balance as on 31st March 2023	**4,678.81**
Change during the year	(1,254.37)
Profit recognised in statement of profit and loss	73.20
Balance as on 31st March 2024	**3,497.64**

Note 35: Financial risk management objectives and policies

The Group's principal financial liabilities comprise of trade payables, trade credits, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the entity's operations and to provide support for its operations. The Group's principal financial assets include trade receivables, investments, cash and cash equivalents and bank balances, loans and other financial assets, that derive directly from its operations.

The Parent 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 and investments.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

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 products mainly through various 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.

Lighting Solutions

In case of Business to Consumer (B2C) sub-segment, the credit risk of the receivables are similar to consumer products.

In case of Busienss to Business (B2B) sub-segment, the Group undertakes projects for government institutions (including local bodies) and private institutional customers. The credit concentration is more towards government institutions. These projects are normally of duration of 6 months to 1 year. Such projects normally are regular tender business with the terms and conditions agreed as per the tender. 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. In case of B2B sub-segment in Lighting Solutions, the Group also provides on more case-to-case basis.

The maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of such trade and other receivables as shown in note 6, 8 and 13 of the consolidated financial statements.

Reconciliation of impairment allowance on trade and other receivables

(₹ in Lakhs)

Particulars	Amount
Impairment allowance on March 31, 2022	**11,218.21**
Additions during the year	2,049.51
Reversals during the year since amounts are written off	(688.56)
Reversal during the year since provision no longer required	(1,574.67)
Impairment allowance on March 31, 2023	**11,004.49**
Additions during the year	1,060.02
Reversal during the year since provision no longer required	(705.08)
Derecognised purusant to discontinued operations (refer note 45)	(4,347.03)
Impairment allowance on March 31, 2024	**7,012.40**

Bank deposits and investments

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 31 March 2024 and 31 March 2023 is the carrying value of such cash and cash equivalents and deposits with banks as shown in note 8 and 12 of the financials.

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.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

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 Group had access to the following undrawn borrowing facilities at the end of the reporting period

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Floating / Fixed Rate		
- Expiring within One year (Bank overdraft and other facilities)	131,118.48	131,751.33

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 Lakhs)

Particulars	Carrying value as at March 31, 2024	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade payables	55,899.63	55,899.63	-	-	-	55,899.63
Lease liabilities (including expected interest payable)	21,489.56	5,916.16	5,620.13	12,450.66	2,540.60	26,527.55
Other financial liabilities	6,535.92	6,519.57	16.35	-	-	6,535.92
Trade credits	128,272.38	128,272.38	-			128,272.38
Total	**212,197.49**	**196,607.74**	**5,636.48**	**12,450.66**	**2,540.60**	**217,235.48**

(₹ in Lakhs)

Particulars	Carrying value as at March 31, 2023	upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Borrowings (refer note 18)	16.65	16.65	-	-	-	16.65
Trade payables	60,914.00	60,914.00	-	-	-	60,914.00
Lease liabilities (including expected interest payable)	10,051.52	3,622.56	2,808.28	4,780.07	868.08	12,078.99
Other financial liabilities	40,159.18	40,142.66	16.52	-	-	40,159.18
Trade credits	118,689.14	118,689.14	-			118,689.14
Total	**229,830.49**	**223,385.01**	**2,824.80**	**4,780.07**	**868.08**	**231,857.96**

(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'), United Arab Emirates Dirham ('AED'), Kenyan Shillings ('KES'), Zambian Kwacha ('ZMW') and Canadian Dollar ('CAD'). Exposure is largely in exports receivables and Imports payables arising out of trade in the normal course of business. As these commercial transactions are recorded in currency other than the functional currency (INR), 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. These exposures are covered by taking appropriate forward cover from the banks.

The Group 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 utilized for settlement of the underlying transactions.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

(a) **Foreign currency risk exposure:**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	1,260.65	2,731.91	304.63	2,841.08
EUR	-	37.97	-	13.82
CFA	-	-	63.55	9.33
GBP	-	1.29	-	1.29
RMB	-	-	67.82	41.68
KES	-	-	253.18	71.00
ZMW	-	-	-	95.01
SGD	-	0.41	-	0.41
CNY	8.70	9.12	17.49	17.37
AED	0.45	5.41	9.46	2.62

Further, the Parent Company has open foreign exchange forward contracts amounting to USD 33.31 lakhs (March 31, 2023 - USD 37.01 lakhs)

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 Lakhs)

Particulars	Impact on profit after tax & Equity	
	31-03-24	31-03-23
USD sensitivity		
INR appreciates by 5% (31 March 2024 - 5%)	73.56	126.82
INR depreciated by 5%(31 March 2024 - 5%)	(73.56)	(126.82)

In respect of exposure in other currencies, 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. Incase of short term borrowings, the interest rates is fixed in a large number of cases, hence the interest rate risk is negligible.

(iii) Commodity Price risk

The Parent Company's revenue is exposed to market risk of price fluctuations related to the sales of its products. Market forces generally determine the prices for the products sold by the Parent Company. This prices may be influenced by the factors such as supply, demand, production cost (including the cost of raw materials) , regional and global economic conditions and growth. Adverse changes in any of the factors may reduce the revenue that Parent Company earns from sale of its products. The Parent Company is therefore subject to fluctuations in prices for the purpose of raw materials like Aluminium, Copper and other raw material inputs.

Commodity hedging is used primarily as a risk management tool to secure the future cash flow in case of volatility by entering into commodity forward contracts. The Parent Company has entered into commodity forward contracts for aluminium and Copper. Hedging the price volatility of forecast aluminium and copper purchases is in accordance with the risk management strategy outlined by the Board of Directors. Hedging commodity is based on procurement schedule and price risk. Commodity is undertaken as a risk offsetting exercise and depending upon market conditions, hedges may extend beyond the financial year.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Parent Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Parent Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 35: Financial risk management objectives and policies (Contd..)

- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

A. The Parent Company is holding the following commodity future contracts

(₹ in Lakhs)

Particulars	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
As at 31st March 2024						
Aluminium						
Notional Qty (in MT)	-	-	-	-	-	-
Notional amount (in INR Lacs)	-	-	-	-	-	-
Average hedged rates (per MT)	-	-	-	-	-	-
Copper						
Notional Qty (in MT)	-	-	-	-	-	-
Notional amount (in INR Lacs)	-	-	-	-	-	-
Average hedged rates (per MT)	-	-	-	-	-	-
As at 31st March 2023						
Aluminium						
Notional Qty (in MT)	140.00	-	-	-	-	140.00
Notional amount (in INR Lacs)	287.03	-	-	-	-	287.03
Average hedged rates (per MT)	2.05	-	-	-	-	2.05
Copper						
Notional Qty (in MT)	25.00	-	-	-	-	25.00
Notional amount (in INR Lacs)	192.53	-	-	-	-	192.53
Average hedged rates (per MT)	7.70	-	-	-	-	7.70

B. The impact of hedged items on the balance sheet is, as follows

Particulars	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	cost of cash flow hedges
As at 31st March 2024			
Commodity future contracts	-	-	-
As at 31st March 2023			
Commodity future contracts	9.47	9.47	6.87

C. The effect of the cash flow hedge in the statement of profit and loss is, as follows

Particulars	Total hedging gain/(loss) recognised in OCI*	Ineffectiveness recognised in profit or loss	Line item in statement of profit and loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Line item in statement of profit and loss
As at 31st March 2024						
Commodity future contracts	-	-	Other comprehensive (income) / loss	-	-	-
As at 31st March 2023						
Commodity future contracts	9.47	-	Other comprehensive (income) / loss	6.87	8.35	1.40

*This represents total unrealised gain/(loss) net of charges and net of taxes

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 36: Capital Management

The Group has cash surplus and has no capital other than equity and reserves.

The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with the guidelines set out by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Further the objective of the Group's capital management is to safeguard its ability to continue as going concern, maintain strong credit rating, preserve cash and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Group does not have any borrowings and does not borrow funds unless circumstances require. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

The cash surplus position as on March 31, 2024 and March 31, 2023 are as below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Cash and cash equivalents	11,402.15	34,151.52
Balances other than cash and cash equivalents	16,066.44	2,871.68
Surplus investments	3,004.50	4,078.23
Total	**30,473.09**	**41,101.43**

NOTE 37: Segment reporting

The Group w.e.f. July 1, 2022, pursuant to the provisions of Ind AS 108, identified its business segments as its primary reportable segments, which comprises of Consumer Products, Lighting Solutions . "Consumer Products" includes Appliances, Fans and Morphy Richards. "Lighting Solutions" includes Professional Lighting (B2B) and Consumer Lighting (B2C).

1) Segment Results

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
a) Consumer Products	11,422.04	24,757.99
b) Lighting	7,961.32	8,793.56
Operating Segment Profit	**19,383.36**	**33,551.55**
Unallocated income / (expenses)		
Depreciation and amortisation expenses	(510.73)	-
Finance Cost	(6,347.88)	(4,361.51)
Interest income on financial assets measured at amortised cost	1,525.06	413.97
Profit / (Loss) on disposal of Property, plant & equipment	(228.21)	120.11
Rent received	41.35	4.91
Interest on Income Tax refund	4,113.61	-
Others	(667.05)	510.38
Profit before tax for the year from continuing operations	**17,309.51**	**30,239.41**
Profit / (loss) before tax for the year from discontinued operations	**(681.26)**	**102.28**
Profit before tax for the year from continuing operations and discontinued operations	**16,628.25**	**30,341.69**

The operating segment results of continuing operations includes depreciation and amortization of ₹ 9,377.37 lakhs (March 31, 2023 - ₹ 6,286.66 lakhs) for consumer products and ₹ 1,070.39 lakhs (March 31, 2023 - ₹ 1,091.21 lakhs) for lighting solutions.

2) Segment Revenue:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
a) Consumer Products	360,390.04	376,424.18
b) Lighting	103,736.79	112,500.31
Sub-total	**464,126.83**	**488,924.49**
Less: Inter Segment Revenue	-	-
Net Sales / Revenue from Operations	**464,126.83**	**488,924.49**

There is no single customer which is more than 10% of the entity's revenues. The amount of revenue from external customers broken down by location of the customers is shown in table below:

Notes to Consolidated Financial Statements for the year ended March 31, 2024

NOTE 37: Segment reporting (Contd..)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
India	456,964.47	482,485.78
Outside India	7,162.36	6,438.71
Total	**464,126.83**	**488,924.49**

3) Segment Assets:

Segment assets are measured on 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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Consumer Products	246,787.32	247,257.84
b) Lighting	51,416.14	54,835.21
Total Segment Assets	**298,203.46**	**302,093.05**
Unallocated		
Deferred tax assets	530.33	–
Income tax assets (net)	8,334.12	12,802.46
Investments	3,497.64	4,678.81
Investment properties	13,324.91	12,600.00
Property, Plant and Equipments, Capital work in progress, Intangible assets and Intangible assets under development	12,889.51	15,122.36
Cash and cash equivalents and other bank balances	27,468.59	37,023.20
Assets held for sale	460.09	108,311.18
Others	18,607.60	6,642.07
Total assets as per balance sheet	**383,316.25**	**499,273.13**

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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
India	106,425.81	93,130.89
Outside India	–	–
Total	**106,425.81**	**93,130.89**

The capital expenditure incurred for consumer products is ₹ 6,038.80 lakhs (March 31, 2023 – ₹ 3,217.05 lakhs), for lighting solutions is ₹ 169.54 lakhs (March 31, 2023 - ₹ 177.07 lakhs) and for Unallocable is ₹ 4,764.90 lakhs (March 31, 2023 – ₹ 3,747.57 lakhs).

4) Segment Liabilities:

Segment liabilities are measured on the same principles as they have been for the purpose of these financial statements. The Group's borrowings and derivative financial instruments are not considered to be segment liabilities but are managed by the treasury function

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Consumer Products	175,388.59	177,133.37
b) Lighting	50,680.34	44,611.58
Total Segment Liabilities	**226,068.93**	**221,744.95**
Unallocated		
Borrowings	–	16.65
Liabilities directly associated with assets classified as held for sale	–	50,147.82
Current tax liabilities	2,687.45	1,886.08
Others *	10,437.87	34,756.06
Total liabilities as per balance sheet	**239,194.25**	**308,551.56**

* includes ₹ 31,557.03 lakhs payable to Bajel Projects Limited purusant to the scheme of demerger.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 38: Disclosure of transactions with related parties

(₹ in Lakhs)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24 Transaction Value for the year	2023-24 Outstanding receivable / (payable) carried in the Balance Sheet	2022-23 Transaction Value for the year	2022-23 Outstanding receivable / (payable) carried in the Balance Sheet
(A) Parent Entities					
	Not Applicable				
(B) Subsidiary - Bajel Projects Ltd (till August 31, 2023) ##					
	As a Subsidiary (till August 31, 2023)				
	Contribution to Equity	(50.00)	–	–	50.00
	Reimbursement of Expenses	139.18	–	0.01	4.14
	Cancellation of inter company receivable / (payable) before demerger	(143.32)	–	–	–
	Net payable created on demerger (basis difference in capital employed)	(22,135.61)	–	–	–
	Transactions pursuant to the scheme of demerger (post Sep 1, 2023, i.e effective date)				
	Payment / adjustment of Payables (includes bank transfers and settlement of LC paid on behalf of them (property in trust))	21,590.56	(545.05)	–	–
	Net Purchases	5,287.30	2,061.10	–	–
	Shared services	186.68	186.68	–	–
	Licensing fee agreement	–	–	–	–
	Reimbursements of expenses	351.63	351.63	–	–
	Rent received	48.79	48.79	–	–
(C) Associate - Hind Lamps Limited					
	Sales	283.40	5.34	300.59	34.77
	Rent Received	2.23	–	2.77	–
(D) Key Management Personnel #					
	Short-term employee benefits	2,210.63	(774.56)	2,529.08	(1,199.07)
	Post- employment benefits (contribution to super annuation fund)	69.27	–	55.99	–
	Long-term employee benefits (contribution to provident fund)	61.16	–	60.01	–
	Perquisite value of ESOPs excercised during the year	–	–	31.41	–
	Total Compensation	**2,341.06**	**(774.56)**	**2,676.49**	**(1,199.07)**
	Sale of car proceeds	–	–	17.20	–
	Reimbursment of Expenses	0.81	–	–	–
	Purchase Of CCTV (part of Furnished accomodation)	1.14	–	–	–
	Received from chairman for advance rent of Metaoxide (Hill Park Residence)	(30.93)	28.18	–	–
	Sale of Asset (Laptop)	0.05	–	–	–
	Purchase Of TV	–	–	7.30	–
	Purchase of Car	–	–	186.91	–
	Sale of car proceeds	–	–	12.50	–
(E) 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	303.24	(19.76)	177.70	(3.27)
	Services Received	737.56	(527.23)	205.93	(18.97)
	Interest Received	–	–	0.23	3.68
	Rent Paid (net)	57.00	–	57.30	–

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 38: Disclosure of transactions with related parties (Contd..)

(₹ in Lakhs)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24 Transaction Value for the year	2023-24 Outstanding receivable / (payable) carried in the Balance Sheet	2022-23 Transaction Value for the year	2022-23 Outstanding receivable / (payable) carried in the Balance Sheet
	Deposits given	-	27.00	-	27.00
	Donations Given	29.28	-	25.00	-
	Deposits Refund	-	-	1.24	-
	Sales	-	2.29	68.52	3.38
	Purchases	-	-	90.17	(7.58)
(F) Dividend to Other Related Parties					
	Dividend Paid	2,937.94	-	2,203.14	-
(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					
	CSR Contribution	550.97	(0.19)	408.33	-
	Sales	(0.55)	0.83	0.33	1.38
	Reimbursement of Expenses	4.79	-	4.79	-
	Rent Deposit Advanced	-	200.00	-	200.00
	Rent Paid	49.56	-	49.56	-
	Purchases	0.46	-	-	-
	Purchase of asset	-	-	6.11	-
	Services Received	42.50	(2.49)	40.91	(0.59)
	Rent Received	1.65	0.12	1.64	0.11
(H) Transactions with the entities in which a person identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures has significant influence over the entities					
	Services Received	49.79	0.44	50.30	(3.52)
	Deposits Given/Refund	0.42	2.94	0.42	3.36
	Sales	4.26	(0.19)	3.86	2.67
(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	2,588.83	(208.67)	2,380.12	(200.48)
	Matchwel Electrical India Limited Employees Provident Fund Trust	74.20	(6.72)	57.57	(6.21)
(J) Transactions with the persons identified in para 9 (a) (i) of Ind AS 24 - Related Party Disclosures					
	Refund of Advance Rent	-	(15.00)	-	(15.00)
	Sales	-	0.08	4.40	0.08
	Purchase of Capital Asset	-	-	3.90	(0.52)
	Services Received	-	-	0.07	-
(K) Material transactions with related parties					
	Spencer Retail Limited				
	Sales	625.57	231.02	633.38	268.72
	Services Received	(6.45)	(25.44)	25.56	(49.10)
	Bajaj Allianz General Insurance Company Limited				
	Insurance Premium paid	9,087.46	(17.02)	5,527.63	(32.02)
	Advance Insurance Premium (Deposit)	1,001.22	1,001.22	680.54	680.54
	Claims Received	7,462.98	3,378.22	1,169.81	408.08

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(₹ in Lakhs)

Name of Related Party and Nature of relationship	Nature of Transaction	2023-24		2022-23	
		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
	Bajaj Allianz Life Insurance Co Ltd.				
	Insurance Premium paid	143.16	-	249.47	-
	Claims Received	585.49	-	132.61	132.61
	Advance Insurance Premium for next year	90.00	90.00	-	6,207.41
	Employee Benefit Obligations and/or Retiremental Benefits		4,997.38		
	Bajaj Finance Ltd				
	Sales	23.08	22.37	19.92	(2.87)
	Services Received	66.09	(6.09)	17.16	(5.42)
	Fixed Deposit Placed	9,500.00	6,000.00	7,000.00	7,000.00
	Interest Received on Fixed Deposit	419.12	146.31	53.58	48.22

As the future liability for defined benefit obligations and other long term employment benefits is provided on an actuarial basis for the Group as a whole, the amounts pertaining to key managerial personnel is not ascertainable and hence not included above.

There are no loans or advances granted to promoters, directors, KMPs and the related parties) that are repayable on demand or without any terms or period of repayment.

Refer note 40(xii) and 40(xiii) for transactions entered between Bajaj Electricals Limited and Bajel Projects Limited pursuant to the scheme of demerger.

The Parent Company has certain employee welfare funds which incurs expenses towards the benefit and welfare of the employees of the Group. The Parent Company does not control these funds and hence the same is not disclosed as a related party.

Note 39. Earnings per share:

Particulars	31-Mar-24	31-Mar-23
Profit / (loss) for the year (A) (₹ In Lakhs) - continuing operations	13,587.71	21,544.16
Profit / (loss) for the year (B) (₹ In Lakhs) - discontinued operations	(480.20)	74.24
Profit for the year (A+B) (₹ In Lakhs) - continuing and discontinued operations	**13,107.51**	**21,618.40**
Weighted average number of equity shares for basic EPS (C)	**115,104,879**	**114,962,035**
Add: Effect of dilution (employee stock options - Refer Note 33)	175,578	238,771
Weighted average number of equity shares for diluted EPS (D)	**115,280,457**	**115,200,806**
Earnings Per Share in ₹ :- continuing operations		
(a) Basic EPS (A/C)	11.81	18.74
(b) Diluted EPS (A/D)	11.79	18.71
Earnings Per Share in ₹ :- discontinued operations		
(a) Basic EPS (B/C)	(0.42)	0.06
(b) Diluted EPS (B/D)	(0.42)	0.06
Earnings Per Share in ₹ :- continuing and discontinued operations		
(a) Basic EPS (A+B/C)	11.39	18.80
(b) Diluted EPS (A+B/D)	11.37	18.77

Note 40. Commitments and contingencies

a. Contingent liabilities

(₹ in Lakhs)

	Particulars	31-Mar-24	31-Mar-23
	Contingent Liabilities not provided for :		
i)	Claims against the Group not acknowledged as debts (Refer Note x & xi below)	1,406.17	1,753.31
ii)	Guarantees / Letter of Comfort given on behalf of Companies ₹ Nil (Previous Year ₹ 31.55 lakhs)	-	31.34
iii)	Excise and Customs duty matters under dispute	65.55	73.55
iv)	Service Tax matters under dispute	149.40	149.40

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 40. Commitments and contingencies (Contd..)

(₹ in Lakhs)

	Particulars	31-Mar-24	31-Mar-23
v)	Income Tax matters under dispute	-	625.73
vi)	Sales Tax and Goods and Service Tax matters under dispute	7,910.00	5,020.21
vii)	Uncalled liability in respect of partly paid Shares held as investments	7.20	7.20
viii)	Others	1,062.60	1,062.60

ix) The E-waste Rules, 2022 replaced E-waste (Management) Rules, 2016 and became effective from April 1, 2023. The Group manufactures wide range of products like, consumer electrical and electronics and photovoltaic panels, and large and small electrical and electronic equipment, which are covered under the E-waste Rules, 2022. The Group has tied-up with various E-waste collection providers for achieving the collection target and accordingly has provided around ₹ 932.20 lakhs for the current financial year for recycling due in current year.

x) These represent legal claims filed against the Group 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.

xi) The Parent Company had in earlier years terminated employment agreements of few die casting workmen at the Chakan plant. On 3rd July, 2018, the Honourable Hight Court of Bombay had awarded the appeal in favour of the Parent Company. On 27th June, 2019, the appeal on the matter has been admitted in the Honourable Supreme Court. Management has assessed that the outflow of resources embodying economic benefits is not probable and has accordingly considered the claim of ₹ 328.70 lakhs as contingent liability.

xii) For certain customer contracts that formed part of the demerged undertaking (erstwhile EPC Segment of the Parent Company), the Parent Company had provided certain performance bank guarantees. For smooth transitioning of the demerged undertaking, the Parent Company had allowed these guarantees to remain in place for a limited period post the effective date (September 1, 2023) until such time as Bajel Projects Limited (BPL) is able to have them replaced by its own bank guarantees. In turn, BPL and the Parent Company has entered into a back-to-back indemnity arrangement by way of an Undertaking cum Corporate Guarantee ("UGC"), whereby BPL shall, inter alia, agree to indemnify the Parent Company for any loss, if any, suffered in the event that any Guarantee is invoked by a customer during this interim period. The open exposure as on March 31, 2024 is ₹ 14,101.96 lakhs.

xiii) Before the Scheme of Demerger between the Parent Company and Bajel Projects Limited ('BPL') (erstwhile EPC segment of the Parent Company), took effect, the Group had secured a contract for developing the electric supply infrastructure in Sasaram and Munger, Bihar, by South Bihar Power Distribution Company Limited ("Contract"). Following the Scheme, this Contract stands transferred and vested in Bajel Projects Limited.

To facilitate this transition of the Contract smoothly, it was proposed to form a Tripartite Agreement among Bajel Projects Limited, the Parent Company, and South Bihar Power Distribution Company Limited, alongside an Irrevocable Indemnity Cum Undertaking between Bajel Projects Limited and the Parent Company.

b. Commitments

i. Estimated amounts of contracts remaining to be executed in capital account (net of capital advances) is ₹ 755.58 lakhs (March 31, 2023, ₹ 2876.60 lakhs).

Note 41: Disclosures of revenue from contracts with customers

The disclosures as required for revenue from contracts with customers are as given below

(i) Disaggregation of revenue

Disaggregation of the Group's revenue from contracts with customers and reconciliation of amount of revenue recognised in the statement of profit and loss with the contracted price is as given below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
A. Revenue from contracts with customers		
Consumer products (includes appliances, lighting and fans)	360,196.55	376,323.94
Lighting solutions (includes professional and consumer lighting)	103,676.22	112,532.45
	463,872.77	**488,856.39**
B. Reconciliation of contracted price with (A) above		
Revenue at contracted price	497,028.52	500,437.60
Unbilled on account of work under certification	(25.30)	173.54
Billing in excess of contract revenue	(14.10)	287.36
Revenue deferred on customer loyalty program	(1,421.01)	10,493.85
Discounts	(31,545.59)	(22,405.15)
Others	(149.75)	(130.81)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 41: Disclosures of revenue from contracts with customers (Contd..)

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Revenue from contracts with customers (a)	**463,872.77**	**488,856.39**
Add: Miscellaneous other operating income (b)		
Claims received, export incentives, etc	254.06	68.10
Revenue from operations (a+b)	**464,126.83**	**488,924.49**

(₹ in Lakhs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Timing of revenue recognition		
At a point in time	402,008.81	421,467.33
Over a period of time	62,118.02	67,457.16
Revenue from operations	**464,126.83**	**488,924.49**

(ii) Contract balances

The details of the contract assets, contract liabilities and receivables are as under

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Contract assets	325.07	350.37
Contract liabilities	4,496.46	6,108.33
Trade receivables	117,610.87	113,105.31

The contract assets and contract liabilities balances mentioned above pertain to the B2B sub-segment Lighting Solutions Unit of the Group. The Group executes the work as per the terms and agreements mentioned in the contracts. The Group receives payments from the customers based on the milestone achievement and billing schedule as established in the contracts.

Contract assets are initially recognised for revenue earned from supply of materials and erection services provided when the performance obligation is met. Upon achievement and acceptance of milestones mentioned by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities are relates to payments received in advance of performance under the contract and billing in excess of contract revenue recognised. Contract liabilities are recognised as revenue when the Group satisfies the performance obligation under the contract.

(iii) Performance obligations

Information about the Group's performance obligations under Consumer Products and Lighting solutions segment are summarised below:

Consumer Product & Lighting Solutions Segment:

a) **Delivery of goods:**

The Group sells fans, appliances and lighting products to the customers. The performance obligation is satisfied and revenue is recognised on dispatch of the goods to the customers. The stand alone selling price of the performance obligation is determined after taking the variable consideration and right to return. The contracts do not have a significant financing component. The Group offers standard warranty on selected products. The Group makes provision for same as per the principles laid down under Ind AS 37. The payment is generally due within 30 to 60 days across various streams of customers.

b) **Loyalty program:**

The Group operates a customer loyalty program (for retailers), where the customer is awarded certain points on purchase of selected products from the Group. The customer (retailer) can redeem these points in future. The Group treats the redemption of customer loyalty points as a separate performance obligation. Accordingly, the revenue is recognised by allocating the total transaction price on the stand alone selling prices of sale of goods and loyalty points.

c) **Extended warranties:**

The Group provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are bundled together with the sale of products. Contracts for bundled sales of products and a service-type warranty comprise two performance obligations because the product and service-type warranty are both sold on a stand-alone basis and are distinct within the context of contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as deferred revenue. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed

Notes to Consolidated Financial Statements for the year ended March 31, 2024

B2B sub-segment of Lighting Solutions:

The performance obligations is the supply of materials and erection services. The supply of materials and erection services are promised goods and services which are not individually distinct. Hence both of them are counted as a single performance obligation under the contract. The satisfaction of this performance obligation happens over time, as the performance or enhancement of the obligation is controlled by the customer. Also, the performance of the obligation creates an asset without any alternative use to the customer. The Group uses the input method to determine the progress of the satisfaction of the performance obligation and accordingly recognises revenue.

The standalone selling price of the performance obligation is determined after taking the variable consideration and significant financing component ."

iv) Unsatisfied performance obligations

The transaction price allocated to the unsatisfied performance obligations are as below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Consumer products	3,099.76	2,773.74
Lighting solutions	349.70	349.70
Total	**3,449.46**	**3,123.44**

v) Assets recognised from the costs to obtain or fulfil a contract

The incremental costs of obtaining a contract with a customer are recognised as an asset if the Group expects to recover them. The Group incurs costs such as bank guarantee charges and insurance charges. The Group amortizes the same over the period of the contract. The total unamortised balances towards such cost is as below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Unamortised portion of cost to obtain a contract	170.02	113.39
Amount recognised in the profit and loss account	260.18	217.71

Note 42: Leases:

The Group for the consumer products segment, generally takes godowns on lease to store the goods at various locations. These godowns generally have a term of 1 year to 3 years. There are few godowns with a longer lease period of 5 years or more also. Further, the Group has few guest houses, residential premises and office premises also on leases which generally for a longer period ranging from 2-5 years.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, on the commencement of the lease. There are several lease contracts that include extension and termination options. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The leases which the Group enters, does not have any variable payments. The lease rents are fixed in nature with gradual escalation in lease rent.

Apart from the above, the Group also has various leases which are either short term in nature or the assets which are taken on the leases are generally low value assets (e.g. printers). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Disclosures under Ind AS 116

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Amortization charge for right of use assets	4,752.35	2,377.38
Interest expense on lease liabilities	1,551.30	544.44
Lease rent expenses for short term leases	2,083.70	685.46
Cash outflow towards lease liabilities	4,468.16	2,149.10
- as principal	2,916.86	1,604.66
- as interest	1,551.30	544.44
Carrying amount of right of use assets	22,221.90	11,947.22
Carrying amount of lease liabilities	21,489.56	10,051.52

For movement of right of use assets, refer note 3

For movement of lease liability, refer note 3. For maturity profile of lease liabilities, refer note 35 (liquidity risk)

For significant judgements used for accounting right of use assets and lease liabilities, refer note 1D(6)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 43: Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the gross amount to be spent by the Parent Company during financial year 23-24 is ₹ 514.04 lakhs (Previous year ₹ 300.63 Lakhs). The Parent Company has spent ₹ 396.24 lakhs (Previous year ₹ 246.24 Lakhs) on various CSR initiatives as below:

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Two percent of average net profit of the Parent Company as per section 135(5)	**514.04**	**300.63**
Spent on ongoing projects	370.56	231.21
Spent on other than ongoing projects	-	-
Administrative expenses	25.68	15.03
Total Amount Spent for the Financial Year. (in ₹) (a) *	**396.24**	**246.24**
Total Amount transferred to Unspent CSR Account as per section 135(6) (b)	**117.80**	**54.39**
Total (a + b)	**514.04**	**300.63**

* The amount has been spent on purposes other than construction / acquisition of asset and no amounts are yet to be paid in cash

Details of amounts lying in unspent CSR

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Financial year 2020-21	-	73.31
Financial year 2021-22	2.83	47.59
Financial year 2022-23	1.50	54.39
Financial year 2023-24	117.80	-
Total (refer note 19)	**122.13**	**175.29**

Note 44: Business combinations

Merger of Nirlep Appliances Private Limited (NAPL) into the Company

The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated March 01, 2024 ("Order") [passed in the matter of Company Scheme Petition No. C.P (C.A.A)/250(MB)2023 connected with C.A. (CAA)/246(MB)2022) ("Petition") in respect of the Scheme], has inter-alia approved the Scheme of Merger by Absorption of Nirlep Appliances Private Limited ("Transferor Company") with Bajaj Electricals Limited ("Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

Accordingly, the Group had accounted for the merger under the pooling of interest method retrospectively for all periods presented as prescribed in IND AS 103 Business Combinations of entities under common control. This combination has no effect on the consolidated financial statements

Demerger of EPC segment

"During the current year, Hon'ble National Company Law Tribunal, Mumbai Bench (""NCLT"") had approved the Scheme of Arrangement between Bajaj Electricals Limited "Demerged Company") and Bajel Projects Limited ("Resulting Company") and their respective shareholders (""Scheme""). On July 5, 2023, the Company had received a certified true copy of the order dated June 8, 2023 (""Order"") passed by the Hon'ble NCLT approving the Scheme. The Company has completed the the process of obtaining the requisite consent, approval or permission of the appropriate authorities, which by applicable law or contract, agreement, were necessary for the effective transfer of business and/or implementation of the Scheme. The Scheme, has been made effective from September 1, 2023.

Accordingly, effect of the de-merger has been considered in the consolidated financial statements for the year ended March 31, 2024. The assets and liabilities relating to the demerged undertaking have been de-recognised from the books and have been adjusted against the retained earnings in the said consolidated financial statements. For the previous year, the same has been shown as discontinued operations. "

Below is the reconciliation of the reported numbers of Balance sheet of March 31, 2023 with the revised numbers of March 31, 2023, after considering the presentation for discontinued operations

(₹ in Lakhs)

Balance Sheet as at March 31,2023	Reported	Demerger Impact	Revised
Particulars	**BEL Consolidated as on March 31, 2023**	**Discontinued Operations**	**BEL Revised Consolidated as on March 31, 2023**
ASSETS			
Non-Current Assets			
Property, plant and equipment	35,548.52	(4,412.49)	31,136.03
Capital work in progress	4,100.11	(41.29)	4,058.82

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

(₹ in Lakhs)

Balance Sheet as at March 31,2023	Reported	Demerger Impact	Revised
Particulars	**BEL Consolidated as on March 31, 2023**	**Discontinued Operations**	**BEL Revised Consolidated as on March 31, 2023**
Right-of-use assets	12,298.88	(351.66)	11,947.22
Intangible assets	1,923.21	0.01	1,923.22
Intangible assets under development	145.91	(14.97)	130.94
Investment properties	12,947.65	-	12,947.65
Goodwill	19,001.09	-	19,001.09
Investments in subsidiaries and associate	-	-	-
Financial Assets			
i) Investments	600.58	-	600.58
ii) Trade receivables	8,436.72	(6,461.67)	1,975.05
iii) Other financial assets	3,080.13	(584.95)	2,495.18
Income tax assets (net)	12,802.45	0.01	12,802.46
Other non-current assets	15,583.73	(3,563.54)	12,020.19
Total Non-Current Assets	**126,468.98**	**(15,430.55)**	**111,038.43**
Current Assets			
Inventories	107,207.48	(9,647.78)	97,559.70
Financial Assets	-		
i) Investments	4,078.23	-	4,078.23
ii) Trade receivables	148,062.32	(36,932.06)	111,130.26
iii) Cash and cash equivalents	34,175.92	(24.40)	34,151.52
iv) Bank balances other than (iii) above	2,871.68	-	2,871.68
v) Loans	35.21	(0.62)	34.59
vi) Other current financial assets	1,260.04	(140.55)	1,119.49
Other current assets	38,685.86	(10,058.18)	28,627.68
Contract assets	4,650.98	(4,300.61)	350.37
	341,027.72	**(61,104.20)**	**279,923.52**
Assets classified as held for sale	219.40	108,091.78	108,311.18
Total Current Assets	**341,247.12**	**46,987.58**	**388,234.70**
Total Assets	**467,716.10**	**31,557.03**	**499,273.13**
EQUITY & LIABILITIES			
EQUITY			
Equity share capital	2,301.51	-	2,301.51
Other Equity	188,420.07	-	188,420.07
Total Equity	**190,721.58**	**-**	**190,721.58**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
ia) Lease liabilities	7,183.97	(17.62)	7,166.35
ii) Other financial liabilities	16.52	-	16.52
Provisions	1,689.40	-	1,689.40
Employee benefit obligations	5,897.81	(1,016.15)	4,881.66
Deferred tax liabilities (net)	539.73	-	539.73
Total Non-Current Liabilities	**15,327.43**	**(1,033.77)**	**14,293.66**
Current Liabilities			
Financial Liabilities			
i) Borrowings	16.65	-	16.65
ia) Lease liabilities	2,939.67	(54.50)	2,885.17
ii) Trade credits	124,257.14	(5,568.00)	118,689.14
iii) Trade payables			
Total Outstanding dues of micro enterprises & small enterprises	5,498.99	(1,730.79)	3,768.20
Total Outstanding dues of other than micro enterprises & small enterprises	85,112.98	(27,967.18)	57,145.80
iv) Other current financial liabilities	11,961.60	28,181.06	40,142.66
Provisions	4,876.02	6.31	4,882.33

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 44: Business combinations (Contd..)

(₹ in Lakhs)

Balance Sheet as at March 31,2023	Reported	Demerger Impact	Revised
Particulars	**BEL Consolidated as on March 31, 2023**	**Discontinued Operations**	**BEL Revised Consolidated as on March 31, 2023**
Employee benefit obligations	1,569.60	(309.75)	1,259.85
Current tax liabilities (net)	1,915.14	(29.06)	1,886.08
Contract liabilities	15,764.36	(9,656.03)	6,108.33
Other current liabilities	7,754.94	(429.08)	7,325.86
Liabilities directly associated with the assets held for sale	-	50,147.82	50,147.82
Total Current Liabilities	**261,667.09**	**32,590.80**	**294,257.89**
Total Liabilities	**276,994.52**	**31,557.03**	**308,551.55**
Total Equity & Liabilities	**467,716.10**	**31,557.03**	**499,273.13**

Below is the reconciliation of the reported numbers of Profit & Loss Account of March 31, 2023 with the revised numbers of March 31, 2023, after considering the presentation for discontinued operations

Profit & Loss account for the year ended March 31,2023	Reported	Demerger Impact	Revised
Particulars	**BEL Consolidated as on March 31, 2023**	**Discontinued Operations**	**BEL Revised Condolidated as on March 31, 2023**
Income:			
Revenue from operations	542,926.48	(54,001.99)	488,924.49
Other income	7,584.93	(3,081.18)	4,503.75
Total Income	**550,511.41**	**(57,083.17)**	**493,428.24**
Expenses:			
Cost of raw materials consumed	57,113.80	(7,874.44)	49,239.36
Purchases of traded goods	318,666.10	(26,967.75)	291,698.35
Changes in inventories of work-in-progress, finished goods, traded goods	(4,592.82)	(83.92)	(4,676.74)
Erection and subcontracting expenses	5,419.48	(3,532.41)	1,887.07
Employee benefits expenses	42,629.36	(8,258.75)	34,370.61
Depreciation and amortisation expense	8,173.30	(795.42)	7,377.88
Other expenses	87,921.35	(8,990.56)	78,930.79
Finance costs	4,839.15	(477.64)	4,361.51
Total Expenses	**520,169.72**	**(56,980.89)**	**463,188.83**
Profit before tax	**30,341.69**	**(102.28)**	**30,239.41**
Tax expense / (credit):			
Current tax	5,178.80	(28.04)	5,150.76
Deferred tax	3,544.49	-	3,544.49
Total tax expenses	**8,723.29**	**(28.04)**	**8,695.25**
Profit / (loss) for the year	**21,618.40**	**(74.24)**	**21,544.16**
Profit / (loss) before tax for the year from discontinued operations	-	102.28	102.28
Tax expense / (Credit) from discontinued operations	-	28.04	28.04
Net profit / (loss) for the year from discontinued operations	**-**	**74.24**	**74.24**
Profit for the year	**21,618.40**	**-**	**21,618.40**
Other comprehensive (income) / loss			
Items that will be reclassified to profit and loss in subsequent periods			
Cash flow hedge reserve	41.72	-	41.72
Tax impacts on above	(10.50)	-	(10.50)
Items that will not be reclassified to profit and loss in subsequent periods			
Remeasurement (gains)/losses on defined benefit plans	**(272.20)**	**-**	**(272.20)**
Tax impacts on above	68.47	-	68.47
Other comprehensive income / (loss) net of tax	**(172.51)**	**-**	**(172.51)**
Total Comprehensive Income / (loss) net of tax	**21,790.91**	**-**	**21,790.91**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 45: Discontinued operations

The statement of profit and loss of EPC segment (discontinued operations) for the year are presented below:

(₹ in Lakhs)

Particulars	For the period ended 31-Aug-2023	For the year ended 31-Mar-2023
Revenue from contracts with customers	34,037.96	54,001.99
Expenses	34,349.88	53,422.07
Finance costs	369.34	477.64
Profit/(loss) before tax from a discontinued operation	**(681.26)**	**102.28**
Tax (expenses)/income:	(201.06)	28.04
Profit/(loss) for the year from a discontinued operation	**(480.20)**	**74.24**
Other comprehensive income	70.95	-
Total comprehensive income	**(409.25)**	**74.24**

The major classes of assets and liabilities of EPC segment held for sale to Bajel Projects limited as at 31 March 2023 and as at 31 August 2023 are, as follows:

(₹ in Lakhs)

Particulars	As at 31-Aug-2023	As at 31-Mar-2023
Assets		
Property, plant and equipment	4,449.04	4,412.49
Capital work in progress	37.46	41.29
Right of use assets	700.76	351.66
Intangible assets under development	-	14.97
Other non-current assets	3,217.24	4,148.47
Inventories	12,618.05	9,647.78
Trade receivable	45,447.89	43,393.73
Cash and cash equivalents, including cash attributable to the segment, pursuant to the scheme of demerger	23,842.51	31,557.03
Other current assets	9,723.34	14,524.36
Assets held for sale	**100,036.29**	**108,091.78**
Liabilities		
Trade credits	9,952.04	5,568.00
Trade payable	17,664.89	29,697.97
Employee benefit obligations	1,369.91	1,325.90
Contract liabilities	11,716.97	9,656.03
Others liabilities	2,633.95	3,899.92
Liabilities directly associated with assets held for sale	**43,337.76**	**50,147.82**
Net assets directly associated with disposal group	**56,698.53**	**57,943.96**
Add: Investments knocked off	50.00	
Net debited to retained earnings	**56,748.53**	

The net cash flows of EPC business are, as follows

(₹ in Lakhs)

Particulars	For the period ended 31-Aug-2023	For the year ended 31-Mar-2023
Operating	(298.83)	688.77
Investing	-	(172.29)
Financing	-	(550.17)
Net cash (outflow)/inflow	**(298.83)**	**(33.69)**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Note 46: Goodwill

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Goodwill on acquisition of Nirlep Appliances Private Limited	2,644.36	2,644.36
Goodwill on acquisition of Business	16,356.73	16,356.73
TOTAL	**19,001.09**	**19,001.09**

During the year ended March 31, 2024, the Group has performed its annual impairment test and determined that there is no impairment. The recoverable amounts of the CGU's have been determined on the basis of the value in use calculations. The calculation uses cash flow projections based on budgets approved by the management, discounting rate and terminal growth rate. Management believes that any reasonably possible change in the key assumptions on which the specific CGU's recoverable amount is based would not cause its carrying amount to exceed its recoverable amount.

(i) Significant unobservable inputs used in Level 3 fair values as at March 31, 2024

Particulars	Significant Unobservable Inputs	Sensitivity
Goodwill on business combinations	**BEL Nashik Unit** Discount rate – 15.50% Terminal value growth rate – 3% **BEL Aurangabad Unit** Discount rate – 15.0% Terminal value growth rate – 3%	**BEL Nashik Unit** The enterprise value is greater than the value of the goodwill plus WDV of CGU of Nashik Unit and considering the sensitivity around the assumptions used, there is no impairment required as on March 31, 2024 0.50% increase in discount rate will decrease fair value by ₹ 320.52 lakhs. 0.50% decrease in discount rate will increase the fair value by ₹ 347.59 lakhs 0.50% increase in terminal value growth rate will increase fair value by ₹ 217.52 lakhs. 0.50% decrease in terminal value growth rate will decrease the fair value by ₹ 200.79 lakhs **BEL Aurangabad Unit** The enterprise value is greater than the value of the goodwill plus WDV of CGU of Aurangabad Unit and considering the sensitivity around the assumptions used, there is no impairment required as on March 31, 2024 0.50% increase in discount rate will decrease the fair value by ₹ 67.97 lakhs. 0.50% decrease in discount rate will increase the fair value by ₹ 73.96 lakhs 0.50% increase in terminal value growth rate will increase fair value by ₹ 48.79 lakhs. 0.50% decrease in terminal value growth rate will decrease the fair value by ₹ 44.89 lakhs

Note 47: Disclosure of interest in entities

Disclosure in terms of Schedule III of the Companies Act, 2013 as at and for the year ended March 31, 2024.

(₹ in Lakhs)

Particulars	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	100.00%	144,122.00	100.00%	13,107.51	100.00%	9.01	100.00%	13,116.52
2. Subsidiary								
Bajel Projects Limited	0.00%	–	0.00%	–	0.00%	–	0.00%	–
3. Associate								
Hind Lamps Limited	0.00%	–	–	0.00%	–	0.00%	–	
4. Intercompany eliminations and consolidation adjustments	0.00%	–	0.00%	–	0.00%	–	0.00%	–
Total	**100.00%**	**144,122.00**	**100.00%**	**13,107.51**	**100.00%**	**9.01**	**100.00%**	**13,116.52**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Disclosure in terms of Schedule III of the Companies Act, 2013 as at and for the year ended March 31, 2023.

(₹ in Lakhs)

Particulars	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	99.99%	190,701.69	100.10%	21,639.01	100.00%	172.51	100.09%	21,811.52
2. Subsidiaries								
Nirlep Appliances Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Bajel Projects Limited	0.01%	19.89	-0.10%	(20.61)	0.00%	-	-0.09%	(20.61)
3. Associate								
Hind Lamps Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
4. Intercompany eliminations and consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**190,721.58**	**100.00%**	**21,618.40**	**100.00%**	**172.51**	**100.00%**	**21,790.92**

Note 48: Other statutory information

1. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
2. The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period,
3. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
4. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
5. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
6. The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
7. The Group has not granted any loans or advances in nature of loans to promoters, directors and KMPs either severally or jointly with any other person during the year ended March 31, 2024 and March 31, 2023.
8. The Group has not been declared wilful defaulter by any bank, financial institution, government or government authority.
9. The Group has not revalued its property, plant and equipment (including right-to-use assets) or intangible assets during the year ended March 31, 2024."
10. Transactions with the companies which are struck off are as under

(₹ in Lakhs)

Nature of Transaction	Count (FY24)	Count (FY23)	As on March 31, 2024	As on March 31, 2023
Receivables from customers	1	-	53.12	-
Receivables / (Payable) from /(to) vendors	11	59	0.39	71.43

Notes to Consolidated Financial Statements for the year ended March 31, 2024

11. The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the Group is unable to assess on whether certain features of the audit trail of the said software has operated from the period April 01, 2023 to June 04, 2023 and from October 08, 2023 to November 12, 2023 or whether there were any instances of audit trail feature being tampered during the said period in the absence of log of changes to certain audit features. The same has been remediated as on date of adoption of these consolidated financial statements.

Note 49: Subsequent events

The Group has evaluated subsequent events from the balance sheet date through May 14, 2024, the date at which the consolidated financial statements were available to be issued, and determined that there are no material items to disclose.

Note 50:

Previous year's figures have been regrouped / reclassed wherever necessary to correspond with the current year's classification / disclosure.

As per our report attached of even date
For **S R B C & CO LLP**
ICAI Firm Registration No. 324982E/E300003
Chartered Accountants

per **Vikram Mehta**
Partner

Membership No.105938
Mumbai, May 14, 2024

For and on behalf of the Board of directors
of **Bajaj Electricals Limited**

Shekhar Bajaj
Chairman
DIN: 00089358

Anuj Poddar
Managing Director & Chief Executive Officer
DIN: 01908009

Prashant Dalvi
Company Secretary
Mumbai, May 14, 2024

EC Prasad
Chief Financial Officer

Shailesh Haribhakti
Chairman - Audit Committee
DIN: 00007347

Notes

BAJAJ Electricals

45/47, Veer Nariman Road, Mumbai - 400 001
CIN: L31500MH1938PLC009887
www.bajajelectricals.com