

August 27, 2020

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 023  <b>Stock Code: 533229</b>	Listing Compliance National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, 'G' Block Bandra- Kurla Complex Bandra East, Mumbai 400 051  <b>Stock Code: BAJAJCON</b>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Dear Sir/Madam,

**Sub: 14th Annual General Meeting of the Members of the Company**

Pursuant to Regulation 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report for the financial year 2019-20 containing, inter alia, the notice convening the 14<sup>th</sup> Annual General Meeting of the Company.

The entire annual report is available on the website of the Company and that of KFin Technologies Private Limited, RTA of the Company.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,  
For Bajaj Consumer Care Limited



Chandresh Chhaya  
Company Secretary & Compliance Officer  
Membership No.: FCS 4813

Encl: as above

**Bajaj Consumer Care Ltd**  
(Formerly Bajaj Corp Ltd)

117, 11th Floor, Bajaj Bhavan, Jammalal Bajaj Marg, 226 Nariman Point, Mumbai - 400021  
Tel.: +91 22 22049056 / 58 / 8633 | CIN: L01110RJ2006PLC047173 | Web: [www.bajajconsumercare.com](http://www.bajajconsumercare.com)  
Registered Office: Old Station Road, Sevashram Chouraha, Udaipur- 313 001, Rajasthan  
Tel.: +91 0294-2561631, 2561632

## Notice

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting (AGM) of the Members of Bajaj Consumer Care Limited (Formerly Bajaj Corp Limited) will be held on Monday, September 21, 2020 at 10.00 A.M. at Crimson Park, Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur -313 001, Rajasthan, to transact the following business:-

### Ordinary Business:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
  - (a) "RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
  - (b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. To declare a dividend on equity shares for the financial year ended March 31, 2020 and, in this regard, pass the following resolution as an Ordinary Resolution:
 

"RESOLVED THAT a dividend at the rate of ₹ 2/- (Two rupees only) per equity share of ₹ 1/- (One rupee) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2020 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2020."
3. To appoint a Director in place of Mr. Sumit Malhotra (DIN: 02183825), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:
 

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sumit Malhotra (DIN: 02183825), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### Special Business:

#### 4. Ratification of Change in Designation and Payment of Remuneration to Mr. Sumit Malhotra, Non- Executive Non -Independent Director

To consider and pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 188, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), Regulation 17 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary, approval of the members be and is hereby accorded for ratification of change of designation and payment of remuneration not exceeding ₹ 1,50,00,000 (Rupees One Crore Fifty lac) per annum plus Goods & Service Tax as may be applicable to Mr. Sumit Malhotra (DIN: 02183825), Non- Executive Non Independent director of Bajaj Consumer Care Limited ("the Company") designated as Director & Advisor with effect from July 1, 2020 for a period of 5 (five) years till June 30, 2025."

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Mr. Sumit Malhotra in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder (including any amendment thereto or

reenactment thereof for the time being in force), Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any modification thereto and as may be agreed by and between the Board and the Mr. Sumit Malhotra.”

“RESOLVED FURTHER THAT the copies of this resolution certified to be true by any of the Directors/Key Managerial Personnel be furnished to the concerned authorities and/or any other person(s) as may be required.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

#### **5. Appointment of Mr. Jaideep Nandi as a Director of the Company liable to retire by rotation**

To consider and pass the following resolution as an Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force) (“the Act”), Mr. Jaideep Nandi (DIN: 06948380), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **6. Appointment and Remuneration of Mr. Jaideep Nandi as Managing Director of the Company**

To consider and pass the following resolution as an Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary, the approval of members of the Company be and is hereby accorded for appointment of Mr. Jaideep Nandi (DIN: 06938480), director of Bajaj Consumer Care Limited (“the Company”) as Managing Director of the Company with effect from July 1, 2020 for a period of 5 (five) years till June 30, 2025, at the terms and remuneration as set out below:-

In consideration of the performance of his duties, the Company shall pay to Mr. Jaideep Nandi, the aggregate remuneration with such increments as may be approved by the Board of Directors (which term includes any Committee thereof) from time to time, as per the break up stated below:-

I) Remuneration:

- a) Basic Salary: In the range of ₹ 12,75,000/- per month to ₹ 30,00,000/- per month.
- b) Allowances and Perquisites:

II) House Rent Allowance:

50 % of Basic Salary.

III) Other Allowances:

The Managing Director shall be paid other allowances as per the rules of the Company including but not limited to Special Allowance, Conveyance and Leave Travel, provided however that, the aggregate value of all such allowances paid shall not exceed 200% of the Basic Salary.

## IV) Contribution to Provident Fund:

Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.

## V) Gratuity payable at the time of retirement/cessation shall be as per the scheme of the Company.

## VI) Leave:

Leave with full pay or encashment thereof as per the rules of the Company.

## Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

## VII) Performance Linked Incentive on achievement of targets as per the rules of the Company, not exceeding 2 times of the total basic salary per annum.

## c) Amenities:

## i) Conveyance facilities:

The Company shall provide suitable vehicle for use by the Managing Director as per the rules of the Company.

## ii) Communication facilities:

The Managing Director is entitled for use of telephone, telefax and other communication facilities at his residence.

## VIII) Group Life Term Insurance – ₹ 1 crore

## Group Mediclaim Hospitalization Benefit:

Maximum limit of ₹ 10 lacs. Hospitalization Insurance for self, spouse and 2 dependent children (below 21 years of age) as per Company's policy.

## IX) Group Personal Accident Insurance: ₹ 25 lacs

## I) Overall Remuneration:

The total remuneration (including salary, allowances perquisites, benefits and amenities) in any Financial Year shall not exceed the applicable limits prescribed from time to time under Sections 197 and 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being, in force.

## II) Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Jaideep Nandi, Managing Director are as under:

- a. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The appointment of Managing Director may be terminated by the Company or the Managing Director, by giving 3 months' notice to the other side or Salary in lieu thereof."

"RESOLVED FURTHER THAT in case the Company has in any Financial Year no profits or if its profits are inadequate anytime during the tenure of office of Mr. Jaideep Nandi, he shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board to revise, amend, alter and vary the terms and conditions

relating to the remuneration payable to the Managing Director in such manner as may be permitted and subject to such approvals of such authority as may be required, in accordance with the provisions of the Companies Act, 2013 and Schedule V thereto or any modification thereof and as may be agreed by and between the Board and Mr. Jaideep Nandi, without any further approval of the members of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

“RESOLVED FURTHER THAT any one of the Directors or the Key Managerial Personnel of the Company, be and are hereby severally authorised to certify the true copy of the aforementioned resolutions and forward the same to the concerned for their record and necessary action(s).”

**By Order of the Board of Directors**

**Chandresh Chhaya**

Company Secretary

Membership No.: FCS4813

Place : Mumbai  
Dated : June 18,2020

Registered Office:  
Old Station Road,  
Sevashram Chouraha  
Udaipur 313 001  
Rajasthan  
CIN:L01110RJ2006PLC047173

**NOTES:**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ANNEXED TO THIS NOTICE.
- c. Proxy holder shall prove his/her identity at the time of attending the Meeting.
- d. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution together with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote at the Meeting on their behalf.
- e. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
- f. In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sumit Malhotra (DIN: 02183825), Director, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends the aforesaid re-appointment. As per explanation to Section 152(6)(e) of the Companies Act, 2013, total number of Directors for the purpose of determining Directors liable to retire by rotation shall not include Independent Directors, whether appointed under the Companies Act, 2013 or any other law for the time being in force.

- g. Information of Directors proposed to be re-appointed or appointed at the forthcoming Annual General Meeting as required by Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings is provided in the annexure to the Notice. The Directors have furnished the requisite declarations for their re-appointment/appointment as applicable.
- h. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the 14<sup>th</sup> AGM.
- i. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 15, 2020 to Monday, September 21, 2020 (both days inclusive) for the purpose of 14<sup>th</sup> AGM of the Company.
- j. The Board of Directors has recommended Dividend of 200 % (i.e. ₹ 2/- per equity share of ₹ 1/- each) for the Financial year ended 31<sup>st</sup> March 2020 subject to approval of the Shareholders at the ensuing Annual General Meeting. The Dividend, if approved by the members at the ensuing Annual General Meeting will be paid to those shareholders whose names stand registered:
- As beneficial owners as at the end of business on Monday, September 14, 2020 as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and
  - As members in the Register of Members of the Company after giving effect to valid transmission/transposition in physical form lodged with the Company's Registrar and Share Transfer Agent (RTA) M/s. KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, on or before the aforesaid date i.e. Monday, September 14, 2020. The transmission/transposition requests complete in all respects should reach the Registrar and Share Transfer Agent well before the above date.
- k. Members holding shares in physical form are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail Id etc., if any, immediately to the Company's Registrar and Share Transfer Agent (hereinafter referred to as "RTA") i.e. KFin Technologies Private Limited, Unit : Bajaj Consumer Care Limited (Formerly Bajaj Corp Limited), Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana. Tel: +91 40 67162222, Fax: +91 40 23420814, Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants (DPs) only.
- l. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled into the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
- m. SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide their PAN details to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
- n. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the AGM will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip duly filled in and hand it over at the entrance of the venue.
- o. Members of the Company are requested to note that as per the provisions of Section 124 of the Companies Act, 2013, dividends not en-cashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

- p. The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed/ un-claimed dividend to IEPF are furnished hereunder:

Dividend for the Financial Year	Date of Declaration of Dividend	Tentative Date of transfer to the IEPF
2013-2014	February 6, 2014	March 14, 2021
2014-2015	October 16, 2014	November 21, 2021
2015-2016	January 7, 2016	February 12, 2023
2016-2017	January 12, 2017	February 18, 2024
2017-2018	January 11, 2018	February 16, 2025
2018-2019	January 9, 2019	February 14, 2026

Members who have not en-cashed/claimed the dividend warrant(s) so far in respect of the above Financial Years are, therefore, requested to make their claims to the RTA of the Company well in advance of the above tentative dates

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Members/claimants whose shares and/or unclaimed dividend have been transferred to the Fund, may claim the shares or apply for refund by making an application to IEPF Authority in Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the Authority from time to time. Members/claimants can file only one consolidated claim in a Financial Year as per IEPF Rules. The Company and IEPF Authority shall deal with the application in the manner provided in IEPF Rules.

It is in the Members interest to claim any un-cashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members account on time.

The Company for claiming the dividend for the aforesaid years. The details of the unclaimed dividends are available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

- q. Copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Members who have not registered their e-mail Id, physical copies of the Annual Report 2019-20 are being sent by the modes permitted under Companies Act, 2013. The Annual Report is also available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a Financial Year to the Members to register his/her e-mail Ids and any changes therein. In accordance with the said requirements, we request the Members who do not have their e-mail Ids registered, get the same registered with the Company or changes therein by submitting a duly filled-in 'E-communication Registration Form' appended to this Annual Report as well as available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) under the heading "Investors" by the name "E-Communication Registration Form".

- r. Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, September 15, 2020, i.e. the date of the commencement of book closure, being the cut-off date will be paid the Dividend for the financial year ended 31<sup>st</sup> March, 2020, as recommended by the Board, if approved at the AGM, on or after Friday, September 30, 2020.

Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to KFin Technologies Private Limited (KFinTech) (Formerly known as Karvy Fintech Private Limited), Registrar and Share Transfer Agent of the Company or Investor Service Department of the Company immediately by sending a request on email at [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com) or contact KFinTech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant to such shareholder by post.

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

- a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 7.5% on the amount of Dividend declared and paid by the Company during financial year 2020-21 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during financial year 2020-21 does not exceed ₹ 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2020-21.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b) For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
  - Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
  - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
  - Self-declaration, certifying the following points:
    - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2020-21;
    - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;



- iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
- v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2020-21.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and submitted by Non- Resident shareholder. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Monday, September 14, 2020.

Kindly note that the aforementioned documents are required to be submitted at <https://ris.kfintech.com/form15> on or before Monday, September 14, 2020 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Monday, September 14, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

We shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said Dividend.

- s. The route map of the venue of the Meeting in terms of requirement of Secretarial Standards on General Meetings forms part of this Notice.
- t. Members desiring any information with regard to financial statements are requested to write to the Company at an early date so as to enable the management to keep the information ready.
- u. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarification(s), exemption(s), re- enactment(s) or substitution(s) thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing to its Members facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") using an electronic voting system provided by KFin Technologies Private Limited (KFINTECH) as an alternative for all Members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. For voting electronically, the process and manner for generating/receiving the password and to cast vote(s) in a secure manner, the Members are requested to take note of the following:

- a) The remote e-voting period commences on Thursday, September 17, 2020 at 9.00 A.M. and ends on Sunday, September 20, 2020 at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Monday, September 14, 2020, may cast their vote by electronic means in the manner and process set out hereinbelow. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.
- b) The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut- off date, being Monday, September 14, 2020.
- c) Once the vote on a resolution is cast by a Member through remote e-voting, he/ she/it shall not be allowed to change it subsequently.

- d) Any person, who acquires shares and becomes Member of the Company after dispatch of Notice of AGM and holding shares as on the cut-off date, i.e. Friday, August 21, 2020, may refer to this Notice of AGM of the Company, posted on Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) for detailed procedure with regard to remote e-voting. Any person, who ceases to be the Member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- e) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of Polling Papers/Ballot Papers at the AGM for the Members attending the meeting who have not cast their vote by remote e-voting. In case of voting by Polling Paper/Ballot Papers at the AGM, the voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the date of Book Closure.
- f) A Member may participate in the AGM even after exercising his right to vote through remote e-voting but cannot vote again at the AGM.
- g) If a Member cast votes by both modes i.e. remote e-voting and Polling Papers/Ballot Papers at the AGM, then voting done through remote e-voting shall prevail and Polling Paper/ Ballot Paper shall be treated as invalid.

The instructions for remote e-voting are as under:

- A. In case a Member receiving Notice of AGM by email from KFintech [for Members whose email Ids are registered with the Company/ Depository Participant(s)]:
  - i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii) Enter the login credentials (i.e., User ID and Password). In case of physical folio, user ID will be EVEN Number followed by Folio No. In case of Demat Account, user ID will be your DP ID and Client ID. However, if you are already registered with KFintech for remote e-voting, you can use your existing User ID and password to cast your vote.  
  
After entering these details appropriately, Click on "LOGIN".
  - iii) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email Id, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - iv) You need to login again with the new credentials.
  - v) On successful login, the system will prompt you to select the "EVENT" i.e., Bajaj Consumer Care Limited.
  - vi) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - vii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/ demat accounts.
  - viii) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

- ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - x) A confirmation window will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they confirm voting on the Resolution(s).
  - xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail Id: [prasanjit@gbcs.co.in](mailto:prasanjit@gbcs.co.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."
  - xii) In case a person has become the Member of the Company after the dispatch of Notice of AGM but on or before the cut-off date Monday, September 14, 2020, may write to KFINTECH on the email Id: [evoting@kfintech.com](mailto:evoting@kfintech.com) or to Ms. C. Shobha Anand, Deputy General Manager, KFintech Technologies Private Limited, Unit: Bajaj Consumer Care Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana Contact No. 040-67162222, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case of Members receiving physical copy of the Notice of AGM [for Members whose email Ids are not registered with the Company/ Depository Participant(s)]:
- i) User Id and Password are provided in the enclosed Attendance Slip for the AGM.
  - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. In case of any query pertaining to remote e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.
- D. The Company has appointed Mr. Prasanjit Kumar Baul, (Membership No. A34347) or failing him Mr. Hitesh Gupta (Membership No. A33684) from M/s. Gupta Baul & Associates, Company Secretaries in Practice, as the Scrutinizer to scrutinize the remote e-voting and voting by way of Polling Paper/ Ballot Paper in a fair and transparent manner.
- E. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by him shall declare the result of the voting forthwith.
- F. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s).
- G. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) and Service Provider's website at <https://evoting.karvy.com> and the communication will be sent to the BSE Limited and National Stock Exchange of India Limited.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

### Item No. 4: Ratification of Change in Designation and Payment of Remuneration to Mr. Sumit Malhotra, Non- Executive Non -Independent Director

Mr. Sumit Malhotra was re-appointed as Managing Director of the Company for a period of 5 (five) years from August 8, 2016 to August 7, 2021 at the terms and remuneration in conformity with Schedule V of the Companies Act, 2013, which was approved by the members at the 10<sup>th</sup> Annual General Meeting of the Company held on July 20, 2016.

As a part of succession plan, Mr. Sumit Malhotra has demitted his office as Managing Director of the Company with effect from June 30, 2020 and will continue to guide the Company in the role of Director and Advisor of the Company.

Mr. Sumit Malhotra has successfully led the Company for the last 16 years. His contribution to the growth of the organisation is reflected in the performance of the Company. His association with the Company as a Director and Advisor to the Board will ensure that his deep insight into the working of the Company as well as the Consumer Products industry can be called upon during future Board interactions. His experience and maturity will also help the Board while developing new strategies for growth and will play an important role in mentoring the new leadership team of the Company. In addition to this the Board will benefit from his guidance on matters related to areas of Sales, Marketing, International Business, launch of New Products, Mergers & Acquisition and Corporate Restructuring as and when such matters come up before the Board.

Accordingly, the Board of Directors at its meeting held on June 18 2020 has, pursuant to the approval of the Nomination, Remuneration and Corporate Governance Committee of the Board, approved appointment of Mr. Sumit Malhotra as Non- Executive Director and officially designated him as Director and Advisor of the Company with effect from July 1, 2020 till June 30, 2025 i.e. for a period of 5 (five) years, for a remuneration not exceeding ₹ 1,50,00,000 (Rupees One Crore Fifty lac) per annum plus Goods & Service Tax as may be applicable.

Payment of remuneration to non-executive directors in excess of 1% of the net profits of the Company being limit prescribed under provisions of Section 197 (1) of the Companies Act, 2013 ('the Act'), requires approval of the Members of the Company by way of a Special Resolution. Further, in terms of Regulation 17 (6) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the consent of the Members by way of Special Resolution is required every year if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Remuneration payable to Mr. Sumit Malhotra upon his re-designation as Director and Advisor would exceed 50% of the aggregate remuneration payable to all the Non-Executive Directors. Hence, taking into consideration the above requirements of the Act and the Listing Regulations, the approval of the Members of the Company by way of Special Resolution is sought for ratification of re-designation of Mr. Sumit Malhotra, as the Non Independent Non-Executive Director on the Board and payment of remuneration for the period from July 1, 2020 to June 30, 2025. Considering the proposal for monthly pay out of the remuneration, the approval of the Members is also sought under Section 188 of the Act, in connection with Mr. Sumit Malhotra holding an office or place of profit as Non-Executive Director on the Board of Directors of the Company.

In case the Company has in any Financial Year has no profits or if its profits are inadequate anytime during the tenure of office of Mr. Sumit Malhotra, as Director & Advisor, he shall be paid the remuneration as stated in resolution at Item No. 4, with the liberty to the Board to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to Mr. Sumit Malhotra in such manner as may be permitted and subject to approval of such authority(ies) as may be required, in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed by and between the Board and Mr. Sumit Malhotra, without any further approval of the Members of the Company.

The Company has not defaulted in payment of dues of any bank, public financial institutions, non-convertible debenture holders or any other secured creditor and accordingly, the company is not required to obtain approval in terms of the third proviso to Section 197(1) of the Companies Act, 2013.

A brief profile of Mr. Sumit Malhotra and other requisite details, pursuant to the provisions of the Listing Regulations and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this notice.

A copy of the Resolution passed by the Board of Directors and the Nomination Remuneration and Corporate Governance Committee at their respective meetings held on June 18, 2020 are available for inspection by the members at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to September 21, 2020.

The particulars prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 is provided as under:

Name of the Related Party	Mr. Sumit Malhotra
Name of the Director or Key Managerial Personnel related, if any	Mr. Sumit Malhotra is not related to any Director or Key Managerial Personnel
Nature of Relationship	Not Applicable
Nature, Material Terms, Monetary Value and particulars of contract or arrangement	With effect from July 01,2020, Mr. Sumit Malhotra has been designated as Director & Advisor of the Company for a period of 5 years. He will be paid annual remuneration of ₹ 1,50,00,000 plus Goods & Service Tax as may be applicable
Any other information relevant or important for members to take decision on the proposed resolution	Not Applicable

Mr. Sumit Malhotra and his relatives may be deemed to be interested in the Resolution at Item No. 4 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution set out at Item No. 4 of the Notice.

The Board of Directors of the Company recommends passing of the Special Resolution at Item No.4 of the Notice.

### **Item No. 5 & 6: Appointment and Remuneration of Mr. Jaideep Nandi as Managing Director**

The Board of Directors ("the Board") of the Company had appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Jaideep Nandi as an Additional Director of the Company with effect from July 01, 2020. As per the provisions of Section 161(1) of the Act, Mr. Jaideep Nandi holds office of Director up to the date of ensuing Annual General Meeting of the Company and being eligible, has offered himself for appointment as Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Jaideep Nandi for the office of Director of the Company.

Further, the Board at its meeting held on June 18, 2020 has, subject to the approval of members, appointed Mr. Jaideep Nandi as Managing Director for a period of 5 (five) years w.e.f. July 01, 2020 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the appointment of Mr. Jaideep Nandi as Managing Director of the Company and remuneration payable to Mr. Jaideep Nandi are set out in the resolution under Item No. 6 of the Notice.

Mr. Jaideep Nandi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Jaideep Nandi under Section 190 of the Act. A copy of the Resolution passed by the Board of Directors and the Nomination, Remuneration and Corporate Governance at their respective meetings held on June 18, 2020 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays, Sundays and National Holidays between 11.00 A.M. and 1.00 P.M. up to September 21, 2020.

A brief profile of Mr. Jaideep Nandi and other requisite details, pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this notice.

Mr. Jaideep Nandi is interested in the Ordinary Resolutions set out at Item No.5 and 6 with respect to his appointment and remuneration, respectively. The relative(s) of Mr. Jaideep Nandi may be deemed to be interested in the said Resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 and 6 of the Notice.

The Board commends the Ordinary Resolutions set out at Item No. 5 and 6 of the Notice for approval by the members.

**By Order of the Board of Directors**

Place : Mumbai  
Dated : June 18,2020

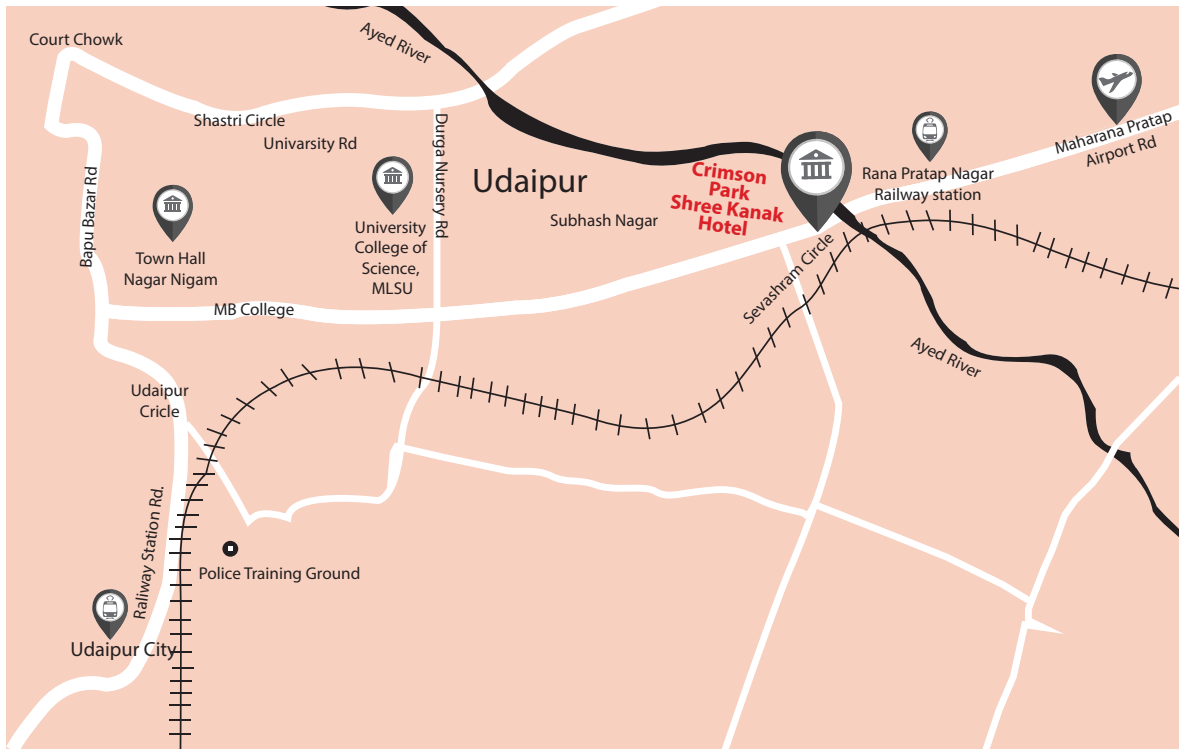
**Chandresh Chhaya**  
Company Secretary  
Membership No.: FCS4813

**ANNEXURE TO ITEM NO. 4, 5 & 6 OF THE NOTICE DATED JUNE 18, 2020**

The following information about Mr. Sumit Malhotra and Mr. Jaideep Nandi is provided pursuant to Regulation 36(3) of SEBI LODR and Secretarial Standard – 2:

<b>Name of the Director</b>	Mr. Sumit Malhotra	Mr. Jaideep Nandi
<b>Director Identification Number (DIN)</b>	02183825	06838480
<b>Designation</b>	Director & Advisor	Managing Director
<b>Date of Birth</b>	28-09-1961	01-07-1965
<b>Age</b>	58 Years	56 Years
<b>Nationality</b>	Indian	Indian
<b>Date of first appointment on the Board</b>	01-04-2008	01-07-2020
<b>Date of re-appointment by the Members</b>	23-07-2016	His appointment to be regularized at this Annual General Meeting
<b>Qualifications</b>	Bachelor's degree in pharmacy with Honors from Indian Institute of Technology, Benares Hindu University, Varanasi and a Post Graduate Diploma in Business Management from IIM, Ahmedabad.	Degree in Engineering, Post-graduation in Management, Marketing & Finance from IIM Bangalore.
<b>Expertise in functional area</b>	Over 30 years of experience in the consumer care sector.	About 30 years of experience in the consumer care sector.
<b>Number of Equity Shares held in the Company as on 31.03.2020</b>	31,440 Shares	Nil
<b>List of Directorships and Committee Memberships held in other entities as on 31.03.2020</b>	Directorship: 1. Anmol Industries Limited Membership/ Chairmanship of Committees: None	Directorship: None Membership/ Chairmanship of Committees: None
<b>Number of Board Meetings attended during the year</b>	5	None
<b>Relationship with other Directors, Manager and KMP</b>	Nil	Nil
<b>Remuneration Last Drawn</b>	₹ 492.18 lakh	₹ 66.71 lakh
<b>Terms and conditions of appointment</b>	As specified in the resolution at Item no. 4	As specified in the resolution at Item no. 6

Route Map to the AGM Venue



# Bajaj Consumer Care Limited

[Formerly Bajaj Corp Limited]

CIN: L01110RJ2006PLC047173

**Registered Office:** Old Station Road, Sevashram Chouraha, Udaipur - 313 001, Rajasthan

**Email:** [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com) • **Website:** [www.bajajconsumercare.com](http://www.bajajconsumercare.com)

## ATTENDANCE SLIP

**14<sup>TH</sup> ANNUAL GENERAL MEETING - MONDAY, SEPTEMBER 21, 2020 AT 10:00 A.M.**

I hereby record my presence at the 14<sup>th</sup> Annual General Meeting of the Company on Monday, September 21, 2020 at 10:00 A.M. at Crimson Park, Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan.

Sr. No.

Name and Registered Address of  
the Shareholder :

Name(s) of the Joint Shareholder(s), if any :

Registered Folio No./DP ID & Client ID :

Number of Shares held :

Name of the Proxy/Representative, if any :

Signature of Member(s)/Proxy :

Signature of the Representative :

---

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

### FOR ATTENTION OF THE MEMBERS

Members may please note the User ID and Password given below for the purpose of e-voting in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarification(s), exemption(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings. Detailed instructions for e-voting are given in the Notes to the AGM Notice.

---

### ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD



# Bajaj Consumer Care Limited

[Formerly Bajaj Corp Limited]

CIN: L01110RJ2006PLC047173

**Registered Office:** Old Station Road, Sevashram Chouraha, Udaipur - 313 001, Rajasthan

**Email:** [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com) • **Website:** [www.bajajconsumer.com](http://www.bajajconsumer.com)

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

Email ID : \_\_\_\_\_

Folio No./Client ID/DP ID : \_\_\_\_\_

I/We, being the holder(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1) Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him

2) Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him

3) Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 14<sup>th</sup> Annual General Meeting of the Company, to be held on the on Monday, September 21, 2020 at 10:00 A. M. at Crimson Park Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	
1.	To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon – Ordinary Resolution.
2.	To declare a Dividend on Equity Shares of Face Value of ₹ 1/- each for the Financial Year ended March 31, 2020. – Ordinary Resolution.
3.	To appoint a Director in place of Mr. Sumit Malhotra Bajaj (DIN:02183825), Director, who retires by rotation and being eligible, offers himself for re-appointment – Ordinary Resolution.
Special Business	
4.	Ratification of Change in Designation and Payment of Remuneration to Mr. Sumit Malhotra, Non-Executive Non-Independent Director – Special Resolution.
5.	Appointment of Mr. Jaideep Nandi as a Director of the Company liable to retire by rotation – Ordinary Resolution.
6.	Appointment and Remuneration of Mr. Jaideep Nandi as Managing Director of the Company – Ordinary Resolution.




Signature of shareholder

\_\_\_\_\_  
Signature of the proxy (holders)

Notes:

1. This form, in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

**bajaj** CONSUMER CARE

A pair of hands, one on the left and one on the right, are positioned to frame a central red circle. The fingers are slightly curled, creating a sense of focus and precision. The background is a soft, light gradient, making the red circle stand out prominently.

SHARPER THE  
**FOCUS,**  
BETTER THE VISION.

Fourteenth  
Annual Report | **2019-20**

**bajaj** GROUP  
THINK TOMORROW



# गिरते बाल?

## बादाम वाले तेल का पोषण!

बजाज आमंड ड्रॉप्स की  
हर बूंद में है पोषण,  
ये बालों का गिरना करे कम\*.

**3X VITAMIN E\***



एवनालफक चित्रण.

\*इंस्ट्रुमेंटल अध्ययन के परिणामों पर आधारित.

\*3X विटामिन ई, आम तेल के मुकाबले, अन-ब्रांडेड हेयर ऑयल के संदर्भ में. IMRB कैंटार वर्ल्ड पैनल 2018-19 डेटा के अनुसार.

**NEW**

# BAJAJ ZERO GREY™

**ANTI-GREYING HAIR OIL**

**HELPS DELAY GREYING  
OF HAIR, NATURALLY\***

Enriched with the goodness of henna, shikakai, onion, hibiscus and kalonji, it increases the production of natural black colour of hair by 5 times\*



\*Refers to increase in melanin level vs untreated as per in-vitro study conducted by an independent laboratory.

# bajaj

NOMARKS™

## SANITIZER



For protection from illness causing germs, you need to keep your hands protected at all times. Introducing Bajaj Nomarks Hand Sanitizer. It has neem and aloe vera and kills 99.9% germs\* thereby keeping you protected.



\*Basis in-vitro study, on indicator organisms  
Creative Visualization

# CSR Programmes



Rejuvenation of river and streams



Farmers Producers Companies (Community mobilization)

# Contents

Board of Directors	2
Chairman’s Letter	3
Directors’ Report	5
Corporate Governance Report	40
Management Discussion and Analysis Report	68
Business Responsibility Report	81
Independent Auditors’ Report on Standalone Financial Statements	89
Balance Sheet (Standalone)	96
Statement of Profit and Loss (Standalone)	97
Cash Flow Statement (Standalone)	99
Notes to Financial Statements (Standalone)	100
Independent Auditors’ Report on Consolidated Financial Statements	128
Balance Sheet (Consolidated)	134
Statement of Profit and Loss (Consolidated)	135
Cash Flow Statement (Consolidated)	137
Notes to Financial Statements (Consolidated)	138
Salient Features of Financial Statements of Subsidiaries/Associates/Joint Ventures	168
Notice	169



## Board of Directors

**Mr. Kushagra Nayan Bajaj**

Non-Executive Chairman

**Mr. Jaideep Nandi**

Managing Director

(w.e.f. from July 01,2020)

**Mr. Sumit Malhotra**

Managing Director (upto June 30, 2020)

Director & Advisor (w.e.f. July 01, 2020)

**Mr. Aditya Vikram Ramesh Somani**

Independent Director

**Mr. Dilip Cherian**

Independent Director

**Mr. Gaurav Dalmia**

Independent Director

**Ms. Lilian Jessie Paul**

Independent Director

**Mr. D. K. Maloo**

Chief Financial Officer

**Mr. Chandresh Chhaya**

Company Secretary & Compliance Officer

**Statutory Auditors**

Sidharth N Jain & Co.

Chartered Accountants

**Secretarial Auditors**

A.K. Jain & Co.

Company Secretaries

**Bankers**

Kotak Mahindra Bank Limited

Corporation Bank

HDFC Bank Limited

Citibank N.A.

**Registrar & Transfer Agent**

KFin Technologies Private Limited

Selenium Building, Tower B, Plot No. 31-32,  
Gachibowli Financial District, Nanakramguda,  
Hyderabad – 500 032



## Chairman's Letter

### Dear Stakeholders,

The world today is confronting one of the greatest health threats of this generation, the COVID-19 situation is a global concern and we are all dealing with an unprecedented challenge. It has profoundly impacted the lives of people everywhere and the global economy. Our thoughts and prayers remain with the families of every one of those who have lost lives to this deadly disease. My heart felt gratitude to all front line workers across the world who have kept things running, especially to healthcare workers and first responders, who have continued to save lives. I believe that we will emerge out of this crisis wiser and stronger. Adversity has brought out the best in our teams, and by staying true to our purpose, we have made progress even in these tough times. We continue to stand by our employees, customers and the community.

### Macro-Economic Outlook

The Indian economy was faced with huge losses in the first quarter and industry estimates that the GDP could contract by more than 40% during the period. The first quarter may suffer a contraction of 25%, which could hit India with the worst-ever recession

As the pandemic cripples urban centres, India will have to rely on farm economy to provide much needed relief. Consumption growth in rural India has outpaced urban growth. With the extended closure in metros, wage reduction and a rise in unemployment across the country, consumer sentiments have weakened. With favourable monsoons and government support, the farmer community is expected to do much better. Overall, apart from the continuing resilience of agriculture and allied activities, other sectors of the economy will be adversely impacted by the pandemic, depending upon its intensity, spread and duration. Relatively modest upsides are expected to emanate from monetary, fiscal and other policy measures and the early containment of COVID-19.

With some states are now restarting economic activities in a staggered manner and some markets opening up, the Indian economy does seem to show signs of recovery with goods movement rebounding close to pre-lockdown levels and goods and services tax (GST) collections rising sharply. GST collections are growing, though still 41% lower than the earlier year, reflecting a rise in consumption. The purchasing managers' index for manufacturing (PMI) recovered to 47.2 in June from 30.8 in May. The Centre for Monitoring Indian Economy (CMIE) states that unemployment rates fell in June to 11.1% compared with an all-time high of 23% in the lockdown months of April and May, during which 122 million people lost their jobs. Demand needs to be stepped up in order to maintain the improved levels of capacity utilization.

### Company performance

The performance during the year was hugely impacted due to disruption in sales in the latter half of March 20 led by lockdown, to contain the outbreak of COVID-19. We achieved operating revenue of ₹ 852 crores with a decline of 7% compared to the previous year. Our profit after tax has been at ₹ 185 crores, decline of 252 bps over previous year. The overall commodity prices were flattish for most part of the year with softening of LLP and PET bottles prices being offset with inflation in refined mustard oil and glass bottles. During the year, we have made significant investment behind our brands and market execution to increase market share and strengthen brand equity which has led to dilution in profitability margin.

The Board of Directors have proposed a dividend of ₹ 2/- per share, subject to the approval of the shareholders at the ensuing AGM.

## Brands

Last year we gave Bajaj Almond Drops, our iconic hair oil brand, a new look and feel with brand new packaging. This year we have changed the communication strategy to focus more on nourishment from almond and Vitamin E, than the lightness of the oil. The communication also highlights our Key Brand Asset – The Iconic shape of the Bajaj Almond Drops bottle. This is helping your company in expanding the target audience for the Brand and build on its key imagery attributes of lightness, nourishment in an environmentally sustainable manner.

The brand re-launch has been very successful and has resulted in market share as well as penetration gain. The value market share in the total hair oil segment touched an all-time high of 10.5% in Jan'20 (highest in past 3 years). This rise in market share has been driven by increase in household penetration. The penetration of Bajaj Almond Drops has gone up to 21%, with a rise of 1% in penetration within one year.

In keeping with our purpose of creating innovative products to serve our customers, Bajaj Zero Grey Anti Greying Hair Oil was launched on Ecommerce platforms and in select Pharmacy outlets earlier this year. This oil helps delay greying of hair naturally. Bajaj Zero Grey Hair Oil is enriched with natural actives and increases the production of natural black colour of hair by 5 times. We also added an expert root applicator to enable ease of oiling.

To support our customers through the pandemic, your company has decided to enter the hand sanitizer market with a brand new product, the Bajaj Nomarks Hand Sanitizer. The sanitizer marks the entry of Bajaj Consumer Care in the Personal Hygiene Segment. The product is aimed at serving our fellow countrymen in this time of Covid-19 where personal Health and Hygiene is essential. The new range of Hand - Sanitizers, have more than 70% alcohol which is required to give the user protection against germs. Use of alcohol does make the hand dry and hence we have added Neem and Aloe-Vera extracts to moisturize the hands.

## Strategy

The COVID-19 pandemic, while completely changing the way we live and do business, has also given us an opportunity to be innovative in our approach. While we continue to drive productivity and implementing safety measures we will focus on innovation led growth to weather this crisis which is bound to have a lasting impact on all of us. Your company aspires to evolve into a complete FMCG company by introducing a culture of innovation to create newer path breaking products for consumers across the globe. We want your company to be recognised as providing innovative solutions to solve tomorrow's problems for our customers.

We will continue to work on micro segmentation of the Hair Oils market and analyse key markets in great depth to design and activate the ideal assortment and marketing mix in each state. We will start small and scale fast, while focusing on cost excellence and innovation to deliver sustained profitability along with accelerated growth. We continue our work on the Multi-year Transformational Program focused on building an organization geared to succeed in the long-term.

## Responsibility towards Society

Your Company undertakes its CSR activities through the Bajaj Foundation. The Foundation focuses on the areas of Natural Resource Development, Human Resource Development and Enhancement of Livelihood Opportunities. I am proud to report that the Foundation has reached 1197 villages, benefitted 3,12,347 families and has covered a population of 14,44,255 till date. It is doing commendable work around conservation of water bodies, sustainable agriculture, women empowerment, skill and entrepreneurship development while focusing on rural infrastructure development at the same time.

## Employees & organization culture

Our efforts to attract the best talent has helped us achieve a talent pool that is engaged and motivated to partner with your company in its journey of growth. During the lockdown period, the employees have continued to learn and develop through use of technology and creative impactful programs that is building a high performing team. It is a matter of great pride for your company to have been certified as a "Great Place to Work" consecutively for the second time. The trust index score of the survey results for the year has significantly moved up validating the efficacies of our developmental journey. BCCL was also recognized as "Maharashtra State's Best Employer" and also won the "Best Employee Engagement Initiatives" by World HRD Congress at Mumbai. The company continues to stand by each and every employee during these testing times and is committed to support them through any crisis that they may face personally too.

## Way Forward

We continue on our journey to keep growing as an ethical, innovative, customer focused company, while creating a future ready organistaion to build value for stakeholders. We have realigned ourselves as an organization which "Thinks Tomorrow". Our new vision now is "To harness our heritage of 90 years and combine it with leading edge scientific knowledge to bring innovative products for consumers across the world to help them get more out of life". I thank each one of you in partnering us on this journey.

With warm regards,

**Kushagra Nayan Bajaj**

# Directors' Report

Your Directors have pleasure in presenting their 14<sup>th</sup> Annual Report and the Audited Financial Statements for the Year ended March 31, 2020.

## Financial Performance

The summarized financial results of the Company for the Financial Year ended March 31, 2020 are presented below:

(₹ In Lakh)

Particulars	Financial Year ended 31-03-2020	Financial Year ended 31-03-2019
Total revenue	87,408.87	92,689.04
Profit before interest, depreciation, and tax	24,045.36	29,594.62
Finance cost	423.08	109.80
Depreciation	533.30	658.72
Profit before tax	23,088.98	28,826.10
Provision for taxation - Income Tax	4,033.65	6,212.82
Other Comprehensive Income /(Loss)	21.34	(30.46)
Total Comprehensive Income	19,076.67	22,582.82
Earnings per Share (₹)		
Basic	12.92	15.33
Diluted	12.92	15.33

The Company achieved total revenue of ₹ 87,408.87 lacs as compared to ₹ 92,689.04 lacs in the previous year thereby registering a decline of approximately 5.70% over previous year. Profit before tax was ₹ 23,088.98 lacs as against ₹ 28,826.10 lacs of the previous year. The Profit after tax stood at ₹ 19,055.33 lacs as compared to the profit of ₹ 22,613.28 lacs in the previous year. The operations and financial results of the Company are elaborated in the Management Discussion and Analysis Report.

There have been no material changes & commitments which affects the financial positions of the Company which have occurred between the end of financial year and the date of this report.

## Transfer to Reserves

The Company does not propose to transfer any amount to reserves.

## Dividend

Your Directors are pleased to recommend a Dividend of ₹ 2/- per equity share of face value of ₹ 1/- each for the year ended March 31, 2020. The Dividend, subject to the approval of Members at the Annual General Meeting on Monday, September 21, 2020, will be paid on or after Wednesday, September 30, 2020, to the Members whose names appear in the Register of Members, as on the Book Closure date, i.e. Tuesday, September 15, 2020. The total dividend pay out for the financial year 2020 will be ₹ 29,50,68,692/- In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source.

The Dividend Distribution Policy is available on the website of the Company at <https://bajajconsumercare.com/policies.aspx> and also given in **Annexure-1** to this Directors' Report.

## Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 1,99,907/- of unpaid / unclaimed dividends were transferred during the year to the Investor Education and Protection Fund.

## Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2020 was ₹ 14,75,34,346 divided into 14,75,34,346 equity shares of ₹ 1/- each. During the year under review, the Company has allotted 34,346 shares of ₹ 1/- each to employees who exercised options granted to them under Employee Restricted Stock Unit Plan 2018 ("RSU 2018").

## Employee Restricted Stock Unit Plan 2018

The shareholders at the Annual General Meeting held on July 23, 2018, had approved an 'Employee Restricted Stock Unit Plan 2018' ("RSU 2018") authorizing grant of not exceeding 7,37,500 options to the eligible employees, in one or more tranches, with each such option conferring a right to apply for one equity share in the Company in accordance with the terms and conditions under the plan.

During the year under review, Nomination, Remuneration & Corporate governance Committee granted total 1,67,803 options under RSU 2018 to an eligible employee, which is equivalent to 0.11% of the paid-up capital of the company. These options will vest over the period of four years from the date of grant. Additional details of the plan as required under Securities & Exchange Board of India (Share Based Employee Benefits) Regulations 2014 are annexed as **Annexure-2** and forms part of this report and also uploaded on the website of the company at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

## Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements, forming a part of this Annual Report.

## Subsidiaries and Associate Companies

During the year under review, no company became/ ceased to be a subsidiary/associate/joint venture of the Company. As on March 31, 2020, the Company had the following unlisted subsidiaries namely:

- Uptown Properties and Leasing Private Limited
- Bajaj Bangladesh Limited (wholly-owned subsidiary)
- Bajaj Corp International (FZE) (wholly-owned subsidiary)

Out of above, Uptown Properties and Leasing Private Limited became 'Material Subsidiary' as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations ("Listing Regulations"). The details of the policy for determining 'Material Subsidiary' is available on the website of the Company at <https://bajajconsumercare.com/policies.aspx>

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has attached along with the Financial Statements, a separate statement containing the salient features of the Financial Statements of its subsidiary companies in the manner prescribed under the Companies Act, 2013 and Rules made thereunder and hence not repeated here for the sake of brevity.

## Subsidiaries Operations

### Uptown Properties and Leasing Private Limited

During the Financial Year ended March 31, 2020, the net loss of Uptown Properties and Leasing Private Limited was ₹ 36.33 lacs as against net profit of ₹ 7.34 lacs of the previous Financial Year. There were no business activities during the Financial Year ended March 31, 2020.

### Bajaj Bangladesh Limited

Bajaj Bangladesh Limited is carrying on its manufacturing activity through Ethical Toiletries Limited (third party manufacturer) in Bangladesh. During the Financial Year ended March 31, 2020, the Company has no revenues in current year as compared to ₹ 25.51 lacs during the previous Financial Year and net loss was ₹ 140.19 lacs as against ₹ 42.90 lacs of the previous Financial Year.

### Bajaj Corp International (FZE)

During the year ended March 31, 2020, the Company recorded total revenue of ₹ 1,334.20 lacs as compared to ₹ 1,245.20 lacs of the previous Financial Year and net loss was reduced to ₹ 423.97 lacs as against ₹ 450.45 lacs of the previous Financial Year.

## Consolidated Financial Statements

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Consolidated Financial Statements of the Company and its subsidiaries have been prepared in the same form and manner as mandated by Schedule III to the Companies Act, 2013 and shall be laid before the forthcoming 14<sup>th</sup> Annual General Meeting (AGM) of the Company.

The Consolidated Financial Statements of the Company have also been prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India forming part of this Annual Report. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and Audited Accounts of each of its subsidiaries are available on Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

## Management Discussion and Analysis Report

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

## Corporate Social Responsibility (CSR) Initiatives

In accordance with the requirements of the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. The Company has also formulated a CSR Policy which is available on Company's website at <https://bajajconsumercare.com/policies.aspx>

During the year under review, in compliance with the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and the various notifications/circulars issued by the Ministry of Corporate Affairs, the Company has contributed an amount of approximately ₹ 567.38 lakh to Kamalnayan Jamnalal Bajaj Foundation (the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013). The salient features of the CSR policy along with the Report on CSR activities are given in **Annexure-3** to this Directors' Report.

## Business Risk Management

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. Inflationary tendencies in the economy and deterioration of macroeconomic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

The Company operates in the highly competitive FMCG market with competitors who may have better ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issues can affect our operations and profitability.

A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently.

However, the Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize

adverse impact on the business objectives and enhance the Company's competitive advantage. The details of the Risk Management Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

In the opinion of the Board of Directors, none of the aforementioned risks affect and/or threaten the existence of the Company.

## Vigil Mechanism / Whistle – Blower Policy

The Company has adopted a 'Whistle-Blower Policy' for Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism.

The functioning process of this mechanism has been more elaborately mentioned in the Corporate Governance Report forming a part of this Annual Report. The said policy is hosted on Company's website at <https://bajajconsumercare.com/policies.aspx>

## Remuneration Policy

The Board on the recommendation of the Nomination, Remuneration & Corporate Governance Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration and to develop & recommend to the Board a set of Corporate Governance Guidelines. The policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

The salient features of the policy are as below :-

- To identify individuals qualified to be Board Members and in Senior Management, consistent with criteria approved by the Board and to periodically examine the structure, composition and functioning and performance of the Board, its Committees & Senior Management and recommend changes, as necessary;
- To recommend new Board Members in light of resignation of current Members or a planned expansion of the Board;
- To recommend to the Board of Directors to serve on each of the Board Committee;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To formulate the criteria for determining the qualifications, positive attributes and independence of a Director;
- To recommend to the Board remuneration policy for Directors, Key Managerial personnel and other employees;
- To develop and recommend to the Board a set of Corporate Governance Guidelines;
- To oversee the evaluation of the Board, Committees of the Board and the management;
- To assess the Company's policies and processes in key areas of Corporate Governance, other than those explicitly assigned to other Board Committees, with a view to ensuring the Company is at the forefront of good corporate governance;
- Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company and to recommend measures to implement the same;
- To regularly examine ways to strengthen the Company's organizational health, by improving the hiring, retention, motivation, development, deployment and behaviour of management and other employees.

In this context, the Committee also reviews the framework and processes for motivating and rewarding performance at all levels of the organization, reviews the resulting compensation awards and makes appropriate proposals for Board approval. In particular, it recommends all forms of compensation to be granted to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

## Board of Directors

### Appointment, Cessation and Re-designation

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, the Board of Directors of the Company, based on the recommendation of the Nomination, Remuneration Committee & Corporate Governance Policy Committee, at its Meeting held on June 18, 2020 appointed Mr. Jaideep Nandi (DIN: 06938480) with effect from July 01, 2020 as an Additional Director and designated him as Managing Director of the Company. Mr. Jaideep Nandi holds office of Director up to the date of ensuing Annual General Meeting of the Company and being eligible, has offered himself for appointment as Director.

A detailed profile of Mr. Jaideep Nandi seeking appointment at the forthcoming AGM as required under Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

At the same meeting, as a part of succession plan, Mr. Sumit Malhotra stepped down as Managing Director of the Company with effect from June 30,2020.

Board recorded its sincere appreciation for the valuable contribution for the growth of the Company by Mr. Sumit Malhotra during his office as Managing Director of the Company. The Board of Directors at its meeting held on June 18,2020 based on the recommendation of Nomination, Remuneration and Corporate Governance Committee re-designated Mr. Sumit Malhotra as Director & Advisor of the Company with effect from July 01,2020 for a period of 5 years.

Resolutions seeking approvals in respect of the aforesaid appointments / ratification of re-designation and remuneration have been recommended by the Board of Directors which are being placed at the 14<sup>th</sup> Annual General meeting.

### Retirement by Rotation

As per the provisions of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for re-appointment. At the ensuing AGM, Mr. Sumit Malhotra (DIN: 02183825), Director, retires by rotation and being eligible, offers himself for re-appointment.

A detailed profile of Mr. Sumit Malhotra along with additional information required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

### Number of Meetings of the Board

The Board met five times during the Financial Year 2019- 20 namely, April 9, 2019; July 15, 2019, October 11, 2019, December 20, 2019 and February 10, 2020. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

### Annual evaluation by the Board

Pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, committees, Chairman and individual Directors. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

The Nomination, Remuneration and Corporate Governance Committee have defined the evaluation criteria for the Board, its Committees and Directors. The evaluation exercise is carried out through a structured questionnaire circulated to the Directors covering various aspects of evaluation of the Board, Committee and individual directors.

The Board's functioning was evaluated on various aspects, including inter alia, degree of fulfilment of key responsibilities, Board structure, composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.



Directors were evaluated on aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active participation by all Board Members.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluations of the Independent Directors were carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

In addition, Independent Directors were evaluated based on parameters such as qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Ethics (Code of Conduct) of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns to the Board, interpersonal relations with other Directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

Details of the policy on evaluation of Board's performance is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

### **Familiarization Programme for Independent Directors**

Pursuant to the provisions of Regulation 25 of the Listing Regulations, the Company has formulated a programme for familiarising the Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives. The details of the aforementioned programme is available on the Company's website at [https://bajajconsumercare.com/Familiarization\\_Programme.aspx](https://bajajconsumercare.com/Familiarization_Programme.aspx).

### **Board Committees**

#### **A. Audit Committee**

The Audit Committee comprises of following Independent Directors:

Mr. Gaurav Dalmia, Chairman of the Committee

Mr. Aditya Vikram Ramesh Somani

Mr. Dilip Cherian

Ms. Lilian Jessie Paul

#### **B. Nomination, Remuneration & Corporate Governance Committee**

The Nomination, Remuneration & Corporate Governance Committee comprises of following Independent Directors:

Mr. Gaurav Dalmia, Chairman of the Committee

Mr. Aditya Vikram Ramesh Somani

Mr. Dilip Cherian

#### **C. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises of following Directors:

Mr. Dilip Cherian, Chairman of the Committee

Mr. Kushagra Nayan Bajaj

Mr. Sumit Malhotra

**D. Corporate Social Responsibility (CSR) Committee**

The CSR Committee comprises of following Directors:

Mr. Gaurav Dalmia, Chairman of the Committee  
 Mr. Dilip Cherian  
 Mr. Sumit Malhotra

**E. Risk Management Committee**

The Risk Management Committee comprises of the following Directors & Members:

Mr. Aditya Vikram Ramesh Somani, Chairman of the Committee  
 Mr. Sumit Malhotra  
 Ms. Lilian Jessie Paul  
 Mr. Ankit Chudiwala  
 Mr. Dharmesh Sanghavi

**Key Managerial Personnel**

During the year under review, Mr. Makarand Karnataki, Company Secretary and Compliance Officer has demitted his position as Company Secretary and Compliance Officer effective February 10, 2020. The Board places on record its appreciation for the valuable services rendered by Mr. Karnataki during his tenure as a Company Secretary and Compliance Officer of the Company.

Mr. Chandresh Chhaya has been appointed as Company Secretary and Compliance Officer of the Company with effect from February 11, 2020.

**Declaration by Independent Directors**

The Independent Directors of the Company have submitted declaration of Independence confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Listing Regulations.

**Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## Utilization of net proceeds from the Initial Public Offer (“Issue”)

Pursuant to the approval of the Members obtained at the 7<sup>th</sup> AGM of the Company held on August 2, 2013, the objects of the issue as disclosed in the Prospectus dated August 9, 2010 issued by the Company for its Initial Public Offer were varied. In terms of variation, the Company has proposed to utilise the balance unutilised amount of ₹ 278.04 crore as on March 31, 2013 towards area as specified in the notice of the aforesaid Meeting.

The Company has utilized ₹ 214.03 crore upto March 31, 2020 out of the balance unutilized amount of ₹ 278.04 crore as mentioned above towards the area as specified in the notice of the aforesaid Meeting.

The Company continues with its efforts for development of new products in the personal care segment. The Company has also been actively pursuing opportunities of inorganic growth in the FMCG sector by identifying brands/ products portfolio/companies in personal care segments.

## Related Party Transactions

The Board of Directors has adopted a policy on Related Party Transactions. The said Policy is available on Company's website at <https://bajajconsumercare.com/policies.aspx>

The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All contracts or arrangements with related parties entered into or modified during the Financial Year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualify under omnibus approval as permitted under the law. No material contracts or arrangements with related parties were entered into during the year under review. Therefore, there is no requirement to report any transaction in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, the Company has not entered into any transaction of a material nature with the Promoters, subsidiaries of Promoters, Directors, Key Managerial Personnel or their relatives etc. that may have potential conflict with the interests of the Company.

Details of Related Parties Transactions pursuant to Accounting Standards on Related Parties Transactions have been disclosed in the notes to Financial Statements.

## Internal Financial Controls

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon were presented to the Audit Committee of the Board.

## Auditors

### a) Statutory Auditors

Members of the Company at the 11<sup>th</sup> AGM held on July 18, 2017, approved appointment of M/s. Sidharth N Jain & Co., Chartered Accountants (Firm Registration No. 018311C) as the Statutory Auditors of the Company for a term of 5 years to hold the office from the conclusion of 11<sup>th</sup> AGM till the conclusion of 16<sup>th</sup> AGM of the Company.

M/s. Sidharth N Jain & Co., have confirmed that they are within the limits specified under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified to act as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

As required under Regulation 33(1)(d) of Listing Regulations, M/s. Sidharth N Jain & Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Statutory Auditors Report to the shareholders for the year under review does not contain any modified opinion or qualifications and the observations and comments given in the report of the Statutory Auditors read together

with Notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Companies Act, 2013.

During the year under review, the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and therefore, no details are required to be disclosed under Section 134(3)(c)(a) of the Companies Act, 2013.

#### **b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company has appointed M/s. A. K. Jain & Co., Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks or disclaimer and is annexed herewith as **Annexure-4** to this Directors' Report.

### **Cost Audit**

The Ministry of Corporate Affairs vide Notification dated December 31, 2014, made amendment in the Companies (Cost Records and Audit) Rules, 2014, through Companies (Cost Records and Audit) Amendment Rules, 2014. As per the Amendment Rules, the Company is exempted from the requirement to conduct Cost Audit.

### **Reporting of Frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and Rules made thereunder.

### **Corporate Governance Report and Certificate**

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the certificate as required under Schedule V(E) of Listing Regulations received from the Statutory Auditors of the Company, forms part of this Annual Report.

### **Compliance of Corporate Governance Standards of New York Stock Exchange (NYSE)**

The Company, in order to achieve greater transparency and to comply with internationally prevalent norms of Corporate Governance, has voluntarily adopted Corporate Governance Standards codified in Section 303A of New York Stock Exchange (NYSE) Listed Company Manual. The details of the same and the steps taken by the Company are explained in the Corporate Governance Report.

### **Compliance of Secretarial Standards of ICSI**

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

### **Business Responsibility Report**

In compliance with Regulation 34 of Listing Regulations, the Business Responsibility Report detailing the various initiatives taken by the Company on environmental, social and governance front is forming a part of this Annual Report. The Board of Directors has adopted a Business Responsibility Policy which is available on Company's website at <https://bajajconsumercare.com/policies.aspx>

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-5** to this Directors' Report.

## Extract of Annual Return

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014, is annexed as **Annexure-6** which forms an integral part of this report and is also available on the website of the company at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy for prevention of sexual harassment at the work place in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal complaints committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the above Act.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

1. Number of Complaints received: Nil
2. Number of Complaints disposed off: Nil

## Particulars of Employees

Disclosure required in respect of employees of the Company, in terms of provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as **Annexure-7** which forms an integral part of Directors' Report.

The Managing Director of the Company does not receive any remuneration and/or commission from the Company's holding and/or subsidiary companies.

In terms of Section 136 of the Companies Act, 2013, the Directors Report is being sent excluding the information on employees' particulars mentioned in Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In terms of proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the aforesaid particulars shall be made available to any shareholder on a specific request made by in writing before the date of such Annual General Meeting wherein financial statements for the financial year 2019-20 are proposed to be adopted by shareholders and such particulars shall be made available by the Company within three days from the date of receipt of such request from shareholders.

If any Member is interested in obtaining the same, such Member may write to the Compliance Officer in advance.

## Listing Agreement

In compliance with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Company has executed a Uniform Listing Agreement with BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed. Company has paid annual listing fees to both the Stock Exchanges.

## Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organization. The said codes are available on Company's website at <https://bajajconsumercare.com/policies.aspx>

The 'Trading Window' is closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. The Company Secretary of the Company has been designated as Compliance Officer to administer the Code of Conduct and other requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015.

## General Disclosure

During the year under review:

- a) the Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise, pursuant to the provisions of Section 43 of Companies Act, 2013 and Rules made thereunder.
- b) the Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company or its holding Company, pursuant to the provisions of Section 67 of Companies Act, 2013 and Rules made thereunder.
- c) the Company has not accepted any deposit from the public, pursuant to the Chapter V of Companies Act, 2013 and Rules made thereunder.
- d) the Company has not bought back its shares, pursuant to the provisions of Section 68 of Companies Act, 2013 and Rules made thereunder.
- e) there are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- f) there are no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

## Industrial Relations

Industrial relations have been cordial at all the manufacturing units of the Company.

## Cautionary Statement

Statements in the Director's report and the Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country and other factors which are material to the business operations of the Company.

## Acknowledgements

The Directors express their appreciation for the sincere co-operation and assistance of Central and State Governments, authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude, the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

**Kushagra Nayan Bajaj**  
Chairman  
(DIN:00017575)

Place : Mumbai  
Dated : June 18, 2020

# ANNEXURE – 1

## Dividend Distribution Policy

### 1. BACKGROUND, SCOPE, PURPOSE AND EFFECTIVE DATE

The Securities and Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations).

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Bajaj Consumer Care Limited (the "Company") being one of the top five hundred listed company as per the criteria mentioned above, the Company has approved and adopted this Dividend Distribution Policy (the "Policy") at its meeting held on October 14, 2016, being the effective date of the Policy .

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders
- Issue of Bonus Shares by the Company
- Buyback of Securities

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

### 2. DEFINITIONS

**"Act"** shall mean the Companies Act, 2013 and rules made thereunder, as amended from time to time.

**"Board"** shall mean board of directors of the Company.

**"Company"** shall mean Bajaj Consumer Care Limited.

**"Dividend"** includes any interim dividend.

**"Listing Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**"Policy"** shall mean this dividend distribution policy.

**"Stock Exchange"** shall mean a recognised Stock Exchange on which the securities of the Company are listed.

### 3. POLICY

#### A. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors.

**Financial parameters and Internal Factors:**

- (i) Operating cash flow of the Company
- (ii) Profit earned during the year
- (iii) Profit available for distribution
- (iv) Earnings Per Share (EPS)
- (v) Working capital requirements
- (vi) Capital expenditure requirement
- (vii) Business expansion and growth
- (viii) Likelihood of crystallization of contingent liabilities, if any
- (ix) Additional investment in subsidiaries and associates of the company
- (x) Upgradation of technology and physical infrastructure
- (xi) Creation of contingency fund
- (xii) Cost of Borrowing
- (xiii) Past dividend payout ratio / trends

**External Factors:**

- (i) Economic environment
- (ii) Capital markets
- (iii) Global conditions
- (iv) Statutory provisions and guidelines

**B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND**

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- i. Proposed expansion plans requiring higher capital allocation
- ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow
- iii. Requirement of higher working capital for the purpose of business of the Company
- iv. Proposal for buy-back of securities
- v. In the event of loss or inadequacy of profit

**C. UTILIZATION OF THE RETAINED EARNING****A. Utilisation of the retained earning**

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:



- Expansion and modernization plan
- Long term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Such other criteria's as the Board may deem fit from time to time.

#### **D. MANNER OF DIVIDEND PAYOUT**

In case of final dividend:

- (i) Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- (ii) The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- (iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- (i) Interim dividend, if any, shall be declared by the Board.
- (ii) Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- (iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- (iv) In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

#### **4. PARAMETERS ADOPTED IN RELATION TO VARIOUS CLASSES OF SHARES**

The Company has issued only one class of equity shares with equal voting rights. Accordingly, all members are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably modified upon the issue of equity shares of a different class.

#### **5. POLICY REVIEW AND AMENDMENTS**

The Board reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision or amendment in accordance with applicable law as may be issued by relevant statutory, regulatory or governmental authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

## ANNEXURE – 2

### Details of Stock Options as on March 31, 2020

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2020:

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time Members may please refer to the audited financial statement for the year 2019-2020.
- B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options:  
Diluted EPS for the year ended March 31, 2020 is ₹ 12.92
- C. Details related to Employees' Stock Option Scheme:

No.	Description	Details	
i)	The description including terms and conditions of ESOS is summarized as under:		
a.	Date of shareholders' approval	July 23, 2018	
b.	Total Number of options approved under ESOS	Upto 0.5% of the paid-up capital of the Company	
c.	Vesting Requirements	7,37,500 options granted shall not vest earlier than minimum period of one (1) year and not later than maximum period of four (4) years from the date of grant.	
d.	Exercise Price or Pricing Formula	Exercise price per option shall be the face value of equity shares i.e. ₹1/-	
e.	Maximum term of options granted	4 years	
f.	Source of shares	Primary	
g.	Variation in terms of options	None	
ii)	Method used to account for ESOS	Fair Value	
iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	NA	
iv)	Option movement during the year:		
a.	Number of options outstanding at the beginning of the period	2,53,596	
b.	Number of options granted during the year	<b>Plan</b>	<b>No. of Options</b>
		RSU 2018	1,67,803
c.	Number of options forfeited/lapsed/ expired during the year	<b>Plan</b>	<b>No. of Options</b>
		Total	98,770
d.	Number of options vested during the year	<b>Plan</b>	<b>No. of Options</b>
		Total	34,346
e.	Number of options exercised during the year	<b>Plan</b>	<b>No. of Options</b>
		Total	34,346
f.	Number of shares arising as a result of exercise of options	<b>Plan</b>	<b>No. of Options</b>
		Total	34,346
g.	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	<b>Plan</b>	<b>No. of Options</b>
		Total	₹34,346
h.	Loan repaid by the trust during the year from exercise price received	NA	
i.	Number of options outstanding at the end of the year	2,88,283	
j.	Number of options exercisable at the end of the year	Nil	

No.	Description	Details		
v)	Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	(i) Weighted average exercise price of options granted during the year whose: <ol style="list-style-type: none"> <li>Exercise price equals market price: NA</li> <li>Exercise price is greater than market price: NA</li> <li>Exercise price is less than the market price: ₹ 1</li> </ol> (ii) Weighted average fair value of options granted during the year whose: <ol style="list-style-type: none"> <li>Exercise price equals market price: NA</li> <li>Exercise price is greater than market price: NA</li> <li>Exercise price is less than the market price: ₹ 195.92</li> </ol>		
vi)	Employee-wise details of options granted to :-			
	i. Senior Managerial Personnel	<b>Name</b>	<b>Designation</b>	<b>No. of options granted</b>
		Mr. Jaideep Nandi	Chief Executive Officer	1,67,803
	ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None		
	iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None		
vii)	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: <ul style="list-style-type: none"> <li>Fair value of the options calculated by using Black -Scholes option pricing model.</li> <li>Stock Price : The closing price on NSE as on the date of grant has been considered for valuing the options granted.</li> <li>Volatility : Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black – Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.</li> <li>Risk Free Rate of Return: The risk-free rate is taken as the zero coupon yield on Government of India securities corresponding to the expected life of options.</li> <li>Time of maturity /Expected Life: Time of maturity /Expected Life of option is the period for which the Company expects the option to be live. The minimum life of a stock option is the minimum before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.</li> <li>Expected dividend yield: The expected dividend yield has been calculated on the basis of past history of dividend payouts.</li> </ul>			

Weighted Average Information		
Variables		
Plan	RSU 2018	
Grant Date	August 14, 2018	February 10, 2020
Risk free rate (%)	7.20-7.70	5.9
Expected Life (years)	1 to 4	1 to 4
Volatility (%)	24	32
Dividend yield (%)	2.50	3.00
Stock price (NSE closing rate) ₹	420.75	221.79
Option Fair Value ₹	392.10	195.92

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : June 18, 2020

**Kushagra Nayan Bajaj**  
Chairman  
(DIN:00017575)

## ANNEXURE - 3

### Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	<p>The Company undertakes its CSR activities through 'Kamalnayan Jamnadal Bajaj Foundation'. Kamalnayan Jamnadal Bajaj Foundation with the vision of "Integrated development of the society through participatory approaches that sets benchmarks and standards for others to emulate for sustainable development" empower the rural community to take charge of their own development in a participatory manner by developing and managing natural resources. The developmental interventions focus on enhancing the income generated from agriculture, which is the principal source of livelihood. Kamalnayan Jamnadal Bajaj Foundation also promotes alternate agro based livelihood opportunities such as dairy farming, organic farming, horticulture and biogas which not only provides additional steady income but allows rural community to get enhanced quality of life.</p> <p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013. The CSR policy is placed on the Company's website at <a href="https://bajajconsumercare.com/policies.aspx">https://bajajconsumercare.com/policies.aspx</a></p>		
2	The composition of the CSR Committee	<p>Mr. Gaurav Dalmia, Chairman of the Committee &amp; Independent Director</p> <p>Mr. Dilip Cherian, Independent Director</p> <p>Mr. Sumit Malhotra, Managing Director</p>		
3	Average Net profit of the Company for the last three Financial Years	₹ 28,368.62 lakh		
4	Prescribed CSR Expenditure (two per cent of the amount as mentioned in item 3 above)	₹ 567.38 lakh		
5	Details of the CSR spent during the Financial Year	Total Amount spent during the Financial Year ended March 31, 2020	Amount unspent, if any;	Manner in which amount spent during the Financial Year.
		₹ 666.81 Lakh	NIL	The manner in which the amount is spent is detailed below

#### The manner of CSR spent by Bajaj Consumer Care Limited

(₹ in lakh)

Sr. No.	CSR Projects/ Activities Identified	Sector in which the Project is covered	Project or Programmes a) Local area or others b) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Projects or programs wise	Amount spent on the projects or programs sub heads: a) Direct Expenditure on Projects or programs b) Overheads	Cumulative Expenditure upto the reporting period	Amount spent Direct or through implementing agency
i	Environmental Sustainability	Water Conservation	River Revival - Maharashtra, Wardha		281.45	281.45	(*)
			Recharge Pit - Maharashtra, Wardha		2.58	284.04	(*)
			Boribundh - Maharashtra, Wardha		0.12	284.16	(*)
			Lift Irrigation Schemes) - Maharashtra, Wardha		6.05	290.21	(*)
			Group Diesel Engine - Maharashtra, Wardha		4.05	294.26	(*)

(₹ in lakh)

Sr. No.	CSR Projects/ Activities Identified	Sector in which the Project is covered	Project or Programmes a) Local area or others b) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Projects or programs wise	Amount spent on the projects or programs sub heads: a) Direct Expenditure on Projects or programs b) Overheads	Cumulative Expenditure upto the reporting period	Amount spent Direct or through implementing agency
			Well Recharge - Maharashtra, Wardha		1.50	295.76	(*)
			Drip Irrigation System - Maharashtra, Wardha		1.92	297.68	(*)
			Sprinkler Irrigation System - Maharashtra, Wardha		10.20	307.88	(*)
		Alternative Energy	Biogas - Maharashtra, Wardha		15.66	323.54	(*)
			Solar Pump - Maharashtra, Wardha		8.26	331.80	(*)
		Agricultural Development	Horticulture Plantation - Maharashtra, Wardha		12.03	343.83	(*)
		Water Conservation	Well Convergence in MREGS - Maharashtra, Wardha		29.06	372.90	(*)
		Agriculture Development	Horticulture Plantation with Govt. - Maharashtra, Wardha		7.96	380.86	(*)
			Design for Change - Maharashtra, Wardha		2.25	383.11	(*)
			Natural Farming - Maharashtra, Wardha		18.84	401.94	(*)
ii	Skill & Entrepreneurship	Women Empowerment	- Maharashtra, Wardha		20.93	422.87	(*)
		Community Mobilization	- Maharashtra, Wardha		63.22	486.09	(*)
		Administrative Expenditure			38.89	524.97	(*)
iii.	Contribution to the corpus of Kamalnayan Jamnalal Bajaj Foundation				141.84	666.81	
	<b>Total</b> (Refer Note below)			<b>567.38</b>	<b>666.81</b>	<b>666.81</b>	(*) Through Implementation Agency Kamalnayan Jamnalal Bajaj Foundation
6	In case the Company has failed to spend the two percent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report					N.A.	

Note:

Amount spent on the projects includes a sum of ₹ 99.43 lacs being interest earned by Kamalnayan Jamnalal Bajaj Foundation with respect to contributions made by the Company during the previous years to the Corpus of the Foundation and spent by them during the Financial Year 2019-20.

We, Gaurav Dalmia, Dilip Cherian and Sumit Malhotra, the Members of CSR Committee of Bajaj Consumer Care Limited, confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the CSR Committee

**Gaurav Dalmia**  
Chairman of the Committee  
(DIN:00009639)

**Dilip Cherian**  
Member of the Committee  
(DIN:00322763)

**Sumit Malhotra**  
Managing Director &  
Member of the Committee  
(DIN:02183825)

Place : Mumbai  
Dated : June 18, 2020

# ANNEXURE – 4

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31<sup>st</sup> March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
**Bajaj Consumer Care Limited**  
Old Station Road  
Sevashram Chouraha  
Udaipur – 313001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Consumer Care Limited** (Formerly known as Bajaj Corp Limited) (CIN: L01110RJ2006PLC047173) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification electronically 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 secretarial audit, in wake of the countrywide lockdown due to the outbreak of the Novel Covid-19 and , we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 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 electronically the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the financial year under review);**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the financial year under review);**
  - 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 **(Not Applicable to the Company during the financial year under review);**

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the financial year under review)**;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the financial year under review)**; and
- i. The Securities and Exchange Board of India (Listing obligations and Disclosures Requirements) Regulations, 2015 [SEBI (LODR)].

(vi) The management has identified the compliances of the following laws as specifically applicable to the Company:

- (i) Environment (Protection) Act, 1986;
- (ii) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
- (iii) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards;
- (iv) Drugs and Cosmetics Act, 1940 and the rules made thereunder; and
- (v) Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011.

Having regard to the compliance system prevailing in the Company, we further report that on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the same.

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

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

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 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 of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

**We further report that** during the audit period, the specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. are mentioned below:

<b>Date of event</b>	<b>Details of the specific events/ actions bearing on Company's affairs pursuance of the above referred laws, rules, regulations, guidelines etc.</b>
20.08.2019	The Company has allotted 34,346 Equity Shares of ₹1/- each to the Eligible Employees of the Company under the Employees Restricted Stock Unit Plan 2018

For **A. K. Jain & Co.**  
Company Secretaries

**Ashish Kumar Jain**  
Proprietor  
CP No. 6124

Membership No. F6058  
UDIN No. F006058B000354747

Place : Mumbai  
Date : 18<sup>th</sup> June, 2020

**Note:** This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

# ANNEXURE A

To  
The Members,  
**Bajaj Consumer Care Limited**  
Old Station Road,  
Sevashram Chouraha  
Udaipur - 313001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.

For **A. K. Jain & Co.**  
Company Secretaries

**Ashish Kumar Jain**  
Proprietor  
CP No. 6124

Membership No. F6058  
UDIN No. F006058B000354747

Place : Mumbai  
Date : 18<sup>th</sup> June, 2020



## ANNEXURE – 5

**Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under 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)	Steps taken or impact on conservation of energy:
a)	Energy conservation by adopting new technology with energy efficient motors and more focus on continuous improvement & process, through improved maintenance.
b)	Making appropriate infrastructural changes in plant & machineries in order to conserve energy & manpower by utilizing optimum natural resources like air, heat, water and lighting.
c)	Improving OEE (Overall Equipment Efficiency) resulting productivity improvement and reduction of power and resources.
d)	The power consumption saving by use of LED lights for machine works areas, overhead lights in some testing laboratories etc.
e)	Reduce machine power consumption by implementing reduction of over usages, under usages, idling and synchronization & transmission losses.
f)	By implementing load balancing of power across 3 phases and optimizing the power consumptions.
g)	Company is continuously monitoring energy consumption per unit of production at various facilities and taking actions towards conservation of energy in view of rising cost of energy and keeping with the company's commitment to be an energy efficient entity.

### (B) TECHNOLOGY ABSORPTION

(i)	Research and Development:	
a)	Company had been aggressively carrying out in-house R&D for development of products and processes in all its manufacturing businesses to meet the requirements of the market. The Company is also recognized as "In house R&D Centre" by DSIR (Department of Scientific & Industrial Research).	
b)	The technologies so far generated by the Company have been absorbed and adapted/ innovated to make them suitable to the Indian conditions by the active involvement of the R & D Department.	
c)	Absorption, adaptation & innovation of technology have led to less dependence on imports of certain products. This has saved a considerable cost of production.	
(ii)	Efforts made towards technology absorption:	
	Guwahati plant has incorporated advance technology machines for filling, sealing and packaging. These machines are energy efficient, highly productive and equipped with best in class safety features.	
(iii)	Benefits derived like product improvement, cost reduction, product development or import substitution:	
	Company has benefited significantly in terms of better product quality, reduced operating cost and new product additions into hair & skin care portfolio.	
(iv)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
(a)	The details of technology imported	NIL
(b)	The year of import	N.A.
(c)	Whether the technology been fully absorbed	N.A.
(d)	If not fully absorbed, areas where absorption has not taken place and the reasons thereof	N.A.

<b>(v) Expenditure on R&amp;D:</b>			
	<b>Particulars</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
(a)	Capital	-	15.97
(b)	Recurring	363.49	318.23
(c)	Total	363.49	334.20
(d)	Total R & D expenditure as a percentage of total turnover	0.43%	0.37%

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year, foreign exchange earnings and outgo was ₹ 1,297.53 lakh and ₹ 179.87 lakh respectively.

For and on behalf of the Board of Directors

**Kushagra Nayan Bajaj**  
Chairman  
(DIN:00017575)

Place : Mumbai  
Dated : June 18, 2020

# ANNEXURE – 6

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

(as on the Financial Year ended 31.03.2020)

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

#### I. REGISTRATION AND OTHER DETAILS

i)	CIN	L01110RJ2006PLC047173
ii)	Registration Date	25.04.2006
iii)	Name of the Company	Bajaj Consumer Care Limited (Formerly: Bajaj Corp Limited)
iv)	Category / Sub-Category of the Company	Category: Company Limited by Shares Sub-Category: Indian Non-Government Company
v)	Address of the Registered office and contact details	Old Station Road, Sevashram Chouraha, Udaipur - 313 001, Rajasthan Tel No : +91-294 - 2561631/32 Email Id: <a href="mailto:complianceofficer@bajajconsumer.com">complianceofficer@bajajconsumer.com</a>
vi)	Whether listed company (Yes/No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Building, Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Telangana Tel No: +91 40 6716 2222 Email Id: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturing & marketing of Hair Oils	20236	98%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Uptown Properties and Leasing Private Limited 2 <sup>nd</sup> Floor, Building No. 2 Solitaire Corporate Park 167, Guru Hargovind Marg Chakala, Andheri (E) Mumbai-400 093	U70101MH2004PTC146231	Subsidiary	100.00	2(87)
2.	Bajaj Bangladesh Limited 52, Mothijheel, Dhaka - 1000 Bangladesh	-	Subsidiary	100.00	2(87)
3.	Bajaj Corp International (FZE) T5-50, P.O. Box 123750, SAIF Zone Sharjah, UAE	-	Subsidiary	100.00	2(87)



Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Sub-total (B) (1):-</b>	4,87,08,447	0	4,87,08,447	33.02	7,57,27,770	0	7,57,27,770	51.33	18.31
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>	36,67,897	0	6,67,897	2.49	27,04,283	0	27,04,283	1.83	(0.65)
<b>b) Individuals</b>									
i) Individual shareholders holding nominal Share Capital upto ₹ 1 Lac	54,00,638	226	54,00,864	3.66	1,05,57,090	376	1,05,57,466	7.15	3.62
ii) Individual shareholders holding nominal Share Capital in excess of ₹ 1 Lac	0	0	0	0	0	0	0	0	0
<b>c) Others (specify)</b>									
Non-Resident Indians	10,45,861	0	10,45,861	1.11	14,78,339	0	14,78,339	1.00	(0.11)
Clearing Members	1,51,931	0	1,51,931	0.10	3,86,167	0	3,86,167	0.26	0.16
Trusts/ Qualified Foreign Investor	0	0	0	0	1,63,159	0	1,63,159	0.11	0.11
Employees	0	0	0	0	36,115	0	36,115	0.02	0.02
NBFC	0	0	0	0	1,060	0	1,060	0.00	0.00
HUF	0	0	0	0	3,54,987	0	3,54,987	0.24	0.24
<b>Sub-total (B) (2):-</b>	<b>1,02,66,327</b>	<b>226</b>	<b>1,02,66,553</b>	<b>6.96</b>	<b>1,52,89,038</b>	<b>376</b>	<b>1,56,81,576</b>	<b>10.63</b>	<b>3.65</b>
<b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>	<b>5,89,74,774</b>	<b>226</b>	<b>5,89,75,000</b>	<b>39.98</b>	<b>9,10,16,808</b>	<b>376</b>	<b>9,10,17,184</b>	<b>61.94</b>	<b>21.96</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>14,74,99,774</b>	<b>226</b>	<b>14,75,00,000</b>	<b>100.00</b>	<b>14,75,33,970</b>	<b>376</b>	<b>14,75,34,346</b>	<b>100.00</b>	<b>100.00</b>

The shareholding of Promoters listed above is pursuant to Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and submitted to the Stock Exchanges as on March 31, 2020.

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares of the Company	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares of the Company	
1.	Bajaj Resources Limited	8,83,75,000	59.92	0.00	5,61,09,900	38.03	0.00	(21.89)
2.	KNB Enterprises LLP	75,000	0.05	0.00	10,100	0.01	0.00	(0.04)
3.	SKB Roop Commercial LLP	75,000	0.05	0.00	5,000	0.00	0.00	(0.05)

**(iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

Sr. No.	For Each of the Shareholders	No. of shares at the beginning (01/04/2019)/ end of the year (31/03/2020)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total shares of the Company
1.	Bajaj Resources Limited	8,83,75,000	59.92	01/04/2019				
				15/10/2019	(3,22,65,100)	Sale	5,61,09,900	38.03
		5,61,09,900	38.03	31/03/2020			5,61,09,900	38.03
2.	KNB Enterprises LLP	75,000	0.05	01/04/2019				
				15/10/2019	(64,900)	Sale	10,100	0.01
		10,100	0.01	31/03/2020			10,100	0.01
3.	SKB Roop Commercial LLP	75,000	0.05	01/04/2019				
				15/10/2019	(70,000)	Sale	5,000	0.00
		5,000	0.00	31/03/2020			5,000	0.00

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	For Each of the Top 10 Shareholders	No. of shares at the beginning (01/04/2019)/ end of the year (31/03/2020)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Baytree Investments (Mauritius) Pte Limited	98,63,765	6.69	01/04/2019				
		98,63,765	6.69	31/03/2020			98,63,765	6.69
2.	Mathews India Fund	60,83,908	4.12	04/01/2019				
				10/05/2019	206	Transfer	60,84,114	4.12
				09/08/2019	(55,605)	Transfer	60,28,509	4.09
				16/08/2019	(33,435)	Transfer	59,95,074	4.06
				23/08/2019	(41,011)	Transfer	59,54,063	4.04
				30/08/2019	(3,76,804)	Transfer	55,77,259	3.78
			(1,096)	Transfer	55,76,163	3.78		

Sr. No.	For Each of the Top 10 Shareholders	No. of shares at the beginning (01/04/2019)/ end of the year (31/03/2020)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				13/09/2019	(1,01,924)	Transfer	54,74,239	3.71
				20/09/2019	(2,26,648)	Transfer	52,47,591	3.56
				27/09/2019	(2,62,949)	Transfer	49,84,642	3.38
				30/09/2019	(8,792)	Transfer	49,75,850	3.37
				04/10/2019	(1,53,161)	Transfer	48,22,689	3.27
				11/10/2019	(1,03,799)	Transfer	47,18,890	3.20
				18/10/2019	(2,53,745)	Transfer	44,65,145	3.03
				17/01/2020	(1,65,995)	Transfer	42,99,150	2.91
				24/01/2020	(1,64,059)	Transfer	41,35,091	2.80
				31/01/2020	(2,31,799)	Transfer	39,03,292	2.65
				07/02/2020	(83,862)	Transfer	38,19,430	2.59
				14/02/2020	(30,700)	Transfer	37,88,730	2.57
				21/02/2020	(38,983)	Transfer	37,49,747	2.54
				20/03/2020	97,283	Transfer	38,47,030	2.61
		38,47,030	2.61	31/03/2020			38,47,030	2.61
3.	ICICI Prudential Balanced Advantage Fund	52,35,382	3.55	01/04/2019				
				12/04/2019	2,67,571	Transfer	52,62,139	3.57
				19/04/2019	16,352	Transfer	52,78,491	3.58
				26/04/2019	2,01,934	Transfer	54,80,425	3.72
				10/05/2019	14,183	Transfer	54,94,608	3.73
				17/05/2019	1,217	Transfer	54,95,825	3.73
				24/05/2019	16,351	Transfer	55,12,176	3.74
				31/05/2019	(1,45,923)	Transfer	53,66,253	3.64
				21/06/2019	33,658	Transfer	53,99,911	3.66
				05/07/2019	41,841	Transfer	54,41,752	3.69
				12/07/2019	37,006	Transfer	54,78,758	3.71
				19/07/2019	1,30,606	Transfer	56,09,364	3.80
				26/07/2019	2,61,315	Transfer	58,70,679	3.98
				02/08/2019	27,431	Transfer	58,98,110	4.00
				09/08/2019	50,000	Transfer	59,48,110	4.03
				23/08/2019	(3,042)	Transfer	59,45,093	4.03
				30/08/2019	60,040	Transfer	60,05,133	4.07
				06/09/2019	(63,472)	Transfer	59,41,661	4.03
				13/09/2019	(1,26,382)	Transfer	58,15,279	3.94
				27/09/2019	100	Transfer	58,15,379	3.94
				30/09/2019	29	Transfer	58,15,408	3.94
				04/10/2019	29	Transfer	58,15,437	3.94
				11/10/2019	29	Transfer	58,15,466	3.94
				18/10/2019	59,55,625	Transfer	117,71,091	7.98
				25/10/2019	30	Transfer	117,71,121	7.98
				01/11/2019	1,00,000	Transfer	118,71,121	8.05
				22/11/2019	30	Transfer	118,71,151	8.05
				27/12/2019	(55,164)	Transfer	118,15,987	8.01
				31/12/2019	15,149	Transfer	118,31,136	8.02

Sr. No.	For Each of the Top 10 Shareholders	No. of shares at the beginning (01/04/2019)/ end of the year (31/03/2020)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				10/01/2020	3,59,775	Transfer	121,90,911	8.26
				24/01/2020	80,104	Transfer	122,71,015	8.32
				31/01/2020	1,46,350	Transfer	124,17,365	8.42
				07/02/2020	37,961	Transfer	124,55,326	8.44
				14/02/2020	45,365	Transfer	125,00,691	8.47
				21/02/2020	2,846	Transfer	125,03,537	8.48
				28/02/2020	79,854	Transfer	125,83,391	8.53
				06/03/2020	1,04,295	Transfer	126,87,686	8.60
				13/03/2020	4,333	Transfer	126,92,019	8.60
				20/03/2020	1,43,773	Transfer	128,35,792	8.70
				27/03/2020	60	Transfer	128,35,852	8.70
		1,28,35,852	8.70	31/03/2020			128,35,852	8.70
4.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small Cap Fund*	0	0.00	01/04/2019				
				18/10/2019	39,00,000	Transfer	39,00,000	2.64
				06/12/2019	(63,794)	Transfer	38,36,206	2.60
				07/02/2020	(60,395)	Transfer	37,75,811	2.56
				14/02/2020	(50,459)	Transfer	37,25,352	2.53
				21/02/2020	(53,201)	Transfer	36,72,151	2.49
				28/02/2020	(7,313)	Transfer	36,64,838	2.48
				20/03/2020	(31,695)	Transfer	36,33,143	2.46
		36,33,143	2.46	31/03/2020			36,33,143	2.46
*Not in the list of top 10 shareholders as on 01-04-2019. The same has been reflected above since the above shareholder was one of the top 10 shareholder as on 31/03/2020.								
5.	Reliance Capital Trustee Company Limited A/c Reliance Small Cap Fund	36,21,617	2.46	01/04/2019				
				10/05/2019	1,89,908	Transfer	38,11,525	2.58
				31/05/2019	(1,92,000)	Transfer	36,19,525	2.45
				07/06/2019	(1,80,000)	Transfer	34,39,525	2.33
				21/06/2019	(20,000)	Transfer	34,19,525	2.32
				02/08/2019	10,000	Transfer	34,29,525	2.33
				30/08/2019	(3,84,370)	Transfer	30,45,155	2.06
				13/03/2020	5,75,000	Transfer	36,20,155	2.45
				20/03/2020	6,70,000	Transfer	42,90,155	2.91
				27/03/2020	10,000	Transfer	43,00,155	2.91
		43,00,155	2.91	31/03/2020			43,00,155	2.91
6.	Saif India V FII Holdings Limited	24,73,026	1.68	01/04.2019				
		24,73,026	1.68	31/03/2020		No Change	24,73,026	1.68
7.	Jupiter India Fund*	0	0.00	01/04.2019				
				18/10/2019	23,23,000	Transfer	23,23,000	1.57
				10/01/2020	(69,470)	Transfer	22,53,530	1.53



Sr. No.	For Each of the Top 10 Shareholders	No. of shares at the beginning (01/04/2019)/ end of the year (31/03/2020)		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21/02/2020	(26,755)	Transfer	22,26,775	1.51
				06/03/2020	(27,062)	Transfer	21,99,713	1.49
		21,99,713	1.49	31/03/2019			21,99,713	1.49
8.	Goldman Sachs India Fund Limited	20,18,647	1.37	01/04/2019				
				13/12/2019	(22,987)	Transfer	19,95,660	1.35
				20/12/2019	(54,034)	Transfer	19,41,626	1.32
				28/02/2020	(42,276)	Transfer	18,99,350	1.29
				06/03/2020	(52,110)	Transfer	18,47,240	1.25
				13/03/2020	(50,825)	Transfer	17,96,415	1.22
				20/03/2020	(58,328)	Transfer	17,38,087	1.18
		17,38,087	1.18	31/03/2020			17,38,087	1.18
9.	BMO Investments II Ireland Public Limited Company	18,95,817	1.29	01/04/2019				
				25/10/2019	3,313	Transfer	18,99,130	1.29
				13/12/2019	(3,569)	Transfer	18,95,561	1.28
				14/02/2020	(45,713)	Transfer	18,49,848	1.25
		18,49,848	1.25	31/03/2020			18,49,848	1.25
10.	HDFC Small Cap Fund	18,07,852	1.23	01/04/2019				
				19/04/2019	(1,00,000)	Transfer	17,07,852	1.16
				26/07/2019	153	Transfer	17,08,005	1.16
				02/08/2019	1,00,000	Transfer	18,08,005	1.23
				18/10/2019	73,50,000	Transfer	91,58,005	6.21
				25/10/2019	(4,00,679)	Transfer	87,57,326	5.94
				01/11/2019	(74,430)	Transfer	86,82,896	5.89
				08/11/2019	(6,254)	Transfer	86,76,642	5.88
				15/11/2019	(19,300)	Transfer	86,57,342	5.87
				29/11/2019	(50,000)	Transfer	86,07,342	5.83
				27/12/2019	(3,39,000)	Transfer	82,68,342	5.60
				17/01/2020	(20,140)	Transfer	82,48,202	5.59
				24/01/2020	(30,467)	Transfer	82,17,735	5.57
				31/01/2020	(35,063)	Transfer	81,82,672	5.55
				07/02/2020	(8,000)	Transfer	81,74,672	5.54
				14/02/2020	(1,37,000)	Transfer	80,37,672	5.45
				21/02/2020	(45,600)	Transfer	79,92,072	5.42
				28/02/2020	(24,428)	Transfer	79,67,644	5.40
				06/03/2020	(42,899)	Transfer	79,24,745	5.37
				13/03/2020	(1,66,877)	Transfer	77,57,868	5.26
				27/03/2020	(1,91,420)	Transfer	75,66,448	5.13
		75,66,448	5.13	31/03/2020			75,66,448	5.13

\*Not in the list of top 10 shareholders as on 01-04-2019. The same has been reflected above since the above shareholder was one of the top 10 shareholder as on 31/03/2020.

**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2019		Date of change	Increase/ Decrease in shareholding	Reason	Shareholding at the end of the year 31/03/2020	
		No. of shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Kushagra Nayan Bajaj, Chairman	0	0.00	-	-	-	0	0.00
2.	Mr. Sumit Malhotra, Managing Director	0	0.00	20/08/2019	Increase	ESOP allotment	31,440	0.00
3.	Mr. Aditya Vikram Ramesh Somani	0	0.00	-	-	-	0	0.00
4.	Mr. Dilip Cherian	0	0.00	-	-	-	0	0.00
5.	Mr. Gaurav Dalmia	0	0.00	-	-	-	0	0.00
6.	Ms. Lilian Jessie Paul	0	0.00	-	-	-	0	0.00
7.	Mr. D.K. Maloo (C.F.O.)	5	0.00	-	-	-	5	0.00
8.	Mr. Makarand Karnataki (Company Secretary) (upto 10.02.2020)	0	0.00	-	-	-	0	0.00
9.	Mr. Chandresh Chhaya (Company Secretary) w.e.f. 11.02.2020	0	0.00	-	-	-	0	0.00

**V. INDEBTEDNESS**

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

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	-	2,500.00	-	2,500.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>2,500.00</b>	-	<b>2,500.00</b>
Change in Indebtedness during the Financial Year				
• Addition	-	3,000.00	-	3,000.00
• Reduction	-	3,500.00	-	3,500.00
Net Change	-	500.00	-	500.00
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	-	2,000.00	-	2,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>2,000.00</b>	-	<b>2,000.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(₹ In lacs)

Sl. No.	Particulars of Remuneration	Name of MD Mr. Sumit Malhotra
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	360.48
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.40
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	50.00
2	Stock Option *	81.30
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Others, please specify	-
	<b>Total (A)</b>	<b>492.18</b>
	<b>Ceiling as per the Act</b>	₹ 1,183.57 lacs (Being 5% of Net profits of the Company calculated as per provisions of Section 198 of the Companies Act, 2013)

Remuneration paid to the Managing Director is within the ceiling provided under Section 197 of the Companies Act, 2013.

\* Amount considered as per Income - tax Act, 1961.

**B. Remuneration to other Directors**

(₹ In lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Kushagra Nayan Bajaj	Mr. Aditya Vikram Ramesh Somani	Mr. Dilip Cherian	Mr. Gaurav Dalmia	Ms. Lilian Jessie Paul	
<b>1</b>	<b>Independent Directors</b>						
	• Fee for attending board/ committee meetings	-	1.35	3.30	2.35	1.75	8.75
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	-	<b>1.35</b>	<b>3.30</b>	<b>2.35</b>	<b>1.75</b>	<b>8.75</b>
<b>2</b>	<b>Other Non-Executive Director</b>						
	• Fee for attending board committee meetings	0.90	-	-	-	-	0.90
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	<b>0.90</b>	<b>1.35</b>	<b>3.30</b>	<b>2.35</b>	<b>1.75</b>	<b>9.65</b>
	<b>Total (B)=(1+2)</b>	<b>0.90</b>	<b>1.35</b>	<b>3.30</b>	<b>2.35</b>	<b>1.75</b>	<b>9.65</b>
	<b>Total Managerial Remuneration (A+B)</b>	-	-	-	-	-	<b>492.18</b>
	Overall Ceiling as per the Act	₹ 2,603.86 lacs (Being 11% of Net profits of the Company calculated as per provisions of Section 198 of the Companies Act, 2013) *					

\* Overall ceiling as per Companies Act, 2013 is not applicable to sitting fees paid to Non-Executive Directors.

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

(₹ In lacs)

Sl. No.	Particulars of Remuneration	CFO Mr. D.K. Maloo	Company Secretary Mr. Chandresh Chhaya w.e.f. 11/02/2020	Company Secretary Mr. Makarand Karnataki upto 10/02/2020	Total Amount
1.	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	94.43	9.19	130.39	300.72
	b. Value of perquisites u/s 17(2) Income- tax Act, 1961	0.40	-	-	0.40
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
	- as % of profit				
	- others, specify...				
5.	Others, please specify				
	<b>Total</b>	<b>94.83</b>	<b>9.19</b>	<b>130.39</b>	<b>301.12</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>B. Directors</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>C. Other Officers in Default</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

For and on behalf of the Board of Directors

**Kushagra Nayan Bajaj**  
Chairman  
(DIN 00017575)

## ANNEXURE – 7

### A. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

₹ Lacs

Sl. No.	Name of the Directors/KMP	Designation	Remuneration of Directors/ KMP for the year 2019-2020 (Amount in ₹ lakh)	% Increase in Remuneration in the year 2019-2020	Ratio of Remuneration of each Director to median remuneration of employee
1	Mr. Kushagra Bajaj	Chairman	0.90	*	N.A.
2	Mr. Sumit Malhotra	Managing Director	492.18	37.50	68.93
3	Mr. Aditya Vikram Somani	Director	1.35	*	N.A.
4	Mr. Dilip Cherian	Director	3.30	*	N.A.
5	Mr. Gaurav Dalmia	Director	2.35	*	N.A.
6	Ms. Lilian Jessie Paul	Director	1.75	*	N.A.
7	Mr. D. K. Maloo	Chief Financial Officer	94.83	13.20	N.A.
8	Mr. Makarand Karnataki	Company Secretary (Upto 10.02.2020)	130.39	**	N.A.
9	Mr. Chandresh Chhaya	Company Secretary (w.e.f. 11.02.2020)	9.19	N.A.	N.A.

\* Sitting fees paid to Non-executive Directors during the year is not considered as remuneration for ratio calculation purpose. There was no change in the amount of sitting fees for every Board or Committee meeting attended by each Director.

\*\* Joined during part of Financial year 2018-19 and continued as KMP till the part of Financial year 2019-20 hence increase in salary as KMP is not comparable.

- The median remuneration of employees of the Company during the year was ₹ 7,13,775.
- The increase in the median remuneration of employees in the financial year was 0.12%.
- There were 487 permanent employees on the rolls of the Company as at March 31, 2020.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase of the employee of the Company other than managerial personnel is 10.32%. Increase in remuneration of managerial personnel is 9.84%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

**B. Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

In terms of proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the aforesaid particulars shall be made available to any shareholder on a specific request made by him in writing before the date of such Annual General Meeting wherein financial statements for the financial year 2019-20 are proposed to be adopted by shareholders and such particulars shall be made available by the company within three days from the date of receipt of such request from shareholders.

- C. Details of Employees employed throughout the financial year who were in receipt of the remuneration for that year which, in aggregate, was not less than ₹ 1.02 Crore are: 6.
- D. Employees employed for a part of the financial year and who were in receipt of the remuneration during for that financial year at a rate not less than ₹ 8,50,000 per month : 4
- E. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or alongwith his spouse and dependent children, not less than two percent of the equity shares of the Company: None

For and on behalf of the Board of Directors

**Kushagra Nayan Bajaj**  
Chairman  
(DIN: 00017575)

Mumbai  
June 18, 2020

# Corporate Governance Report

(Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) (“Listing Regulations”)

## Company’s philosophy on Code of Corporate Governance

The elements of transparency, fairness, disclosure and accountability form the cornerstone of corporate governance policy at Bajaj Consumer Care Limited. These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

The said belief gets reflected in the decision of the Board of Directors of the Company to voluntarily adopt Corporate Governance standards codified in Section 303A of New York Stock Exchange (NYSE) Listed Company Manual.

The philosophy and practice of corporate governance can be summarised as:

- Responsible and ethical decision making;
- Transparency in all business dealings and transactions;
- Timely and accurate disclosures of information;
- Integrity of reporting;
- The protection of the rights and interests of all stakeholders;
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision;
- The Board, Employees and all concerned are fully committed to maximizing long-term value of the stakeholders and the Company;
- The Company positions itself from time to time to be at par with any other Company of world-class in operating practices.

## Board of Directors

The Members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

### Composition

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of Listing Regulations with regard to the composition of the Board.

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors. As on March 31, 2020, the Board consists of six Directors comprising four Independent Directors including one women independent director, one Executive Director and one Non-Executive Director. Commensurate with the size of the Company, complexity and nature of underlying business, the composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Independent Directors bring external perspective and independence to decision making.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of ‘Independent Director’ stipulated under Regulation 16 (1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013. These confirmations have been evaluated and taken on record by the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Listing Regulations. Further, Executive Director of the Company is not serving as an Independent Director in any listed company. In the opinion of the Board, the independent directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013 and the Committee positions held by them in other companies as stipulated under Regulation 26 of Listing Regulations. None of the Directors of the Company hold Directorships in more than 20 companies, including 10 public companies. Further, none of the Director hold directorship in more than 7 listed entities as provided in Regulation 17(a) of the Listing Regulations. In accordance with Regulation 26 of the Listing Regulations, none of the Directors are Members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees [the committees being Audit Committee and Stakeholders Relationship Committee] across all listed entities in which he/she is a Director. All the Directors of the Company except Independent Directors are liable to retire by rotation.

## Profile of Directors

A brief profile of each of the Directors as on March 31, 2020 is as below:

### Mr. Kushagra Nayan Bajaj, Non-Executive Chairman

Mr. Kushagra Nayan Bajaj, aged 43 years, is the Non- Executive Chairman and one of the Promoters of the Company. He graduated with a Bachelor of Science (Hons.) degree in Economics, Political Philosophy and Finance from the Carnegie Mellon University, Pittsburgh, USA. Mr. Bajaj completed his Master of Science degree in Marketing from the Northwestern University, Chicago, USA. Mr. Bajaj has more than 17 years of experience in the consumer and sugar industry.

### Mr. Sumit Malhotra, Managing Director

Mr. Sumit Malhotra, aged 58 years, is the Managing Director of the Company. He holds a Bachelors degree in Pharmacy with Honours from Indian Institute of Technology, Benaras Hindu University, Varanasi and a Post Graduate Diploma in Business Management from IIM, Ahmedabad. Mr. Malhotra has more than 31 years of experience in the FMCG sector. He is responsible for overall operations of the Company and its subsidiaries.

### Mr. Gaurav Dalmia, Independent Director

Gaurav Dalmia aged 54 years is the Chairman of Dalmia Group Holdings, a holding company for business and financial assets. It invests in private equity, real estate, public markets, structured debt and fixed income.

He is an early investor in and a Board member of True North, a leading Indian private equity fund, which manages approximately \$3.5billion. He is also the founder and Chairman of Landmark Holdings, a real estate investment firm. He co-founded GTI, a long term investment vehicle for India focused investments.

He is a Board member of Brookings India and a member of the Governing Board of The Institute for New Economic Thinking in New York. He is Chairman of the Indian Advisory Board of Room to Read, a global education charity. He is an op-ed contributor to The Economic Times, The Times of India and Financial Times.

He was selected as a Global Leader for Tomorrow by the World Economic Forum in 2000. Gaurav Dalmia received an MBA with Beta Gamma Sigma honors from Columbia Business School.

Mr. Dalima joined our Board as Independent Director in February 2010.

Mr. Dalmia has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

### Mr. Dilip Cherian, Independent Director

Mr. Dilip Cherian, aged 64 years, is an Independent Director of the Company. He holds bachelor's and master's degree in Economic and is a Gurukul Chevening Fellow from the London School of Economics. Mr. Cherian is Founder & Consulting Partner of Perfect Relations, South Asia's leading image management consultancy. He advises CEOs on External Communications, Internal Communications and Public Affairs.

Mr. Cherian has been the National Chairman of the International Public Relations Association. He is on the Governing Board of Advertising Standards Council of India and served on the Board of Advisors at Mudra Institute of Communication, Ahmedabad and the Governing Council of the National Institute of Design. Mr. Cherian recently was a part of the Apex Committee of Shareholder Grievance of the Ministry of Corporate Affairs.



Mr. Cherian serves on the Board of several companies and social organisations. Mr. Cherian joined our Board as an Independent Director in February 2010.

Mr. Cherian has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

#### **Mr. Aditya Vikram Ramesh Somani, Independent Director**

Mr. Aditya Vikram Ramesh Somani, aged 46 years is an Independent Director of the Company. Mr. Somani is an entrepreneur and over the last 25 years he has successfully built various companies. He has had business interests in manufacturing of building products, real estate, construction, distribution, information management and textiles and is an independent Board member or advisor in various organizations. He is fascinated by Lean Manufacturing, Fast Construction, Full-kit Project Planning and Singularity, concepts that he has successfully distilled in his organisations.

He holds a Masters degree in Commerce from Sydenham College, Mumbai, Post Graduate Diploma in Business Management from S P Jain Institute of Management and Research, Mumbai and Masters in Business Administration from University of Pittsburgh, USA.

Further, Mr. Somani is associated with various social service organizations working towards better education, health and skill building amongst weaker sections of society and is deeply involved with organisations in the area of culture, philanthropy and urban conservation.

Mr. Somani joined our Board as an Independent Director in February 2010.

Mr. Somani has been re-appointed as an independent director after seeking necessary approval from the shareholders of the company for the second term of five years with effect from April 1, 2019.

#### **Ms. Lilian Jessie Paul, Independent Director**

Ms. Lilian Jessie Paul, aged 50 years is an Independent Director. She holds Master's degree from IIM Calcutta and a Bachelor's degree in Computer Science and Engineering from National Institute of Technology, Trichy.

Ms. Paul is the founder of Paul Writer ([www.paulwriter.com](http://www.paulwriter.com)), a marketing advisory firm that works with clients to design targeted outreach campaigns that result in business impact. She now drives the Paul Writer Impact Network, an agency network dedicated to managing and optimising the complete buyer journey.

Ms. Paul has 26 years of experience as a marketer. She was Global Brand Manager of Infosys, headed marketing for iGATE (now a part of CapGemini) and was Chief Marketing Officer of Wipro Technologies. She commenced her career with Ogilvy & Mather Advertising.

Ms. Paul is frequently cited as a marketing expert in publications and is the author of No Money Marketing, published by Tata McGraw-Hill. She publishes a newsletter that reaches India's top marketers and has crossed 400 issues.

#### **Core Skills/Expertise/Competencies of Board**

The Nomination, Remuneration and Corporate Governance Committee has laid down the following core skills/expertise/competencies for Board Membership:

##### (i) Directors

- Must have relevant experience in Finance/Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Should possess the highest personal and professional ethics, integrity and values.
- Must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
- Must have behavioural competencies such as collaborative and ability to work as a team member, seeking and giving feedback to/from individual directors, be challenging but supportive in the board room.
- Willingness and ability to devote adequate time and energy to fulfil board and committee responsibilities, strategic

thinking, integrity with high ethical standards, trust, accountability and avoid situations leading to conflict of interest.

- Any person to be appointed as Director shall not possess the disqualifications contained in the Companies Act, 2013, as amended from time to time.

(ii) Independent Director

An Independent Director shall comply and meet with all the criteria laid down under Listing Regulations and the Companies Act, 2013 and Rules made thereunder. Further, the Independent Director shall adhere to the Code of Ethics (Code of Conduct) adopted by the Company.

### Performance evaluation criteria of Independent Directors

Independent Directors are evaluated based on parameters such as qualification, experience, knowledge and competency, ability to function as a team, initiative, commitment, independence, independent views and judgement, attendance and participation in the discussion at the Meetings, adherence to the Code for Independent Directors of the Company, understanding the environment in which the company operates and contribution to strategic decision and raising valid concerns at the Board, interpersonal relations with other directors and management, objective evaluation of Board's performance, safeguarding of confidential information and maintaining integrity.

## Board Procedure

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

Department heads communicate with the Company Secretary in advance with regard to matters requiring the approval of the Board to enable inclusion of the same in the agenda for the Board Meetings. The detailed agenda as approved by the Chairman together with the relevant attachments are circulated amongst the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Directors. Senior Management Personnel are invited to the Board/ Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/ Committees thereof as and when necessary. Further, presentations are made on business operations to the Board by the Functional Heads of the Company. Additionally, presentations are also made on various matters which the Board wants to be apprised of. In addition to above, the Company, in compliance with Regulation 17(7) and Schedule II, Part A of the Listing Regulations, places before the Board all the required information from time to time.

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda. The Company Secretary attends all the Meetings of the Board and its Committees, advises/assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

With a view to leverage technology and to reduce paper consumption, the Company has adopted a web-based application for transmitting Board/Committee Agenda and Minutes. The Directors of the Company receive the Agenda in electronic form through this application. The application meets high standards of security and integrity that is required for storage and transmission of Board/ Committee Agenda and Minutes in electronic form.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the Members of the Board or the Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairman. The Minutes are approved by the Members of the Board/Committee(s) prior to the next Meeting. The signed Minutes are circulated to all the Members of the Board or the Committee within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors.

## Information provided to the Board

The Board of Directors of the Company has complete access to any information within the Company. At the Meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all other relevant details that require deliberation by the Members of the Board. The Company, in compliance with Regulation 17(7) and Schedule II, Part A of the Listing Regulations, places before the Board all the required information from time to time.

Comprehensive information regularly provided to the Board, inter alia, include:

- I. Production, sales and financial performance statistics;
- II. Expansion plans, financial plans, annual operating plans, capital expenditure budgets and updates;
- III. Plant-wise operational review;
- IV. Quarterly financial results of the Company;
- V. Utilisation of IPO proceeds;
- VI. Minutes of Meetings of Board and Committees as well as the abstracts of the Circular Resolutions passed and also Board Minutes of Subsidiary Companies;
- VII. Disclosures under Companies Act, 2013 and Listing Regulations;
- VIII. Materially important legal proceedings by or against the Company;
- IX. Share transfer and dematerialization/ rematerialization and other share related compliance;
- X. Significant developments relating to labour relations and human resource relations;
- XI. Fatal/serious accidents or mishaps and any material effluent or pollution problems;
- XII. Show cause, demand, prosecution notices and penalty notices, which are materially important;
- XIII. Details of foreign exchange exposure and steps taken by management to limit the risk of adverse rate movement;
- XIV. Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business;
- XV. Details of any joint venture or collaboration agreement;
- XVI. Transactions that involves substantial payment towards goodwill, brand equity or intellectual property;
- XVII. Details of acquisition plans;
- XVIII. Information Technology strategies and related investments;
- XIX. Legal compliances reporting system;
- XX. Insider trading related disclosure procedures and such other matters;
- XXI. Significant transactions entered by the Company and its Subsidiaries;
- XXII. Material default, if any, in the financial obligations to and by the Company or substantial non-payment for goods sold, if any;
- XXIII. Non-compliance of any regulatory, statutory or listing requirements and investor service, if any;
- XXIV. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, if any, which may have strictures on the conduct of the Company.

## Post-meeting follow-up

The important decisions taken at the Board/Committee Meetings are communicated to the departments/ subsidiary companies concerned promptly.

## Attendance at Board Meetings, Previous Annual General Meeting, relationship between Directors inter-se, No. of Directorships and Committee Memberships/ Chairmanships and Listed entities where the person is a Director & Category of Directorship

The Board met five times during the Financial Year 2019-20 namely, April 9, 2019; July 15, 2019; October 11, 2019, December 20, 2019 and February 10, 2020. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

The details of attendance of each Director at the Board Meetings held during the year and the previous Annual General Meeting (AGM) along with the number of Companies and Committees where he/she is a Director/Member/ Chairperson and the relationship between the Directors inter-se, as on March 31, 2020, are given below:

Name of the Director	Category	Relationship with other Director	Board Meeting Attendance		Attendance at the previous AGM held on July 15, 2019	No. of Directorship(s) in other companies (a)	No. of Committee position(s) held in other public companies (b)	Listed entities where the person is a director & category of directorship
			Held	Attended				
Mr. Kushagra Nayan Bajaj (Chairman) (DIN : 00017575)	Non- Executive, Non-Independent	None	5	3	No	1	0	Bajaj Hindusthan Sugar Limited- Chairman
Mr. Sumit Malhotra (Managing Director) (DIN : 02183825)	Executive	None	5	5	Yes	1	0	Nil
Mr. Aditya Vikram Ramesh Somani (DIN : 00046286)	Independent	None	5	2	No	1	0	Nil
Mr. Dilip Cherian (DIN : 00322763)	Independent	None	5	5	Yes	7	0	Nil
Mr. Gaurav Dalmia (DIN : 00009639)	Independent	None	5	4	Yes	5	1	Landmark Property Development Company Limited- Managing Director
Ms. Lilian Jessie Paul (DIN : 02864506)	Independent	None	5	4	N.A.	2	3	Royal Orchid Hotels Limited and Expleo Soutions Limited as Independent Director

- The Directorships held by Directors as mentioned above, includes private companies and companies incorporated under Section 8 of the Companies Act, 2013.
- Memberships include Chairpersonship. Only Memberships of Audit Committee and Stakeholders Relationship Committee are considered.
- None of the Directors are related inter-se.

## Separate Meeting of Independent Directors

As stipulated by Section 149(8) read with Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a meeting of the Independent Directors of the Company was held during the year, without the attendance of Non-Independent Directors and Members of the management, to review the performance of the Chairman, Non-Independent Directors, various Committees of the Board and the Board as a whole. The Independent Directors also reviews the quality, content and timeliness of the flow of information from the Management to the Board and its Committees which is necessary to perform reasonably and discharge their duties.

## Familiarisation Programme for Independent Directors

As stipulated by Section 149 read with Schedule IV, Part III of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Company familiarizes its Independent Directors on their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. The familiarization programme for Independent Directors is disclosed on the Company's website at [https://bajajconsumercare.com/Familiarization\\_Programme.aspx](https://bajajconsumercare.com/Familiarization_Programme.aspx)

## Evaluation of Board's Performance

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the working of its Committees.

The Nomination, Remuneration and Corporate Governance Committee have defined the evaluation criteria for the Board, its Committees and Directors.

- i. Attendance at the Board/Committee Meetings.
- ii. Active participation in the Meetings.
- iii. Understanding the critical issues affecting the Company.
- iv. Prompting discussion on strategic issues.
- v. Bringing relevant experience to the Board and using it effectively.
- vi. Understanding and evaluating the risk environment of the Organization.
- vii. Conducting himself/herself in a manner that is ethical and consistent with the laws of the land.
- viii. Maintaining confidentiality wherever required.
- ix. Communicating in an open and constructive manner.
- x. Seeking satisfaction and accomplishment through serving on the Board.

The Board and its Committees, Individual Directors and Independent Directors were evaluated based on above criteria. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board Members. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

The Nomination, Remuneration and Corporate Governance Committee also reviewed the performance of the Board.

The Directors were satisfied with the evaluation results, which reflected the overall functioning of the Board and its Committees. The details of the policy on evaluation of Board's performance is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

## Succession Planning

The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and senior management. The details of the policy on Succession plan is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

## Risk Management

The Company recognizes that its activities are routinely exposed to the risks that a Fast Moving Consumer Goods (FMCG) Company faces today. The Company is also aware that some risks it faces are somewhat different to those that generally exist in the FMCG business. The Board has adopted a Risk Management Policy primarily aimed at mitigating the effects of the risks faced through identification and mitigating the effects that the risks pose to the Company. The Board has recently constituted a Risk Management Committee to oversee risk environment and suggest mitigations plans. The details of the Risk Management Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

## Responsibilities of Managing Director

The Managing Director is responsible for leading and directing the Company's overall operations.

## Code of Ethics (Code of Conduct)

The Company has adopted a Code of Ethics (Code of Conduct) for the Directors and Senior Management of the Company. The same has been posted on the Company's website at <https://bajajconsumercare.com/policies.aspx>. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Managing Director to that effect forms part of this Report.

## Whistle Blower Policy (Vigil Mechanism)

The Board of Directors of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in the Company has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect violations of laws, rules, regulations, unethical conduct, questionable accounting/audit practices, reporting of fraudulent financial information to shareholders, the Government or the financial markets and/or serious misconduct otherwise, to report those concerns to the Company's management.

The 'Whistle Blower' Policy adopted by the Company provides a ready mechanism for reporting violations of laws, rules, regulations or unethical conduct. The confidentiality of the 'whistle blower' is maintained and he/she is not subjected to any victimization and/or harassment. The present Whistle Blower Policy is in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. Every employee of the Company has been provided access to the Audit Committee Chairman through email/ correspondence address, should they desire to avail of the Vigil Mechanism. The details of the Policy are available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

## Board Committees

Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's governance role. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities. The Board has constituted a set of Committees with specific terms of reference/ scope, to focus effectively on the issues and ensure expedient resolution of diverse matters. These Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meetings of all Committees are placed before the Board for discussions/ noting. The Board Committees can request special invitees to join the meeting, as appropriate. As of March 31, 2020, the Board had following six Committees:

- a. Audit Committee
- b. Nomination, Remuneration and Corporate Governance Committee
- c. Stakeholders Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Management Committee
- f. Risk Management Committee

Committee	Members
Audit Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
	Mr. Dilip Cherian (Independent, Non-Executive)
	Ms. Lilian Jessie Paul, (Independent, Non-Executive)
Nomination, Remuneration and Corporate Governance Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
	Mr. Dilip Cherian (Independent, Non-Executive)
Stakeholders Relationship Committee	Mr. Dilip Cherian, Chairman* (Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
	Mr. Kushagra Nayan Bajaj (Non-Independent, Non-Executive)
CSR Committee	Mr. Gaurav Dalmia, Chairman* (Independent, Non-Executive)
	Mr. Dilip Cherian (Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
Management Committee	Mr. Kushagra Nayan Bajaj, Chairman* (Non-Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
	Mr. Aditya Vikram Ramesh Somani (Independent, Non-Executive)
	Mr. Gaurav Dalmia (Independent, Non-Executive)
Risk Management Committee	Mr. Aditya Vikram Ramesh Somani, Chairman* (Independent, Non-Executive)
	Mr. Sumit Malhotra (Non-Independent, Executive)
	Ms. Lilian Jessie Paul, (Independent, Non-Executive)
	Mr. Ankit Chudiwala – Head-Internal Audit
	Mr. Dharmesh Sanghavi – Head-Information Technology

\* Chairman of the respective Committee

The Chairman of the Board, in consultation with the Company Secretary, determines the frequency and duration of the Committee meetings. Recommendations of the Committees are submitted to the Board for approval. In the case of all the above Committees of the Company, two Members constitute the quorum subject to the specific provisions laid down in the Listing Regulations.

## Audit Committee

### Composition

The Audit Committee as on March 31, 2020 consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Aditya Vikram Ramesh Somani, Mr. Dilip Cherian and Ms. Lilian Jessie Paul. All the Members of the Audit Committee are Independent Directors. As on March 31, 2019, the compositions of the Audit Committee conform to the requirements of Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and Section 303A.07 of NYSE Listed Company Manual. Further, as required by Section 303A.07 of NYSE Listed Company Manual, the Audit Committee satisfies the requirements of Rule 10A-3 of the US Securities Exchange Act, 1934 (as amended). The Company Secretary acts as the Secretary to the Committee.

### Meetings and Attendance

The Audit Committee met four times during the year on April 9, 2019, July 15, 2019, October 11, 2019 & February 10, 2020. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days except for 1 day delay caused due to inadvertence as specified under Regulation 18 of the Listing Regulations. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2019-20	
	Held	Attended
Mr. Gaurav Dalmia	4	4
Mr. Aditya Vikram Ramesh Somani	4	1
Mr. Dilip Cherian	4	4
Ms. Lilian Jessie Paul	4	4

Mr. Kushagra Nayan Bajaj, Non-Executive Chairman, Mr. Sumit Malhotra, Managing Director and Mr. D.K. Maloo, Chief Financial Officer are permanent invitees to the Audit Committee Meetings. In addition, Head- Internal Audit, representatives of Statutory Auditors and other Executives as are considered necessary, attend these Meetings.

The Chairman of the Audit Committee was present at the 13<sup>th</sup> AGM of the Company held on July 15, 2019.

### Terms of Reference

The terms of reference of the Audit Committee are wide enough to cover the role specified for Audit Committee under Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and Section 303A.07 of NYSE Listed Company Manual. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- i. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommend to the Board, appointment, re-appointment, removal of the Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company, fixation of Audit fees and other terms of appointment;
- iii. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- iv. Review with the Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company any audit problems or difficulties and management's response;
- v. Discuss with Statutory Auditors critical accounting practices and policies and to mediate on any disagreement on accounting treatment or process regarding financial reporting between the Statutory Auditors and the management;
- vi. Reviewing with the management, the quarterly/ annual financial statements and Statutory Auditor's report thereon before submission to the board for approval, with particular reference to:



- (a) 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) disclosure of contingent liability;
  - (h) modified opinion(s) in the draft Audit report; and
  - (i) Company's earning press release and investor presentations;
- vii. 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;
- viii. Approval or any subsequent modification of transactions of Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing with the management, independence and performance of Statutory Auditors, Internal Auditors and Secretarial Auditor, effectiveness of Audit process and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of Internal Audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Ensure that there are no unjustified restrictions or limitations on the tasks of the Internal Auditors and review and concur in the appointment, replacement, or dismissal of the Internal Auditor;
- xv. Review the internal audit reports prepared and submitted by the Internal Auditor to the Management;
- xvi. Discussion with Internal Auditors of any significant findings and follow up thereon;
- xvii. 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;
- xviii. 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;
- xix. 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;
- xx. To review the functioning of the whistle blower mechanism;
- xxi. Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

- xxii. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up of any instances of non-compliance;
- xxiii. Review the findings of any examinations by regulatory agencies and any auditor observations;
- xxiv. Review the process of communicating Company's Code of Ethics (Code of Conduct) to employees and the mechanism for its adherence and functioning of the Whistle Blower policy and its mechanism;
- xxv. On annual basis, review the financial statements of Company's materially significant subsidiaries;
- xxvi. Obtain regular updates from management regarding compliance matters.
- xxvii. To review the following:
- a. management discussion and analysis of financial condition and results of operations;
  - b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - d. internal audit reports relating to internal control weaknesses; and
  - e. terms of appointment, removal and remuneration of the Internal Auditors.
  - f. statement of deviations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulations.
    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Listing Regulations.

## Nomination, Remuneration & Corporate Governance Committee

### Composition

Nomination, Remuneration and Corporate Governance Committee consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Aditya Vikram Ramesh Somani and Mr. Dilip Cherian. The Committee was renamed while adopting Corporate Governance standard of NYSE. All the Members of the Committee are Independent Directors. There was no change in the composition of the Committee during the Financial Year. As on March 31, 2020, the composition of the Nomination, Remuneration and Corporate Governance Committee is in conformity with the requirements of Section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations.

### Meetings and Attendance

The Nomination, Remuneration and Corporate Governance Committee met four times during the year on April 9, 2019, December 20, 2019, February 10, 2020 and March 3, 2020. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2019-20	
	Held	Attended
Mr. Gaurav Dalmia	4	4
Mr. Aditya Vikram Ramesh Somani	4	3
Mr. Dilip Cherian	4	4

### Terms of Reference

The terms of reference of the Nomination, Remuneration and Corporate Governance Committee are wide enough to cover the role specified under Section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- i. To identify individuals qualified to be Board Members and in the Senior Management, consistent with criteria approved by the Board and to periodically examine the structure, composition and functioning and performance of the Board, its Committees & Senior Management and recommend changes, as necessary;
- ii. To recommend new Board Members in light of resignation of current Members or a planned expansion of the Board;
- iii. To recommend to the Board of Directors to serve on each of the Board Committee;
- iv. To formulate the criteria for evaluation of Independent Directors and the Board;
- v. To formulate the criteria for determining the qualifications, positive attributes and independence of a Director;
- vi. To recommend to the Board, remuneration policy for Directors, Key Managerial Personnel and other employees;
- vii. To develop and recommend to the Board, a set of Corporate Governance Guidelines;
- viii. To oversee the evaluation of the Board, Committees of the Board and the management;
- ix. To assess the Company's policies and processes in key areas of Corporate Governance, other than those explicitly assigned to other Board Committees, with a view to ensuring the Company is at the forefront of good corporate governance;
- x. Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- xi. Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company and to recommend measures to implement the same;
- xii. To regularly examine ways to strengthen the Company's organizational health, by improving the hiring, retention, motivation, development, deployment and behavior of management and other employees. In this context, the Committee will also review the framework and processes for motivating and rewarding performance at all levels of the organization, will review the resulting compensation awards and will make appropriate proposals for Board approval. In particular, it will recommend all forms of compensation to be granted to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.
- xiii. recommend to the board, all remuneration, in whatever form, payable to senior management.

### Stakeholders Relationship Committee

#### Composition

The Stakeholders Relationship Committee as on March 31, 2020 consists of Mr. Dilip Cherian (Chairman of the Committee), Mr. Kushagra Nayan Bajaj & Mr. Sumit Malhotra. There was no change in the composition of the Committee during the Financial Year. As on March 31, 2020, the composition of the Stakeholders Relationship Committee is in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Mr. Chandresh Chhaya, Company Secretary is designated as the Compliance Officer. The Company has a designated e-mail id [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com) for the purpose of registering complaints by shareholders/ investors/ security holders electronically. This e-mail id is displayed on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

#### Meetings and Attendance

The Stakeholders Relationship Committee met four times during the year on April 9, 2019, July 15, 2019, October 11, 2019 & February 10, 2020. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2019-20	
	Held	Attended
Mr. Dilip Cherian	4	4
Mr. Kushagra Nayan Bajaj	4	2
Mr. Sumit Malhotra	4	4

### Terms of Reference

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional terms of reference of the Committee are as follows:

- i) Review and oversee the process of transfer, rematerialisation, etc. and other shares related formalities.
- ii) Oversee compliances in respect of dividend payments and matters related thereto.
- iii) Review of various measures & initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/AR/statutory notices by the shareholders.
- iv) Review of measures taken for effective exercise of voting rights by shareholders.
- v) Ensure setting up proper controls and oversee the performance of the Registrar and Share Transfer Agent.
- vi) Review of adherence to the service standards adopted by the company in respect of various services rendered by RTA.
- vii) Advise the Board of Directors on matters which can facilitate better investor services and relations.
- viii) Review movements in shareholding and ownership structures of the Company.
- ix) Resolving grievances of security holders like transfer/transmission, non-receipt of Annual Report, non-receipt of dividends, duplicate certificates, general meetings etc.
- x) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

### Details of Shareholders' Complaints

During the year under review, the Company/its Registrar and Transfer Agent received the following complaints from SEBI/ Stock Exchanges and queries from the shareholders, which were resolved within the time frame laid down by SEBI:

Complaints pending as on April 1, 2019	NIL
Complaints received during the year	18
Complaints resolved during the year	18
Complaints pending as on March 31, 2020	NIL

## Corporate Social Responsibility (CSR) Committee

### Composition

The CSR Committee as on March 31, 2020 consists of Mr. Gaurav Dalmia (Chairman of the Committee), Mr. Dilip Cherian & Mr. Sumit Malhotra. There was no change in the composition of the Committee during the Financial Year. As on March 31, 2020, the composition of the CSR Committee is in conformity with the requirements of Section 135 of the Companies Act, 2013.

### Meetings and Attendance

The CSR Committee met twice during the year on April 9, 2019 and July 15, 2019. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2019-20	
	Held	Attended
Mr. Gaurav Dalmia	2	2
Mr. Dilip Cherian	2	2
Mr. Sumit Malhotra	2	2

### Terms of Reference

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of CSR policy. The terms of reference of the CSR Committee is in conformity with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder which are as follows:

- To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and Rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities
- To monitor the implementation of the CSR Policy of the Company from time to time.

The Company has also adopted a CSR Policy in compliance with the aforesaid provisions and the same is placed on the Company's website at <https://bajajconsumercare.com/policies.aspx>.

### Risk Management Committee

Pursuant to Regulation 21 of the Listing Regulations, the Board of Directors have constituted a Risk Management Committee which has maximum representation from the board and also from the senior management of the Company.

The Risk Management Committee as on March 31, 2020 consists of Mr. Aditya Vikram Ramesh Somani (Chairman of the Committee), Mr. Sumit Malhotra, Ms. Lilian Jessie Paul, Mr. Ankit Chudiwala and Mr. Dharmesh Sanghavi. There was no change in the composition of the Committee during the Financial Year. As on March 31, 2020, the composition of the Risk Management Committee is in conformity with the requirements Regulation 21 of the Listing Regulations.

### Meetings and Attendance

The Risk Management Committee met once during the year on March 3, 2020. The attendance of each Committee Member is as follows:

Name of Members	Number of meetings during the Financial Year 2019-20	
	Held	Attended
Mr. Aditya Vikram Ramesh Somani	1	1
Mr. Sumit Malhotra	1	1
Ms. Lilian Jessie Paul	1	1
Mr. Ankit Chudiwala	1	1
Mr. Dharmesh Sanghavi	1	1

### Terms of reference

The terms of reference of the Risk Management Committee is as under:-

- Provide framework for identification of risks of the Company including cyber risks.
- Risk assessment and mitigation measures.
- Framing, implementing and monitoring the risk management plan for the Company.

- d) To put in place appropriate structures to effectively address the inherent risks in business.
- e) Oversee the implementation of Risk Management Systems and Framework.
- f) Carrying out any other function as may be decided by the Board or prescribed under the Companies Act, Listing Regulations, including any amendment(s) thereto as may be made from time to time, or by any other regulatory authority.

## Nomination, Remuneration and Corporate Governance Policy

The Nomination, Remuneration and Corporate Governance Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non- Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

As required by Section 178(3) of the Companies Act, 2013, Regulation 19 of the Listing Regulations and Section 303A.04 and 303A.05 of NYSE Listed Company Manual, the Company has adopted Nomination, Remuneration and Corporate Governance Policy defining in detail the objective, roles and responsibilities of the Committee and other matters as required by Section 303A.04 and 303A.05 of NYSE Listed Company Manual. The policy is available on the Company's Website at <https://bajajconsumercare.com/policies.aspx>

### Remuneration of Directors

#### (i) Pecuniary relationship and transactions of Non-Executive Directors with the Company

Except for sitting fees paid to Non-Executive Directors for attending the respective meetings of Board/Committees, the Company has not entered into any pecuniary relationship with any Non-Executive Director. The Register of Contracts maintained by the Company pursuant to the provisions of Section 189 of the Companies Act 2013, contains particulars of all contracts or arrangements to which Sections 184 or 188 apply. The Register is signed by all the Directors present during the respective Board Meetings held from time to time.

#### (ii) Criteria of making payment to Non-executive Directors

- Non-executive Directors may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be Members and commission within regulatory limits, as recommended by the Nomination, Remuneration and Corporate Governance Committee and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Non-Executive Directors aligned to the requirements of the Company; taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/industry/Company's operations.
- The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination, Remuneration and Corporate Governance Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

#### (iii) Remuneration of Non-Executive Directors

Non-Executive Directors are paid sitting fee of ₹ 20,000 for attending each Board Meeting and ₹ 15,000 for attending each Committee Meeting. The Company has not paid any commission to Non- Executive Directors for the year under review.

#### (iv) Remuneration of Executive Directors

The Executive Director, Mr. Sumit Malhotra was paid remuneration as per his terms of appointment approved by the shareholders of the Company. The appointment of Managing Director may be terminated by the Company or the Managing Director, by giving 3 months' notice to the other side or Salary in lieu thereof.

Upon retirement, Mr. Sumit Malhotra will be entitled to retiral benefits as per the rules of the Company. No pension will be paid by the Company to any of the Directors.

The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the year under review.

The details of remuneration and sitting fees paid to the Directors of the Company during the Financial Year 2019-20 are as follows:

(₹ In lacs)

Name of Directors	Salary (Net)	Performance Incentive	Stock Options	Commission	Sitting fees	Total	Notice period
Mr. Kushagra Nayan Bajaj	0.00	0.00	0.00	0.00	0.90	0.90	N.A.
Mr. Sumit Malhotra (Managing Director)	360.88	50.00	81.30	0.00	0.00	492.18	3 months
Mr. Aditya Vikram Ramesh Somani	0.00	0.00	0.00	0.00	1.35	1.35	N.A.
Mr. Dilip Cherian	0.00	0.00	0.00	0.00	3.30	3.30	N.A.
Mr. Gaurav Dalmia	0.00	0.00	0.00	0.00	2.35	2.35	N.A.
Ms. Lilian Jessie Paul	0.00	0.00	0.00	0.00	1.75	1.75	N.A.

Note:

1. Mr. Sumit Malhotra, Managing Director was allotted 31,340 equity shares upon exercise of stock options on 20.08.2019 at an exercise price of ₹1/-.
2. The Nomination, Remuneration and Corporate Governance Committee reviews performance of Executive Director in consultation with the Head of Human Resources and decides Performance Linked Incentive.

## Credit rating

During the year, CRISIL has assigned CRISIL A1+ rating to the commercial paper of ₹ 100 crore issued by the company and that there was no revision in the rating so granted.

## Statutory Auditor's Fees

The total fees for all services paid to the statutory auditors are given in note No. 31 of the Notes to the Consolidated Financial Statements for the year ended March 31, 2020.

## Details of compliance with mandatory requirements and adoption of non-mandatory (discretionary) requirements

The Company has complied with all mandatory requirements of Listing Regulations.

Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations.

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

## Maintenance of the Chairman's Office

The office of the Non-Executive Chairman of the Company is not maintained by the Company. Further no expenses pertaining to the Chairman's office are reimbursed by the Company.

## Shareholders rights

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

## Modified opinion(s) in audit report

There are no modified opinions in audit report.

## Separate posts of Chairman and CEO

The Chairman of the Board functions in a non- executive capacity. The Managing Director is vested with full executive powers of management under the superintendence and control of the Board of Directors.

## Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

## Subsidiary Companies

Based on the revised criteria for determination of material subsidiary under listing regulations, Uptown Properties & Leasing Private Limited, a wholly owned subsidiary, has become a material subsidiary of the Company from April 1, 2019. The Board reviews the financial statements, particularly investments made by its unlisted subsidiaries and the minutes of the Board Meetings of the unlisted subsidiaries are placed at the Board Meeting of the Company along with a statement of all significant transactions and arrangements entered into by the unlisted subsidiaries. The details of the policy on determining material subsidiary of the Company is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>

## Information to Shareholders

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

## Auditors' Certificate on Corporate Governance

The Company has obtained a certificate from its Statutory Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Listing Regulations. This certificate is annexed to the Corporate Governance Report for the Financial Year 2019-20 and will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

## Certificate from Practicing Company Secretary

M/s Gupta Baul & Associates has issued a certificate that none of the directors have been debarred or disqualified from being appointed or continuing as directors by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any other statutory authority. This certificate is annexed to this corporate governance report.

## Report on Corporate Governance

This section, read together with the information given in the sections (i) Management Discussion and Analysis and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the Financial Year 2019-20.

## Management Discussion and Analysis Report & Business Responsibility Report

Management Discussion and Analysis Report and Business Responsibility Report are given in a separate section forming a part of this Annual Report.

## Steps for Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organisation. Additionally, in



compliance with the amended Insider Trading Regulations, the Company has also implemented Whistle Blower Policy to Report Instances of Leak of Unpublished Price Sensitive Information & Procedures for Inquiry Thereon.

## Material Disclosures and Compliance

Details of Related Party Transactions during the year have been set out under Notes forming part of Statement on Significant Accounting Policies & Notes forming Part of the Accounts. These are not having any potential conflict with the interests of the Company at large.

### Disclosures

- No material contract or arrangements with related parties were entered into during the year under review. The Related Party Transactions Policy is available on the Company's website at <https://bajajconsumercare.com/policies.aspx>
- The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India in preparation of its financial statements and the Company has not adopted a treatment different from that prescribed in an Accounting Standards.
- Pursuant to Regulation 18 of the Listing Regulations, the statement of uses and application of Public Issue proceeds are disclosed to the Audit Committee as part of the quarterly unaudited and annual audited financial statements.
- No transaction of material nature has been entered by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have potential conflict with the interest of Company at large.
- The Company publishes its criteria of making payment of sitting fee/remuneration to its Non- Executive Directors in the Annual Report.
- Except Mr. Sumit Malhotra, Managing Director, No other Directors of the Company hold Equity Shares in the Company as on March 31, 2020.
- A new appointee on the Board discloses his/ her shareholding in the Company prior to the appointment. These details are also disclosed in the notice to the general meeting called for the appointment of Directors.

### Details of Non-compliance

During the last 3 years, there were no instances of non- compliance on any matter related to the capital markets. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets.

### Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations for the Financial Year 2019-20

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to the Non-Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
2	Audit Committee	18(1)	Composition of Audit Committee & presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and review of information by the Committee	Yes
3	Nomination, Remuneration & Corporate Governance Committee	19(1) & (2)	Composition of Nomination, Remuneration & Corporate Governance Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholder Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	Yes
		21(4)	Role of the Committee	Yes
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7	Related Party Transaction	23(1),(5),(6),(7) & (8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions.	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from Members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct for Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non- Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

## Shareholder Information

### Information on general body meetings

<b>Date, Time and Venue of 14<sup>th</sup> AGM :</b>	Monday, September 21, 2020 at 10:00 A.M. at Crimson Park Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan.
------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------

The previous three Annual General Meetings (AGM) of the Company were held on the following day, date, time and venue.

AGM	DAY, DATE & TIME	Venue
11 <sup>th</sup> AGM	TUESDAY, JULY 18, 2017 AT 10:00 A.M.	Crimson Park Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan
12 <sup>th</sup> AGM	MONDAY, JULY 23, 2018 AT 10:00 A.M.	Crimson Park Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan
13 <sup>th</sup> AGM	MONDAY, JULY 15, 2019 AT 10:00 A.M.	Crimson Park Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur - 313 001, Rajasthan

The summary of Special Resolutions and other important resolutions passed at the previous three Annual General Meetings are reported below:

### 11<sup>th</sup> AGM

	Subject matter of the Resolutions	Type of Resolutions
1.	Appointment of M/s. Sidharth N. Jain & Co., Chartered Accountants, as Statutory Auditors of the Company in place of M/s. R.S. Dani & Co., Chartered Accountants, retiring Statutory Auditors of the Company, on completion of their term.	Ordinary Resolution
2.	Approval under Section 62(1)(c) of the Companies Act, 2013 and SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 for further issue of Share Capital by way of QIP/GDR/FCCBs etc.	Special Resolution

### 12<sup>th</sup> AGM

	Subject matter of the Resolutions	Type of Resolutions
1.	Appointment of M/s. Sidharth N. Jain & Co., Chartered Accountants, as Statutory Auditors of the Company for the remaining period of their current term from the conclusion of 12 <sup>th</sup> AGM up to 16 <sup>th</sup> AGM of the Company without any further confirmation/ratification/ approval at every subsequent AGM.	Ordinary Resolution

Subject matter of the Resolutions	Type of Resolutions
2. Approval under Section 62(1)(b) of the Companies Act, 2013 for introduction and implementation of Bajaj Corp Employee Restricted Stock Unit Plan 2018 (RSU 2018) and to create and grant from time to time, in one or more tranches not exceeding 7,37,500 employee stock options.	Special Resolution
3. Approval for increase of remuneration payable to Mr. Sumit Malhotra, Managing Director of the Company to enable him to exercise Stock Options granted to him under RSU 2018.	Special Resolution
4. Approval pursuant to the provisions of Section 20 of the Companies Act, 2013 to charge a member for delivery of documents through a particular mode of services	Special Resolution

### 13<sup>th</sup> AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment of Ms. Lilian Jessie Paul as an Independent Director of the Company	Ordinary Resolution
2. Re-appointment of Mr. Apoorv Bajaj as Executive President of the Company, effective November 5, 2019.	Ordinary Resolution

### Postal Ballot

During the year, there no postal ballot was conducted.

### Extraordinary General Meeting (EGM)

During the year, no Extraordinary General Meeting was held.

**Financial Year** : April 1, 2019 to March 31, 2020.

**Book closure** : September 15, 2020 to September 21, 2020 (both days inclusive)

### Dividend Announcement

The Board of Directors at its meeting held on June 18, 2020 recommended a Dividend of ₹ 2/- per share. If the same be approved by the members at the 14<sup>th</sup> Annual General Meeting, it shall be paid on or after September 30,2020.

### Tentative Calendar for the Financial year 2020-21

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31<sup>st</sup> March, 2021 are as follows:

First Quarter Results	2 <sup>nd</sup> / 3 <sup>rd</sup> week July
Second Quarter and Half yearly Results	2 <sup>nd</sup> / 3 <sup>rd</sup> week October
Third Quarter Results	2 <sup>nd</sup> / 3 <sup>rd</sup> week January
Fourth Quarter and Annual Results	2 <sup>nd</sup> / 3 <sup>rd</sup> week April

### Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividends not encashed/claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such unencashed/unclaimed dividend to IEPF are furnished hereunder:

Dividend for the Financial Year	Date of Declaration of Dividend	Tentative Date of transfer to the IEPF
2013-2014	February 6, 2014	March 14, 2021
2014-2015	October 16, 2014	November 21, 2021
2015-2016	January 7, 2016	February 12, 2023
2016-2017	January 12, 2017	February 18, 2024
2017-2018	January 11, 2018	February 16, 2025
2018-2019	January 9, 2019	February 14, 2026

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

### Declaration relating to Unclaimed Shares

In terms of Regulation 39 of the Listing Regulations, Members of the Company are requested to note that as on March 31, 2020, there are no unclaimed shares and as such the detail pertaining to demat suspense account / unclaimed shares are not provided.

### Information on Directors being re-appointed

The information regarding Mr. Sumit Malhotra, Director, seeking re-appointment and Mr. Jaideep Nandi seeking appointment at the ensuing AGM along with their detailed profile and additional information required under Regulations 36(3) of Listing Regulations and Secretarial Standard on General Meetings is given in the Notice convening AGM.

### Communication to Shareholders

The Company has published its quarterly, half-yearly and annual financial results in the News Papers viz. Economic Times (English) and Jai Rajasthan (vernacular). Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company at <https://bajajconsumercare.com/announcements.aspx>

The official press releases and presentation made to Institutional Investors/Analysts, if any, are sent to the Stock Exchange in terms of the requirement of Listing Regulations and are also available on the Company's website.

### Share Transfer System

The power to approve share transfer/transmission, etc., as well as the dematerialisation/rematerialisation has been delegated to Chairman, Managing Director and the Company Secretary of the Company. All requests pertaining to shares held in physical form as well as requests for dematerialisation/rematerialisation are processed within the prescribed time limit.

There were no shares which were transferred in physical category during the year under review.

SEBI has recently vide notification dated June 8, 2018 and November 30, 2018, mandated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, shareholders are requested to take action to dematerialise the equity shares of the Company promptly.

### Registrar and Share Transfer Agents

KFin Technologies Private Limited (Formerly Karvy Computershare Private Limited), is the Registrar and Share Transfer Agents (RTA) of the Company which handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to shares. The electronic connectivity with both the depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is also handled by KFin Technologies Private Limited.

### Dematerialisation of Shares

During the Financial Year 2019-20, no shares were received for dematerialisation.

The distribution of shares in physical and electronic modes as at March 31, 2020 and March 31, 2019 are as follows:

Categories	Position as at March 31, 2020		Position as at March 31, 2019		Shares Dematerialised during Financial Year 2019-20	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
<b>Physical</b>	376	0.00	226	0.00	0	0.00
<b>Demat:</b>						
NSDL	14,36,71,035	97.38	14,53,15,789	98.52	0	0.00
CDSL	38,62,935	2.62	21,83,985	1.48	0	0.00
<b>Sub-total</b>	<b>14,75,33,970</b>	<b>100.00</b>	14,74,99,774	100.00	0	0.00
<b>Total</b>	<b>14,75,34,346</b>	<b>100.00</b>	14,75,00,000	100.00	0	0.00

### Listing on Stock Exchanges and Stock Codes

The Company's Equity Shares are listed and traded on the following Stock Exchanges:

Name	Address	Stock Code
BSE Limited (BSE)	1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	533229
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	BAJAJCON

The ISIN of Company's Equity Shares (Face Value of ₹ 1/- each) for NSDL & CDSL is INE933K01021.

The Company has paid listing fees for the Financial Year 2020-21 to both the Stock Exchanges where its shares are listed.

### Commodity price risk or foreign exchange risk and hedging activities

During the Financial Year 2019-20, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency risk management are disclosed in Notes to the Financial Statements. Furthermore, the Company has appropriately managed commodity price risk and does not have material exposures. Hence, the disclosures in terms of Securities and Exchange Board of India Circular Number SEBI/HO/CFD/CMO/ CIR/P/2018/0000000141 dated November 15, 2018 is not applicable.

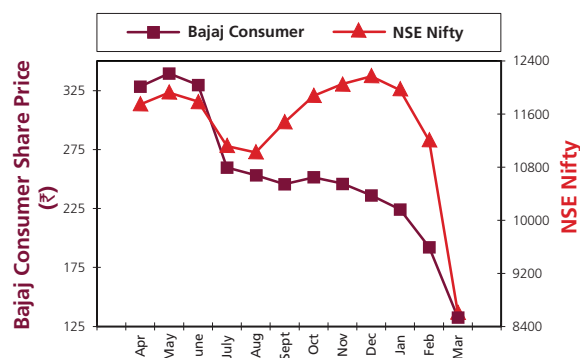
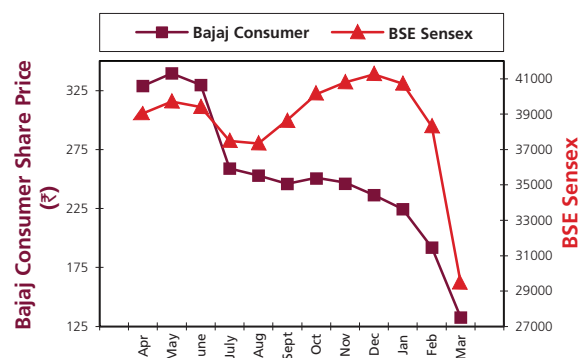
### Share Price Data

The details of high/low/closing market price of the Equity Shares of the Company at BSE and NSE during the Financial Year 2019-20 are provided in the table below:

Month	BSE			NSE		
	HIGH (₹)	LOW (₹)	CLOSING (₹)	HIGH (₹)	LOW (₹)	CLOSING (₹)
April 2019	344.65	309.00	328.90	344.80	311.00	328.35
May 2019	353.50	324.00	339.65	354.90	322.40	339.55
June 2019	348.50	316.35	329.75	343.50	315.50	329.85
July 2019	332.05	250.00	258.95	331.70	249.60	259.70
August 2019	271.00	240.05	253.10	272.75	241.00	253.30
September 2019	269.90	244.50	245.85	265.90	244.00	245.65
October 2019	270.90	193.00	250.95	271.20	195.10	251.40
November 2019	264.00	234.10	247.05	264.30	234.00	246.10
December 2019	249.65	214.90	236.45	250.00	214.75	236.10
January 2020	247.85	222.00	224.40	247.00	221.20	224.15
February 2020	243.20	181.55	192.05	226.00	183.80	192.30
March 2020	199.20	117.50	132.85	199.80	116.55	132.45

The comparable movements of the Company's shares against the broad based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2020 is depicted in Chart below:

## CHART OF BSE AND NSE



## Distribution of Shareholding

The shareholding distribution of Equity Shares (Face Value ₹ 1/- each) as at March 31, 2020 is provided in the table below:

Sr. No.	Category	No. of shareholders	% of total shareholders	No. of shares	% of capital
1	up to 5000	45,800	99.04	86,66,140	5.87
2	5,001 - 10,000	193	0.42	13,94,622	0.95
3	10,001 - 20,000	79	0.17	11,34,111	0.77
4	20,001 - 30,000	27	0.06	6,81,455	0.46
5	30,001 - 40,000	15	0.03	5,40,333	0.37
6	40,001 - 50,000	11	0.02	5,11,557	0.35
7	50,001 - 1,00,000	28	0.06	19,87,438	1.35
8	1,00,001 & ABOVE	91	0.20	13,26,18,690	89.89
	<b>Total</b>	<b>46,244</b>	<b>100.00</b>	<b>14,75,34,346</b>	<b>100.00</b>

## Shareholding Pattern

The shareholding pattern (Face Value ₹ 1/- each) of the Company as at March 31, 2020 is provided in the table below:

Category	March 31, 2020		March 31, 2019	
	No. of Shares	% of Capital	No. of Shares	% of Capital
Promoters	5,61,25,000	38.04	8,85,25,000	60.02
Mutual Funds/UTI	3,14,62,100	21.33	1,24,27,276	8.43
Financial Institutions/Banks	52,830	0.04	2,39,536	0.16
Insurance Companies	0	0.00	0	0.00
Foreign Institutional Investors	4,42,12,840	29.97	3,60,41,635	24.44
NRIs & OCBs	14,78,339	1.00	10,45,861	0.70
Body Corporates	27,04,283	1.83	36,59,054	2.48
Individuals	1,05,57,466	7.15	52,10,195	3.53
Others	9,41,488	0.64	3,51,443	0.24
<b>Total</b>	<b>14,75,34,346</b>	<b>100.00</b>	<b>14,75,00,000</b>	<b>100.00</b>

### Investor Services

The Company under the overall supervision of Company Secretary, is committed to provide efficient and timely services to its security holders. Before IPO, all the share transfers and related process were being conducted in-house. Post IPO i.e. w.e.f. August 18, 2010, the Company has appointed KFin Technologies Private Limited as its RTA. The Company Secretary in co-ordination with the RTA, attends and resolves various investor related complaints to the satisfaction of the investors.

### Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered Shareholder/s. The prescribed form for such nomination can be obtained from the RTA of the Company.

Nomination facility in respect of shares held in electronic form is available with Depository Participants (DPs) as per the bye-laws and business rules applicable to NSDL and CDSL.

### Plant Locations

#### 1. Paonta Sahib, Himachal Pradesh

Village Batamandi, Tehsil Paonta Sahib, District Sirmaur, Himachal Pradesh - 173 025

#### 2. Dehradun, Uttarakhand

Khasra No. 122/13 MI, Selaqui Industrial Area, Dehradun, Uttarakhand - 248 197

#### 3. Guwahati, Assam

Plot No. 63 & 64, Brahmaputra Industrial Area, Village Silla, Mouza Sila Sinduri Ghopa, Assam – 781 031

### Address for Correspondence

Investors and Shareholders can correspond with:

- 1) The Company at the following address:

Secretarial Department  
 Bajaj Consumer Care Limited  
 117, 11<sup>th</sup> Floor, Bajaj Bhawan, Jamanalal Bajaj Marg,  
 226, Nariman Point, Mumbai – 400 021  
 Tel: +91 22 2204 9056/58 /8633  
 Fax: +91 22 2204 8681  
 E-mail: [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com)  
 Website: [www.bajajconsumercare.com](http://www.bajajconsumercare.com)

#### AND/OR

- 2) The RTA of the Company Karvy Fintech Private Limited at their following address:

#### By Post/ Courier/ Hand Delivery

KFin Technologies Private Limited  
 Selenium Building, Tower B, Plot No. 31-32, Gachibowli Financial District,  
 Nanakramguda, Hyderabad – 500 032  
 Telangana  
 Tel No: +91 40 6716 2222  
 Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
 Website: [www.kfintech.com](http://www.kfintech.com)



## Declaration

I, Sumit Malhotra, Managing Director of Bajaj Consumer Care Limited, hereby affirm and declare, to the best of my knowledge and belief and on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a Code of Ethics (Code of Conduct) for all Board Members and senior management of the Company;
- The Code of Ethics (Code of Conduct) has been posted on the website of the Company;
- The Code of Ethics (Code of Conduct) has been complied with.

**For Bajaj Consumer Care Limited**

Place : Mumbai  
Date : June 18, 2020

**Sumit Malhotra**  
Managing Director  
(DIN:02183825)

## Independent Auditor's Certificate

**on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

**The Members of Bajaj Consumer Care Limited**

1. This certificate is issued in accordance with the terms of our engagement.
2. This report contains details of compliance of conditions of corporate governance by Bajaj Consumer Care Limited ('the Company') for the year ended March 31, 2020 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations').

### Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2020.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sidharth N Jain & Company**  
Chartered Accountants  
Firm registration number: 018311C

**Sidharth Jain**  
Proprietor  
Membership No.: 134684  
UDIN: 20134684AAAADD5777

Mumbai  
June 18, 2020

# Certificate of Non-Disqualification of Directors

[Pursuant to Schedule V Para C clause 10 of the SEBI (LODR), 2015]

We have examined declarations received from the Directors of Bajaj Consumer Care Limited (CIN: L01110RJ2006PLC047173) and other relevant registers, records, forms, returns filed by the Company.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify 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 SEBI, Ministry of Corporate Affairs, or any such other statutory authority for the financial year ending on 31<sup>st</sup> March, 2020.

For **Gupta Baul & Associates**  
Company Secretaries

**Prasanjit Kumar Baul**  
Partner

M. No. ACS 34347, CP No. 12981

Place : Mumbai  
Date : June 18, 2020

## Certification by Chief Executive Officer and Chief Financial Officer

### IN TERMS OF REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

- i. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- iii. We accept responsibility 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 and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We have indicated to the auditors and the Audit committee:
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. 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.

For Bajaj Consumer Care Limited

**Sumit Malhotra**  
Managing Director  
(DIN: 02183825)

**D.K. Maloo**  
Chief Financial Officer

Place : Mumbai  
Date : June 18, 2020

# Management Discussion And Analysis

## Indian Economy

During the year, Indian economy started showing sign of weakness with GDP growth tapering down to 5% for FY 20. There was liquidity crunch and consumption level were below normal where consumer was downgrading and discretionary spends taking a beating. Covid-19 further added to the woe with focus shifting largely to essentials. Ministry of Finance along with RBI had taken corrective measure to support the economy with ₹ 20 Trillion stimulus and rate cuts to drive consumption.

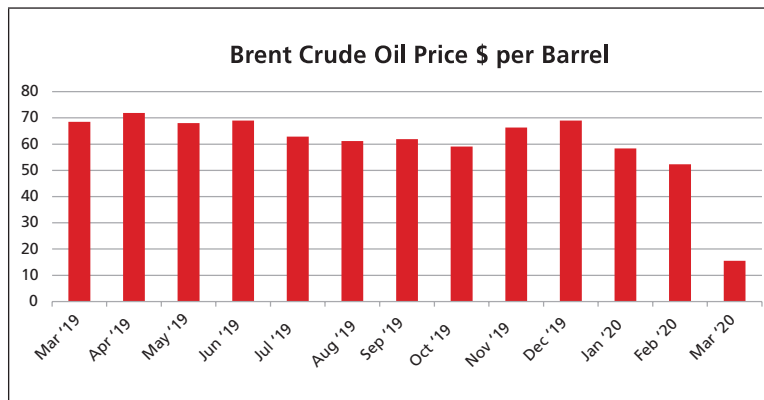
The bumper rabi harvest and higher food prices during 2019-20 provided conducive conditions for the strengthening of rural demand. Additionally, the transmission of past reductions in the policy rate to bank lending rates has been improving, with favorable implications for both consumption and investment demand. Also, reductions in the goods and services tax (GST) rates, corporate tax rate cuts in September 2019 and measures to boost rural and infrastructure spending were directed at boosting domestic demand more generally.

However due to Covid-19, the country was into complete lockdown in the last week of March 2020 to avoid the spread of the coronavirus. The reopening of the economy was extended till 2<sup>nd</sup> week of June with limitation thereby drastically impacting the growth outlook for FY 2021. Apart from the continuing resilience of agriculture and allied activities, most other sectors of the economy will be adversely impacted by the pandemic, depending upon its intensity, spread and duration. If COVID-19 is prolonged and supply chain disruptions get accentuated, the global slowdown could deepen, with adverse implications for India. The slump in international crude prices could, however, provide some relief in the form of terms of trade gains. Downside risks to growth arise from the spread of COVID-19 and prolonged lockdowns.

CPI inflation was projected at 5.1-4.7 per cent for H2:2019-20 and 4.0-3.8 per cent for H1:2020-21, with risks broadly balanced. The actual inflation outcome for Q2 at 5.8 per cent overshoot projections by 70 bps, primarily due to the intensification of the onion price shock in December 2019 on account of unseasonal rains in October-November. However, with the sharp fall in crude oil prices in March 2020, the headline inflation numbers are expected to temper downwards going forward.

For 2020-21, the growth outlook will be influenced by several factors primarily being Covid-19. If coronavirus is effectively contained then the economy can witness a sharp revival due to various positive factors. The private consumption is expected to recover on the back of improved rabi prospects. The recent rise in food prices has shifted the terms of trade in favour of agriculture, which will support rural incomes. Second, the easing of global trade uncertainties should encourage exports and spur investment activity. The monetary transmission in terms of a reduction in lending rates and financial flows to the commercial sector can provide a huge impetus to spur both consumption and investment demand.

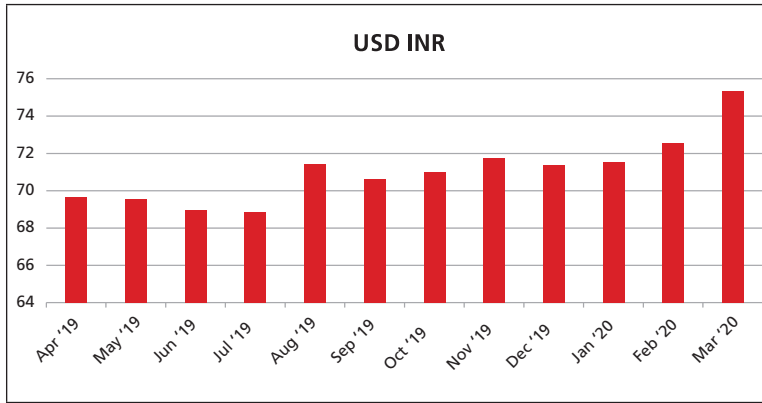
## Crude Oil Price Movement



Crude oil prices have been very volatile in the current financial year. The trade war between USA and China had a bearing on global trade over the course of the year. The Crude oil prices increased during December 2019 and early January 2020 to \$70 per barrel caused by the political tensions between USA and Iran. Crude oil prices remained in a state of flux, despite the agreement on production cuts by OPEC plus countries. However due to pandemic caused by COVID-19, the demand for crude oil prices totally collapsed with majority of the nations under lockdown. Additionally, due to

breakdown in production agreement between OPEC and Russia, crude oil prices fell further to \$15 levels due to increase in production and discounts offered by Saudi Arabia. Finally, Crude oil prices firmed up modestly as oil producing countries (OPEC plus) agreed to cut production, and prospects for revival in demand improved on expectations of imminent easing of lockdowns. Given the current global demand-supply balance, international crude oil prices are likely to remain low although they may firm up from the recent depressed levels.

## USD INR movement



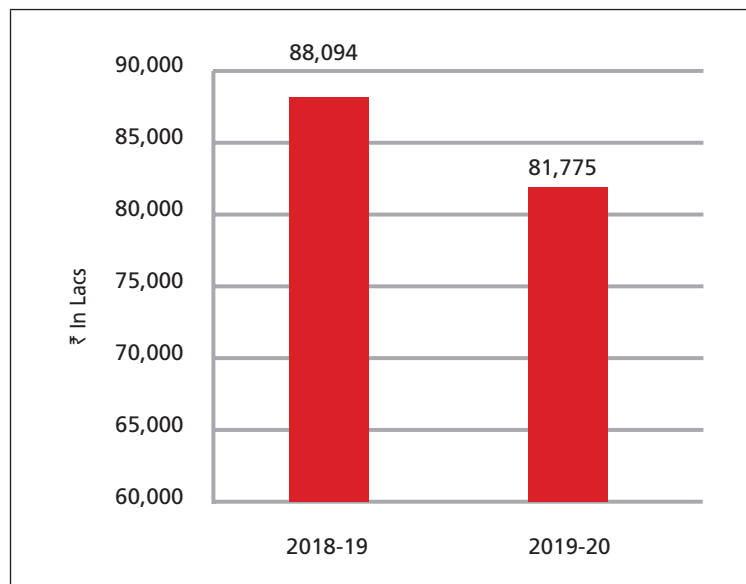
In currency markets, US dollar had been steadily appreciating against Rupee from 69 levels to 75 levels by March 2020. The INR came under intense depression pressures reflecting a generalized weakening of emerging market currencies amidst flights to safety. Due to COVID – 19 pandemic, the search for safe haven assets and flight to safety resulted in large scale capital outflows which sent equity markets into a tailspin and exerted sharp depreciation pressure on the Indian Rupee. Renewed bouts of global financial market volatility caused by the uncertainty of macroeconomic impact of

the COVID-19, as in February-March 2020, could exert pressure on the Indian rupee. If the COVID-19 normalizes, it could lead to strong capital flows which could lead to appreciation of Indian rupee in the near future.

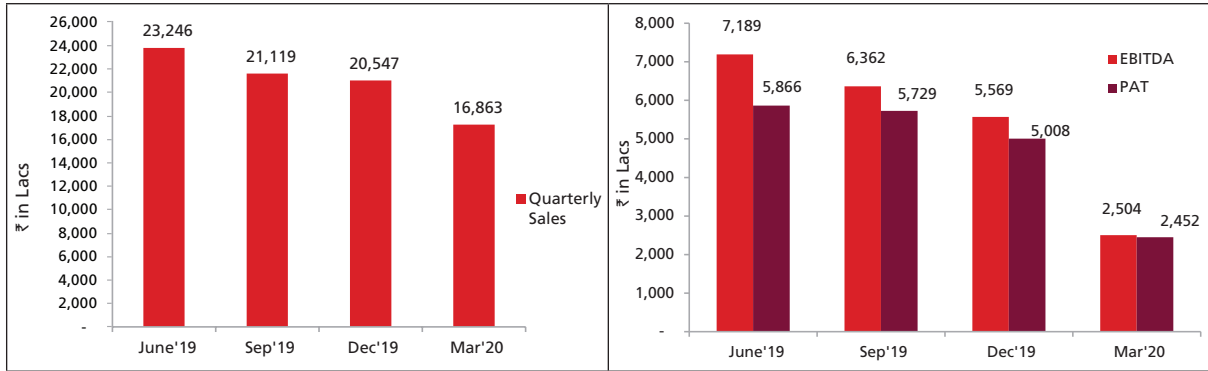
## Key Highlights of the Company performance in FY 20:

- Sales declined to ₹ 81,775 lacs in FY20 from ₹ 88,094 lacs in FY19, registering a de-growth of 7.17%.
- Earnings before interest, CSR, depreciation and tax decreased to ₹ 21,624 lacs in FY20 from ₹ 28,385 lacs in FY 19, registering a de-growth of 23.82%.
- Profit after Tax (PAT) also decreased by 15.73 % from ₹ 22,613 lacs in FY 19 to ₹ 19,055 lacs in FY20.

### Company sales during last two years:



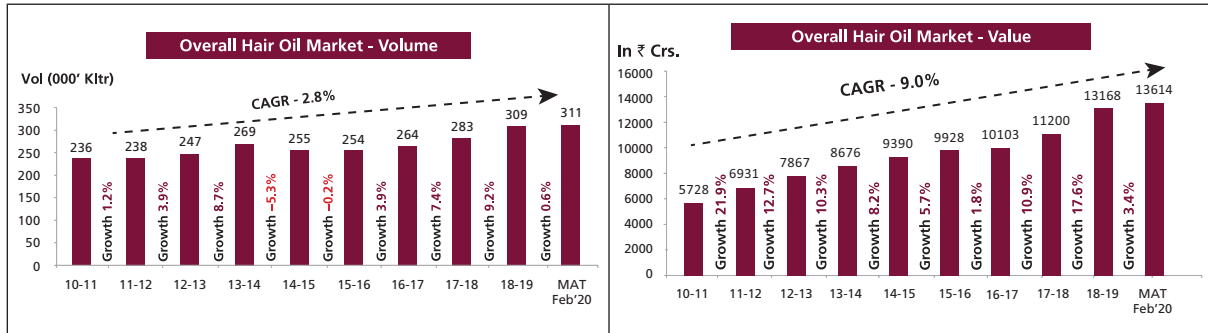
## Quarterly Sales, EBITDA & PAT of the Company during the year as follows:



## The Hair Oil Industry

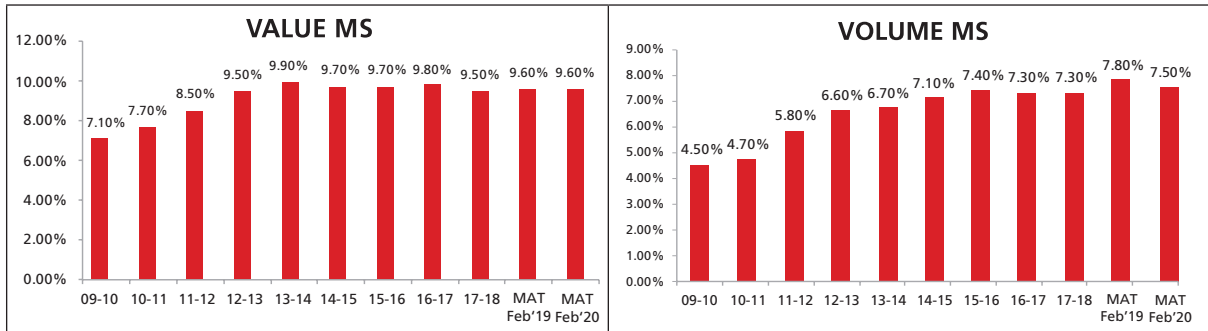
The hair oil category has witnessed slower growth in FY 2019-20 compared to the previous two years, with a value growth of 3.4% and a volume growth of 0.6%. (Source: Nielsen Offtake Nos. MAT Feb'20)

### Overall Hair Oil Market



In this slow growth phase, Bajaj Almond Drops, has been able to maintain the market on value 9.6% (MAT FEB'20)

In the LHO category, the brand has continued to increase its dominance and the value market share has increased by 0.6% to 61% (MAT FEB'20)



Household penetration has also gone up from 20.1% (MAT Dec'18) to 21.1% (MAT Dec'19). The penetration increase has happened across most of the SKU's and both 100 ml and 200 ml has registered healthy increase in penetration

The brand continues to maintain strong dominance on the distribution front and is present across 4.10 MM outlets as on Feb 20.

During the year, we initiated **Project Vistaar** with the help of Bain & Co. The project is aimed at significantly increasing our market share in Hair oils category over the next few years. This will be done through focused strategies on increasing the Brand's Memorability in the consumers' minds, deploying an optimal SKU assortment and maximizing in-store availability of our Hair oil brands. The project was test launched in two states – West Bengal and Uttar Pradesh. Initial results from both states have been extremely encouraging across key parameters. The project will be expanded to other states in FY21.

In view of the growing e-commerce segment and to cater to specialized Hair care needs amongst consumers, Bajaj launched **Bajaj Zero Grey- Anti greying Hair oil** which helps delay early greying of hair, naturally. It contains the power of 5 natural actives – Henna, Hibiscus, Shikakai, Kalonji and Onion Extracts. The brand was launched in March 2020 on leading ecommerce platforms.

### Sales and Distribution

Distribution continues to be the backbone of the organization. The entire back end ITeS has been strengthened further and remains fully automated. We have been able to increase our Numeric Distribution to an all time high number in the current fiscal. This has been mainly led by Rural thrust across Hindi Speaking belt. Efficiency to have helped us to reach our highest Weighted Distribution as reported by Neilsen. We are current reaching close to 41 lacs outlets nationally as reported by Neilsen and amongst the highest compared to peers. Reach expansion drive will be continued going forward specifically in rural area.

We are piloting Rural Van project to maximize reach. Currently we are working on costs and viability to a create a long term distribution model for future.

We continue to look for better returns for our channel partners and we continue to generate incremental revenue from them and giving better service to them by fully automated claim management process and better stock management.

Data Analytics continues to be the main driver for sales and plan to focus on trade marketing and data Analytics in a big way in future.

## Operations

The Company has been continuously striving to strengthen supply chain processes, manufacturing operations, marketing & human resource management and back-end operations which is demonstrated in the Company's performance during the year 2019-20.

### 1. Supply Chain & Procurement

FY 19-20 was a year of value creation and upgradation of the supply chain infrastructure and processes. We have moved our depot count to 19 from 28 in 2017-18 and also upgraded infrastructure in terms of CCTV, meetings rooms, loading-unloading bays for our warehouses. Moved location of some of the old warehouses to Industrial belts and secondary distribution to nearest servicing centre rather than within state boundaries as per old tax structure. This has helped us in optimizing distribution cost and improve service levels. LLP sourcing and coverage was aptly planned in line with market movement of crude oil and we were in lean coverage zone as the lockdown hit global economy and crude oil prices demand bottom out with falling LLP prices. Value enhancement projects under "Project Netra" was initiated to bring in fundamental change in the cost structure of products and location of manufacturing sites. Project Netra also aims at leveraging technology to optimize inventory within e2e supply chain, reduce wastage and give visibility on overall cost of ownership. This once fully implemented will give us improvement in COGS and also improve our speed to market.

Focus for 2020-21 will be on supply chain analytics to give real time visibility into demand patterns, cost of ownership and e2e Inventory holding. This will be scaled up to give us more insight into trends, increase planning horizon and to serve market effectively in dynamic and fast changing market environment. People development with changing landscape of supply chain analytics is also being prioritized in partnership with leading Global and India organizations in supply chain training. Flexibility and adaptability of our workforce will be critical for competing and winning with the consumer of tomorrow.

## 2. Manufacturing

Company has eight production facilities including third party operations to cover footprints across India and overseas. Broadly Hair oil & skin care products are manufactured at factories situated in Himachal Pradesh, Uttarakhand & Guwahati regions. Out of the eight manufacturing facilities, three units are located at Paonta sahib & Baddi, one in Baroda, three in Uttarakhand & one in Guwahati for manufacturing of all variants of hair oils & Nomarks skin care products.

Other than hair & skin care portfolio, company has one facility located in Udaipur, Rajasthan for manufacturing of oral care products.

### Plant operations

Company has adopted the Smart manufacturing processes into work to improve lead time, quality, cost, customer service, and flexibility with a process-driven approach implementing the techniques like Make-to-order, Doing it right the first time, Zero Defects and Just-in-time production. Based on Japanese Improvement system Kaizens, the continuous improvement theme has been rolled out across factories in a big way to improve operational excellences at works.

As a concept implementation across factories, infrastructural upgradations have been planned in factories to improve overall product quality, new age technology, high speed machines, contamination free stainless-steel tanks & piping, dust free environment, fire protection system and high level of Industrial automations.

Company ensures that its suppliers are also positioned to enhance performance and customer satisfaction ensuring suppliers' values are aligned with those of BCCL.

Special attention has been given to use natural and energy efficient lighting, natural cooling and heating along with other energy saving initiatives across the plants.

### Systems & Processes

To deliver best quality products to consumers, all manufacturing facilities have completed annual certifications of ISO standards along with implementation of worlds renowned manufacturing excellence programs implementations like TPM, 5S & Quality circles. Under this scheme, warehouses have also been covered this year as potential locations for ISO systems implementations for improving overall efficiency and productivity. Company has received the "Par-excellence Award" in NCQC Quality Circle convention chapter at Varanasi this year.

### Environment & safety

Under go-green initiatives company has continued policy of using only BEE-5 star rated equipments, LED lights, Fans, blowers etc. with continual reduction in resource wastages of air & water.

Although having best in class safety systems implementations, there is ongoing focus to improve fire safety protection in plant and warehouses with provisions of sensor-based fire control system, last point reach of hydrants, emergency controls, real time drills, fire fighters training etc.

### New product development

To fulfill growing requirements of market and maintaining larger portfolio, company has launched new product-Bajaj Zero gray hair Oil which includes various natural extracts promoting the reactivation of dormant pigments cell to help to restore gray hair back to its original hair color.

### Up-keep & upgrade

Company has received the **RBNQA Merit Award** from Ramkrishna Bajaj National Quality Award Trust in the field of excellence, namely, IMC Juran Quality Model granted in manufacturing excellence category. To keep fit & ready to deliver machines, the best systems of TPM has been implemented by plants with base of world's renowned housekeeping method 5S, Kaizens, one point lessons & autonomous maintenance practices.

Company has also achieved NABL (National Accreditation Board of Laboratories) certificate in the field of analytical facilities which entrusts the confidence in Testing and calibration. With NABL certification, our products have greater access to Domestic / International Market.

Reduction and elimination of re-testing of product.

#### List of ISO Certifications

The following manufacturing facilities of the Company have been awarded the prestigious ISO certification in respect of quality management systems, environment management systems and occupational health and safety: -

1. GUWAHATI PLANT, ASSAM
  - a. ISO: 9001: 2015 - Quality Management System
  - b. ISO: 14001: 2015 - Environment Management System
  - c. OHSAS 18001: 2007 – Occupational Health and Safety.
2. POANTA SAHIB PLANT, HIMACHAL PRADESH
  - a. ISO: 9001: 2015 - Quality Management System
  - b. ISO: 14001: 2015 - Environment Management System
  - c. OHSAS 18001: 2007 – Occupational Health and Safety.
3. DEHRADUN PLANT, UTTARAKHAND
  - a. ISO: 9001: 2015 - Quality Management System
  - b. ISO: 14001: 2015 - Environment Management System
  - c. OHSAS 18001: 2007 – Occupational Health and Safety.
4. DEHRADUN WAREHOUSE
  - a. ISO: 9001: 2015 - Quality Management System
5. AMBALA WAREHOUSE
  - a. ISO: 9001: 2015 - Quality Management System

#### List of Halal Certifications

Export Opportunity seeking – Opportunities to tap the global Halal Food market of about 2 billion people (Middle East, Asia Pacific, EU, USA, LATAM, Central Asia)

In order to enhance the marketability of products in Muslim countries/markets. This year we have got the following products HALAAL CERTIFIED:

- a. Bajaj Almond Drops Hair Oil
- b. Bajaj Jasmine Hair Oil
- c. Bajaj Amla Hair Oil
- d. Bajaj Brahmi Amla Ayurvedic Hair Oil
- e. Bajaj Almond drops cool Oil
- f. Bajaj Coco Jasmine Non Sticky Hair Oil
- g. Bajaj Nomarks For Dry Skin Cream For Blemish Free Glowing Fairness
- h. Bajaj Nomarks All Skin Types For Clear Glowing Fairness Cream
- i. Bajaj Nomarks For All Skin Face Wash For Clear Glowing Fairness
- j. Bajaj Nomarks For Dry Skin Face wash



- k. Bajaj Nomarks Neem Face Wash
- l. Bajaj Nomarks Exfoliating Face Scrub (Walnut & Apricot)
- m. Bajaj Nomarks No Pimples No Marks Soft Scrub
- n. Bajaj Nomarks – Face Pack (Wet)
- o. Bajaj Nomarks Face Pack (Dry)
- p. Bajaj Almond Drops Moisturising Soap
- q. Bajaj Nomarks Neem Soap
- r. Bajaj Nomarks Herbal Scrub Soap
- s. Bajaj Nomarks Oil Control Soap
- t. Bajaj Nomarks Moisturizing Soap
- u. Bajaj Nomarks Antimarks Dry Face Pack
- v. Bajaj Nomarks Antimarks Soap for Dry Skin
- w. Bajaj Nomarks Antimarks Soap for Normal Skin
- x. Bajaj Nomarks Antimarks Soap for Oily Skin

### 3. Treasury Operations

During the Financial Year the Company's Treasury operations continued to focus on generating stable returns for the funds available with the defined framework of investments. The year 2019 has seen the economy growth reeling under pressure which saw the central bank to start cutting interest rates actively since Feb 2019. RBI Governor cut interest rates by 40 bps on May 22, 2020. With this new rate cut the RBI Governor has given cumulative interest rate cuts of 250 bps during this rate easing cycle which started in Feb 2019. In fact, the RBI Governor has given aggregate easing of 115 bps post the outbreak of the pandemic (with 75 bps rate cut in March 2020 and 40 bps rate cut in May 2020). RBI has also backed up its rate action with commitment of accommodative stance to get the growth back on track.

The outbreak of pandemic due to COVID-19 caused extreme liquidity squeeze in March 2020 and credit spreads widened to all time high. This prompted RBI to infuse record liquidity into the system through LTRO and other monetary tool of CRR cut etc.

Indian rupee has depreciated from 72 levels to 77 levels over the year due to slow economic growth and outbreak of pandemic. However swift action by RBI has stabilized rupee at around 75 levels. Due to lockdown the economic activity in India came to standstill from last week of March to May 2020. This has reduced the demand for crude oil as well as Gold imports thereby improving the current account deficit.

1. Under falling interest rates scenario, we had systematically increased the duration of the portfolio and deployed funds in safest credits of highest ratings. However, we expect the supply overhand of government securities to continue in FY 21 hence we will stay invested in shorter end of the curve up to 5 years bonds. Since the Government of India has announced fiscal benefits of up to ₹ 20 lac crores to help revive the economy, a major part of this will come from additional government borrowing which will keep the pressure on the interest rate curve. Not only, that it is expected that the State governments will also borrow more to make up for the tax losses during lockdown period.
2. We have been investing in govt securities and high-quality corporate bonds very cautiously which has helped us tide over the market volatility and earned us stable interest accrual which was higher than money market and mutual fund liquid fund rates.
3. We have consciously avoided to invest in any credit mutual funds to protect the funds of the Company.
4. To maximize our realizations from forex remittances, we have hedged our forex remittance to actively cover our export collections.

5. We expect the interest rates to be lower in FY 21 with accommodative stance from RBI to support the growth in economy.
6. The inflation outlook for the year looks benign due to absolute collapse in demand because of pandemic. Additionally, crude oil prices are expected to stay range bound and under \$50 levels which should control fuel price inflation.

We will continue to tactically shift our allocation between bonds of different tenors depending upon interest rate scenario and liquidity condition in market. However, we will make sure that the credit quality of the portfolio of investments remains top notch and there is no credit risk in the portfolio. The Company's Treasury remains committed to actively manage portfolio to generate higher returns without sacrificing the credit quality of portfolio. Over the last decade of treasury operations, the Company has achieved credible reputation in debt markets for regular and stable investment operations.

#### 4. Human Resources & Industrial Relations

In 2019-20, the key focus areas in people practices were to create a workplace where employees are proud of being associated through constant dialing up on Talent development and management. The entire focus was to enhance employee experience in HR processes through implementation of progressive policies, capability building through continual learning journeys and automation of HR processes.

##### Accolades at Organizational level:

"Great Place to Work" (GPTW) is a coveted certification which is a factor of employees' assessment of company's credibility, respect, fairness, pride & camaraderie assessed through an online survey and GPTW's evaluation of people practices maturity. BCCL participated in GPTW's annual survey in Feb'20 and has been certified as a "**Great Place to Work**" consecutively for the second time for the period April'20 till March'21. The trust index score of the survey results for the year has significantly moved up validating the efficacies of our developmental journey.

BCCL was also recognized as "**Maharashtra State's Best Employer**" and also won the "**Best Employee Engagement Initiatives**" award during an event organized by World HRD Congress at Mumbai.

Our manufacturing team participated in the IMC Ramakrishna Bajaj National Quality (RBNQ) awards and won the "**Certificate of Merit**". We were also awarded "**Par-Excellence and Excellence awards**" at the 33<sup>rd</sup> National Convention on Quality Concepts, NCQC-Varanasi. Our manufacturing operations focused on incorporating broader principles of sustainability with BCCL's strategy of innovating environment friendly products and designing processes that create lowest pollution and generate minimal waste. Towards these efforts, the Greentech Foundation, Delhi conferred BCCL the "**Winner's Award**" during the 19<sup>th</sup> Annual Greentech Environment Excellence Awards 2019 from Greentech Foundation, Delhi.

Our Internal Audit team received the "**Most Innovative Risk Management Strategy for the Year**" Award in the 3<sup>rd</sup> CRO Leadership Summit and Awards 2020, organized at Mumbai by UBS Forums. The main reasons for which our risk management framework was selected for this award were systematic approach in designing customized framework to suit business needs, risk-identification approach is optimized, risk treatment matrix has default recommendation which fastens the treatment process and scientific mitigation approach which gives directional clarity on most probable mitigation plan formulation.

##### Capability Development:

An agile and skilled workforce goes a long way to ensure business sustainability and brings in the element of competitive business advantage. Our capability development interventions were anchored around creating a robust framework of need identification through business priorities and individual opportunities followed with developing a culture of continual learning journey through blended learning approach. The new learning framework has been established under the Learning Umbrella "**Saksham**" combining learning needs at individual, functional and organizational levels. All training programs were followed by regular connect with the participants and consistent evaluation of how they are applying newly acquired skills in their jobs. Under 'Saksham' we launched "**Daksh**", a comprehensive developmental intervention for the front-line sales team focusing on wheel of Life, Role Clarity, Team Management, Retail Planning & Sales Management from the team. This was followed up with the unique 'Group Coaching Sessions' where teams were exposed to self-development journey through support of external coaches. **People Smarts**, a three months structured managerial effectiveness intervention was organized for people

managers with a blended learning approach through contact sessions and follow-up practice lab. Special focus was on capability journey for our Modern Trade Channel team where employee interventions were made on ways to win the customer inside stores with smart execution of merchandising, store planning and in-store execution. Innovation being the focus for us, high impact learning journeys like tailored programs on **TRIZ** (Inventive Problem Solving) for cross functional teams were rolled out as much as Manufacturing Excellence journey was organized for Operations. There was a huge impetus on developing a talent pipeline internally for critical roles. We also introduced Coaching intervention for employees in key leadership roles to further develop their strategic agility and leadership skills. The other highlight was launching of **"Aaj Ki Charcha"** platform, a daily virtual learning platform created during the lockdown period starting from last week of March. This platform, created overnight, is going a long way in keeping the employees engaged and motivated during an unprecedented period, providing opportunity of bite size continual learning, and creating a pool of motivated internal trainers.

In order to promote Career growth and to build a culture of long-term sustainable development under BCCL's 'Talent Management' framework, Assessment Centre was conducted for our Sales team in association with external specialist in key geographies. This initiative generated a pool of aspiring and high performing employees which was utilized for career management and development.

In all, our employees went through 1427 Man days of training in 2019-20.

### **Rewards & Recognition and Benefits:**

We continued to adopt and implement progressive Rewards practices to drive a superior performance culture in the organization. The Variable Pay program, was introduced across all levels in the organization and focused on sharply differentiating superior performance while annual compensation increase was in line with market benchmarks. Flexi pay components were introduced and employees were given the option of selecting pay components as per their preference.

A comprehensive Rewards & Recognition framework, that was more aspirational, had wider reach and covered all employees was implemented. MD's Circle of Excellence, Long Service Awards, My Child My Pride - Super Achiever Awards were the new categories introduced under our R&R ambit. Recognition activities continued throughout the year and employees in Sales and Support Functions were awarded Star and Samman awards respectively for achieving the milestones that had a positive impact on business outcomes.

To enhance employee satisfaction and retention, the Company has put in place several employee benefits policies. The key highlights have been upgradation of office infrastructure, introduction of paternity leave, revamped business communication policy, corporate tie-ups with travel aggregators for a seamless boarding & lodging experience for employees.

### **Talent Acquisition:**

We continued to focus on attracting and hiring right talent to propel growth of the organization. We built strong partnerships with premier Tier-1 business schools under our Campus-Connect program and engaged Summer Interns in our critical business functions. The organization resource count continued to remain fill at 98% level throughout the year. Internal referral policy emerged as the key sourcing channel showing deep connect and engagement of our employees with organization.

### **Employee Engagement:**

"Great Place to Work" Trust Index Survey scores for year 2019-20 helped us identify the clear focus areas for employee engagement interventions. After a detailed analysis of Survey Scores, Focused Group Discussions were organized across all functions. "Developing" and "Celebration" were the two engagement practices identified for the year. These practices were led by Management Committee members centrally. Locational Cross-Functional Engagement Committees were formed covering Head Office, Manufacturing Sites and Zonal Sales Offices. As part of input received from those committees, multifarious employee engagement initiatives were rolled out round the year, which included BCCL maiden's appearance in Tata Mumbai Marathon partnering with CRY (Child Rights & You) to support their philanthropic cause, Volunteering Day, engagement events like Family Day, Festival Celebration, Wellness program and Sports Events across all locations. Townhalls continued to provide a two-way communication platform to employees to hear directly from the Managing Director and other Management Committee Members.

### HR Automation:

In pursuit of making BCCL a Future Ready organization, we initiated HR processes automation journey. The key levers for HR Automation project have been driving superior employee experience, transparent and consistent HR processes, faster transition from a candidate to an employee, real time view of hierarchies, reporting structures and employee data enabling Managers carry out on-the-go HR transactions. The Company partnered with SAP - Success Factors to implement its comprehensive HCM suite which included Performance Management, Employee Central, Recruitment and Candidate Management (RCM), Learning Management and Compensation module. A big milestone was achieved when Performance Management Process was launched in Success Factors platform in February and all employee participated in annual PMS process online. Rest of the modules are slated to go-live in April 2020. We also outsourced our payroll services to better service our employees and for a robust compliance management with a reputed partner. "Happy", an automated travel expenses management solution was also implemented across the organization.

We remain committed to provide a safe and compliant workplace to our employees. We continue to do Audit and Assessment of our compliance status at various manufacturing location and take preventive and corrective measures as per need. No noncompliance was reported for the year.

The company critically looked at manpower requirement across the functions and rationalized it during the year basis business needs. As on 31<sup>st</sup> March 2020, the company had 487 employees on its payroll. The Industrial Relations at the Company's manufacturing units, Corporate office and Zonal regions were cordial throughout the year without any loss of Man days.

## 5. Financial review (Standalone)

### Results

(₹ in lacs)

Particulars	2019-20	2018-19
Sales	<b>81,775.15</b>	88,094.49
EBITDA	<b>21,623.91</b>	28,384.62
Profit before exceptional items and tax	<b>23,088.98</b>	28,826.10
Profit for the year	<b>19,055.33</b>	22,613.28

### Summarised Profit & Loss Account of the Company

(₹ in lacs)

Particulars	2019-20	2018-19	YOY %
Sales	<b>81,775.15</b>	88,094.49	-7.17%
Other Operating Income	<b>2,644.89</b>	2,841.20	-6.91%
<b>Total</b>	<b>84,420.04</b>	90,935.69	-7.17%
Cost of Material Consumed	<b>27,287.31</b>	30,109.50	-9.37%
Employee Cost	<b>8,355.95</b>	9,401.77	-11.12%
Advertisement & Sales Promotional Expenses	<b>16,913.74</b>	13,410.26	26.13%
Other Expenses	<b>10,239.13</b>	9,629.54	6.33%
<b>EBITDA</b>	<b>21,623.91</b>	28,384.62	-23.82%
Finance Cost	<b>423.08</b>	109.80	285.32%
Depreciation	<b>533.30</b>	658.72	-19.04%
Corporate Social Responsibility	<b>567.38</b>	543.35	4.42%
Other Income	<b>2,988.83</b>	1,753.35	70.46%
<b>Profit before Tax</b>	<b>23,088.98</b>	28,826.10	-19.90%
Tax	<b>4,033.65</b>	6,212.82	-35.08%
<b>Profit After Tax</b>	<b>19,055.33</b>	22,613.28	-15.73%
Other Comprehensive income / (Expenses)(Net off Taxes)	<b>21.34</b>	(30.46)	-170.06%
<b>Total Comprehensive income</b>	<b>19,076.67</b>	22,582.82	-15.53%

### Key Profitability Ratios

Particulars	2019-20	2018-19
EBITDA/Sales	26.44%	32.22%
Profit before Tax & Exceptional Item/Sales	28.23%	32.72%
PAT /Sales	23.30%	25.67%
Total Comprehensive Income/Sales	23.33%	25.63%
Basic Earnings Per Share (₹)	12.92	15.33
Diluted Earnings Per Share (₹)	12.92	15.33
Particulars	2019-20	2018-19
Interest coverage ratio	58	291
Debt equity ratio	0.03	0.05
Operating profit margin	28.75%	32.85%

#### Detailed explanation of ratios:

**Interest Coverage Ratio:** The Interest Coverage Ratio measures how many times a Company can cover its current interest payment with its available earnings. It is calculated by dividing PBIT by finance cost.

**Debt Equity Ratio:** The ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing a Company's total Debt by its shareholder's equity.

Debt Equity Ratio as at March 31, 2020 has decreased due to reduction in Export Credit.

**Operating Profit Margin (%):** Operating Profit Margin is a profitability or performance ratio used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing the EBIT by sales.

### Key Balance Sheet Ratios

Particulars	2019-20	2018-19
ROCE	40.46%	58.43%
RONW	32.83%	45.60%
Book Value per Share (₹)	45.90	32.89
Net Working Capital* in no. of days sales	5	10
Debtors turnover (in days)	15.58	16.59
Inventory turnover (in days)	27.06	21.14
Current ratio (in times)	4.01	3.11

\* Excludes cash & bank balance

#### Detailed explanation of key balance sheet ratios:

**ROCE:** Return on Capital Employed Return on Capital Employed (ROCE) is a financial ratio that measures a Company's profitability and the efficiency with which its capital is used. In other words, the ratio measures how well a Company is generating profits from its capital. It is calculated by dividing profit before interest, exceptional items and tax by average capital employed during the year.

**RONW:** Return on Net Worth (RONW) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total comprehensive income for the year by average capital employed during the year.

**Book Value per share:** It is calculated by dividing equity at year end by number of shares outstanding at year end.

**Net Working Capital\* in no. of days sales:** It is calculated by dividing net working capital during the year by sales further converted into days.

**Debtors turnover:** The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid. It is calculated by dividing sales by average trade receivables.

**Inventory Turnover:** Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing sales by average inventory.

**Current Ratio:** The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

### Dividend

Final Dividend of ₹ 2/- per equity share fully paid up for the financial year 2019-20 has been recommended by the Board of Directors to shareholders for their approval. This would translate cash outflow of ₹ 2,950.69 lacs.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source.

### Initial Public Offer (IPO)

In the year 2010, the Company through an Initial Public Offering ("IPO") had raised ₹ 297 crore. The Net Issue proceeds ₹ 275.46 crore [Actual ₹ 278.04 crore] was proposed to be applied for the following objects set out in the Prospectus:

(₹ in crores)

Sr. No.	Expenditure Items	Total Estimated Expenditure
1.	Promote our future products	220.00
2.	Acquisitions and other strategic initiatives	50.00
3.	General Corporate Purposes	5.46
	<b>Total</b>	<b>275.46</b>

At the 7<sup>th</sup> Annual General Meeting held on August 2, 2013, the shareholders of the Company authorized the Board of Directors to vary and/or revise the aforesaid utilization of proceeds. Pursuant to the said authority granted by the shareholders, the Board of Directors have revised the aforesaid IPO proceeds as under:

(₹ in crores)

Sr. No.	Expenditure Items	Estimated Expenditure as per Prospectus	Revised Expenditure for net IPO proceeds	Amount utilized up-to March 31, 2020
1.	Promote our future products	220.00	28.60	28.60
2.	Acquisitions and other strategic initiatives	50.00	200.00	162.38
3.	General Corporate Purposes	5.46	49.44	23.06
	<b>Total</b>	<b>275.46*</b>	<b>278.04*</b>	<b>214.04</b>

\*Budgeted IPO expenses ₹ 21 crore (approx) Actual IPO expenses ₹ 18.96 crore (approx)

Pending utilisation, net proceeds of the IPO have been invested in interest bearing liquid instruments, bank deposits and other financial products as mentioned herein below:

(₹ in crores)

Particulars		Amount
(a)	In Corporate Bonds	64.00
(b)	In Mutual Funds	0.00
<b>Total</b>		<b>64.00</b>

### Internal Control Systems & 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 internal as well as Statutory Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal controls environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

### Risks & Concerns

Our Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks. One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Our major raw material LLP is the derivative of crude and the prices of Crude Oil remain highly volatile whole year on account of various international political and economical reasons which are beyond our control and which may results into hike in prices of its derivatives. Similarly the prices of Refined Mustard Oil which is another major ingredient also remain volatile on account of various reasons. The crop mainly depends on monsoon and bad monsoon may result into increase in the prices of RMO. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. While Bajaj Almond Drops has exhibited adequate pricing power, unprecedented increase in raw material prices consequent to crude price increase and RMO price increase may not be fully passed on and some impact may have to be absorbed by the Company.

*Inflationary tendencies in the economy and deterioration of macro economic indicators, coupled with unseasonal rain in India, damaging rabi crop to a great extent, can impact the spending power of the consumer because of which down trading from branded products to nonbranded can occur which can affect the operating performance of the Company.*

We operate in a highly competitive FMCG market with competitors who may have better ability to spend more aggressively on advertising and marketing and more flexibility to respond to changing business and economic conditions. Further, there are regional or smaller competitors who have certain advantages over us. An increase in the amount of competition that we face could have a material adverse effect on our market share and sales.

*The FMCG environment is competition intensive and to ensure survival in this industry, one has to focus on branding, product development and innovation but such expenditure carry the inherent risk of failure.*

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect our operations and profitability.

However, the Company is well aware of the above risks and as part of business strategy has put in mechanism to ensure that they are mitigated with timely action.

### Cautionary Statement

*Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realise certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgments before taking any investment decisions.*

# Business Responsibility Report

## Section A: General Information about the Company

Sr. No.	Particulars	Details
1.	Corporate Identification Number (CIN) of the Company	L01110RJ2006PLC047173
2.	Name of the Company	Bajaj Consumer Care Limited (Formerly Bajaj Corp Limited)
3.	Registered office address	Old Station Road, Sevashram Chouraha, Udaipur - 313 001, Rajasthan
4.	Website	<a href="http://www.bajajconsumercare.com">www.bajajconsumercare.com</a>
5.	E-mail id	<a href="mailto:complianceofficer@bajajconsumer.com">complianceofficer@bajajconsumer.com</a>
6.	Financial Year reported	March 31, 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Bajaj Consumer Care Limited is a Fast Moving Consumer Goods (FMCG) Company and it is engaged in manufacturing of Hair oils and Personal Care products
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	i. Almond Drop Hair Oil ii. Bajaj Brahmi Amla Hair Oil iii. Nomarks Skin range
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	Company through its subsidiaries has operations in Bangladesh and Sharjah
	(b) Number of National Locations	Company has its Registered Office at Udaipur, Corporate Office at Mumbai and it has eight manufacturing units (including third party manufacturing units) located in Himachal Pradesh, Uttarakhand, Assam and Rajasthan.
10.	Markets served by the Company: Local/ State/ National/ International	Company has presence in both local and international markets.

## Section B: Financial Details of the Company

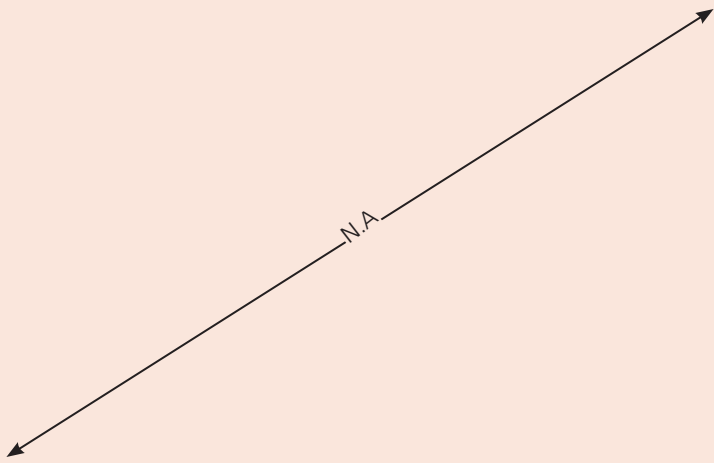
(₹ in lacs)

Sr. No.	Particulars	Details
1.	Paid up Capital	1475.34 Equity Shares of ₹ 1/- each.
2.	Total Turnover	90,935.69
3.	Total profit after taxes	22,613.28
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.40%
5.	List of activities in which expenditure in 4 above has been incurred:-	The Company has contributed an amount of approximately ₹ 567.38 lacs to Kamalnayan Jamnalal Bajaj Foundation (KJBF) (the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013.





3. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)											
Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
6.	Indicate the link for the policy to be viewed online?	<a href="https://bajajconsumercare.com/policies.aspx">https://bajajconsumercare.com/policies.aspx</a>									
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
8.	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y	
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N	

3a If answer to No. 1, against any principle is 'No', please explain why: (Tick up to 2 options)											
Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
1	The Company does not understand the principles	N.A. 									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles										
3	The Company does not have financial or manpower resources available for the task										
4	It is planned to be done within next 6 months										
5	It is planned to be done within next 1 year										
6	Any other reason (please specify)										

4. Governance Related to BR	
(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company	The BR Head assesses the BR performance of the Company at least annually.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Business Responsibility Report is a part of Annual Report, available on the website of the Company <a href="http://www.bajajconsumercare.com">www.bajajconsumercare.com</a> .

## SECTION E: Principle-Wise Performance

### Principle 1 : Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

**Company believes that Ethics, Transparency and Accountability are the three basic pillars of the business of the Company and the said beliefs are reflected in 'Code of Ethics' ('Code of Conduct') and 'Whistle Blower Policy' adopted by the Company. For the foreign subsidiaries, the Code and Policy is applicable in line with the requirements of the respective country of operation. Even though these Codes and Policies are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company.**

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

**During the Financial year under Review, the Company has not received any stakeholders complaint.**

### Principle 2 : Product Life Cycle Sustainability

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.

**Company is into the business of hair care and skin care products. Company's product portfolio addresses the social needs through its products.**

**In addition to this, Company is exploring new products with its R&D team.**

**Further, the Company has redesigned packaging material that resulted in low impact on the environment through change in Technology.**

**Few of the initiatives are:**

- (i) Optimization of structure of Cartons "more in less"
- (ii) Eliminating need of individual shrink in PET bottles
- (iii) Cartons that have lower thickness contribute to improved biodegradability and recyclability
- (iv) Recycling of incoming CFC for outward movement

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

**Company has been constantly improving its operational efficiencies for reducing the consumption of resources without compromising on the quality and quantity of its range of Hair Oils and Skin Care Products.**

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

**Since the range of products manufactured by the Company being overall wellness products, its usage does not involve use of energy or water during usage by consumers.**

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

**Yes, the Company has an effective forecast system enabling purchase of raw materials based on sales forecast and trends in domestic and international market to ensure optimal raw material procurement and has been aggressively pursuing wastage reductions across manufacturing units.**

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

**Yes, the Company has embedded sustainability throughout its procurement supply chain. Company has various initiatives to do disintermediation & help the small and marginal producers.**

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

**Yes, Company's production process is based on principles of optimising the material and energy resources. The Company has always strived to reduce waste associated with its products.**

**The Company has taken various initiatives like using lightweight materials, optimizing structural and material design and eliminating unnecessary packaging, resulting in effective management of packaging waste.**

**The Company encourages the use of recycled material where ever applicable, and ensures that all packaging material waste from its manufacturing facilities is sent to approved recycling agents for further processing.**

**Company's products are consumer goods and hence they are consumed at consumer's end during usage. Therefore, recycling of product is very less and can be mentioned in category of less than 5%.**

### Principle 3 : Employee Wellbeing

Sr. No.	Particulars	Details
1	Please indicate the Total number of employees.	Total 1013 employees that includes permanent, contractual (direct & indirect) and security guards
2.	Please indicate the Number of permanent women employees.	20
3.	Please indicate the Number of permanent employees with disabilities.	Nil
4.	Do you have an employee association that is recognized by management.	No
5.	What percentage of your permanent employees is members of this recognized employee association?	N. A.
6.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	Nil
7.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
	(a) Permanent Employees	92 %
	(b) Permanent Women Employees	100%
	(c) Casual/Temporary/Contractual Employees	100%
	(d) Employees with Disabilities	Nil

#### Principle 4 : Stakeholders Engagement

1. Has the company mapped its internal and external stakeholders? Yes/No

**Yes**

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

**Yes**

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

**No**

#### Principle 5 : Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

**Company has adopted 'Code of Ethics' ('Code of Conduct') and 'Whistle Blower Policy'. Even though these Codes and Polices are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company. For the foreign subsidiaries, the Code and Policy is applicable in line with the requirements of the respective country of operation.**

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

**During the past financial year, Company did not receive any stakeholder's complaint.**

#### Principle 6 : Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

**The Company has Environment and Pollution Control Policy applicable to the Company and its suppliers and contractors. For its Foreign Subsidiaries, the Policy is applicable in line with the local requirements of the respective country of operation.**

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

**Yes, the Company has been working on climate change issues by improving its process efficiency and taking initiatives in energy efficiency, developing green zones at units and water conservation etc.**

**The Company is also exploring more renewable energy resources for reducing GHG emissions.**

3. Does the Company identify and assess potential environmental risks? Y/N

**Yes, potential aspect related to environment are identified and evaluated for their impact on basis of severity scale and probability. All the significant aspects have operational control procedure in place.**

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

**No**

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

**Yes, the Company believes that business success and ecological impact are not mutually exclusive and that one can reduce its impact on environment and at the same time meet its business requirements.**

**The Company is committed to reduce environmental impacts on natural resources by implementing best technology, Management programs through a combination of reduction in use of energy, water conservation, minimize air emissions, rainwater harvesting and solid waste recycling.**

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

**Yes**

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

**Nil**

### Principle 7 : Policy Advocacy

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

**(a) FICCI**

**(b) Indian Society of Advertisers**

**(c) CII**

**(d) ASCI (Advertising Standards Council of India)**

**(e) Indian Beauty & Hygiene Association**

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

- **Yes, The Company engages with government, regulatory and other relevant authorities for development of public policies in keeping with the Company's work in Society, sustainability and compliance commitments.**

### Principle 8 : Inclusive Growth

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

- **The Company strongly believes in the principle of inclusive growth and equitable development of society at large. With this vision, the Company undertakes its CSR initiative through Kamalnayan Jammalal Bajaj Foundation (Bajaj Foundation), the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013. Bajaj Foundation undertakes the projects which are in accordance with Schedule VII of the Companies Act, 2013 and Rules made thereunder, which are aimed at overall wellbeing of the society.**
- **The Company has identified the needs of its first line field force and instrumental (SO Connect) in giving support to them in terms of different needs namely – Housing Loan, Medical Facility, Children Education.**

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

- **The Programs/Projects are implemented through Bajaj Foundation.**
- **SO Connect Project execution done by in-house team**

3. Have you done any impact assessment of your initiative?

- **Yes, the CSR Committee of the Board of Directors internally undertakes an impact assessment of the initiatives so as to understand the effectiveness of the various programs undertaken by Bajaj Foundation and any measures that may be required to be taken for improving the future initiatives.**
- **Under SO Connect Project, productivity has enhanced and employee turnover has been reduced.**

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

**The details are available at Annexute-3 to Directors Report.**

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Bajaj Foundation with the vision of "Integrated development of the society through participatory approaches that sets benchmarks and standards for others to emulate for sustainable development" empower the rural community to take charge of their own development in a participatory manner by developing and managing natural resources. The developmental interventions focus on enhancing the income generated from agriculture, which is the principal source of livelihood. Bajaj Foundation also promotes alternate agro based Livelihood opportunities such as dairy farming, organic farming, horticulture and biogas which not only provides additional steady income but allows rural community to get enhanced quality of life. Bajaj Foundation has also been working in 700 villages of Wardha district with participatory participation. Bajaj Foundation has developed innovative project called, "Rejuvenation of Rivers- the Wardha Model" with active participation of the local community. Looking to the success and impact of the Rivers/Stream rejuvenation project implemented by the Bajaj Foundation, the Government of Maharashtra and TATA Trust have also joined hands with Bajaj Foundation for Rivers and Streams rejuvenation.

### Principle 9 : Consumer Value

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

**As at the end of the Financial Year, there are four consumer complaints pending and there are no consumer cases pending.**

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

**Company complies with the applicable statutory requirements as to product labels.**

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Details	No. of cases filed in the last five years	No of cases pending as on end of Financial Year 2018-19	Remarks
Alleged Unfair Trade Practice	1	0	Complaint dismissed by the Commission
Alleged irresponsible Advertising	6	0	4 cases were filed by a Competitor and its Distributors against the TV Commercial of the Company which have been disposed off.
Alleged Anti Competitive behaviour	0	0	No case was filed against the Company

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

**Yes.**

# Independent Auditors' Report

## To the Members of Bajaj Consumer Care Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Bajaj Consumer Care Limited (Formerly known as 'Bajaj Corp Limited') ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

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 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 (financial position) of the Company as at March 31, 2020, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 standalone financial statements under the provisions of the Companies Act, 2013 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 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 of the current period. 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.

We have determined that there are no key audit matters to communicate in our report.

#### Other Information

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's 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 the other information is materially inconsistent with the standalone 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 and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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), changes in equity and cash flows 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. This responsibility also



includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 and Board of Directors are 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 the Board of Directors 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.

### **Auditors' 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 financial statements

As part of an audit in accordance with Standards on Auditing ('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 standalone 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 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 of the current period 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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.
  - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement 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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.
  - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company amounting to ₹ 0.56 lacs and ₹ 2.00 lacs pertaining to financial year 2011-12 and 2012-13 which were to be deposited on or before April 16, 2019 and March 18, 2020 respectively. The Company has transferred the said amount before the signing of the financial statements.
  - h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

### For Sidharth N Jain & Company

Chartered Accountants

Firm registration number: 018311C

### Sidharth Jain

Proprietor

Membership No.: 134684

UDIN: 20134684AAAADB5885

Place : Surat

Date : June 18, 2020

## Annexure 'A'

### Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on verification.
  - (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
- (iii) The According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company to the extent applicable to it.
- (v) According to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for the products of the Company. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to records of the Company, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service-tax, Goods and Service tax, Custom Duty, Excise Duty, Value Added tax, Cess and other statutory dues to the extent applicable to it.
 

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service tax, Goods and Service tax, Sales-tax, Customs Duty, Excise Duty, Value Added tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

  - (b) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, Goods and Services tax, customs duty, excise duty and value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to bank. The Company did not have any outstanding dues / loans in respect of financial institution, government or debentures during the year.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall

examination of the balance sheet, we report that monies raised by way of initial public offer were applied for the purposes for which those were raised though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid investments payable on demand.

The maximum amount of idle/surplus funds invested during the year was ₹ 10,083.28 lacs, of which ₹ 6,400.63 lacs was outstanding at the end of the year. Same has been disclosed in the notes to the financial statements. The Company did not have any term loans outstanding during the year.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

**Sidharth Jain**

Proprietor

Membership No.: 134684

UDIN: 20134684AAAADB5885

Place : Surat

Date : June 18, 2020

## Annexure 'B'

### **Annexure to the independent auditors' report of even date on the Standalone Financial Statements of Bajaj Consumer Care Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Bajaj Consumer Care Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as on March 31, 2020, based on the internal financial control with reference to financial statements 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 ("the Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements was established and maintained and whether 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to 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 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 Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **For Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

#### **Sidharth Jain**

Proprietor

Membership No.: 134684

UDIN: 20134684AAAADB5885

Place : Surat

Date : June 18, 2020

## Standalone Balance Sheet as at March 31, 2020

₹ in lacs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3	4,448.55	4,735.85
(b) Capital Work-in-Progress	4	705.32	773.93
(c) Other Intangible Assets	5	24.25	29.88
(d) Intangible Assets under Development	5	216.20	-
(e) Financial Assets			
(i) Investments	6	14,417.74	13,825.19
(ii) Loans	7	366.88	261.66
(iii) Others	8	28.31	45.56
(f) Other Non-Current Assets	9	30.51	6.50
		<b>20,237.76</b>	<b>19,678.57</b>
<b>Current assets</b>			
(a) Inventories	10	6,198.07	5,928.38
(b) Financial Assets			
(i) Investments	6	44,628.73	25,087.67
(ii) Trade Receivables	11	2,860.05	4,120.35
(iii) Cash and Cash Equivalents	12	874.54	1,244.27
(iv) Bank Balances other than (iii) above	13	270.91	126.27
(v) Loans	7	35.47	12.94
(c) Current tax assets (Net)	14	621.02	33.86
(d) Other Current Assets	9	7,796.61	5,945.94
		<b>63,285.40</b>	<b>42,499.68</b>
		<b>83,523.16</b>	<b>62,178.25</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1,475.34	1,475.00
(b) Other Equity	16	66,243.05	47,037.17
		<b>67,718.39</b>	<b>48,512.17</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2,000.00	2,500.00
(ii) Trade Payables			
(a) total outstanding dues of micro and small enterprises	18	345.63	201.77
(b) total outstanding dues of creditors other than micro and small enterprises	18	7,746.73	7,018.28
(iii) Other Financial Liabilities	19	3,831.11	2,325.01
(b) Other Current Liabilities	20	1,870.44	1,409.10
(c) Provisions	21	10.86	58.23
(d) Current Tax Liabilities (Net)	14	-	153.69
		<b>15,804.77</b>	<b>13,666.08</b>
		<b>83,523.16</b>	<b>62,178.25</b>
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
Chartered Accountants  
Firm's Registration No.: 018311C

**Sidharth Jain**  
Proprietor  
M. No. 134684

Place : Surat  
Date : June 18, 2020

### For and on behalf of the Board

**Kushagra Bajaj**  
Chairman  
DIN 00017575

**Lilian Jessie Paul**  
Director  
DIN 02864506

**D.K. Maloo**  
Chief Financial Officer

Place : Mumbai  
Date : June 18, 2020

**Sumit Malhotra**  
Managing Director  
DIN 02183825

**Aditya Vikram Somani**  
Director  
DIN 00046286

**Chandresh Chhaya**  
Company Secretary  
M.No. FCS 4813

**Dilip Cherian**  
Director  
DIN 00322763

**Gaurav Dalmia**  
Director  
DIN 00009639

## Standalone Statement of Profit and Loss for the year ended March 31, 2020

₹ in lacs

Particulars	Note No.	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I. Revenue from Operations	23	<b>84,420.04</b>	90,935.69
II. Other Income	24	<b>2,988.83</b>	1,753.35
III. Total Revenue (I + II)		<b>87,408.87</b>	92,689.04
IV. Expenses			
1. Cost of Materials Consumed	25	<b>26,795.33</b>	29,703.29
2. Purchase of Stock in Trade		<b>1,815.85</b>	1,231.80
3. Changes in Inventories of Finished Goods, Stock in Trade and Work-in-Progress	26	<b>(1,323.87)</b>	(825.59)
4. Employee Benefits Expense	27	<b>8,355.95</b>	9,401.77
5. Finance Costs	28	<b>423.08</b>	109.80
6. Depreciation and Amortisation	29	<b>533.30</b>	658.72
7. Other Expenses	30	<b>27,720.25</b>	23,583.15
Total Expenses		<b>64,319.89</b>	63,862.94
V. Profit before tax (III - IV)		<b>23,088.98</b>	28,826.10
VI. Tax expense:			
1. Current tax	14	<b>4,035.25</b>	6,214.50
2. Tax expenses of earlier year	14	<b>(1.60)</b>	(1.68)
3. Deferred tax	14	-	-
		<b>4,033.65</b>	6,212.82
VII. Profit for the period (V - VI)		<b>19,055.33</b>	22,613.28
VIII. Other Comprehensive Income			
Items that will not be reclassified to Statement of Profit and Loss			
- Remeasurement gains / (losses) on Defined Benefit Plans	33	<b>25.86</b>	(38.83)
- Income tax effect	33	<b>(4.52)</b>	8.37
Total Other Comprehensive Income (VIII)		<b>21.34</b>	(30.46)
IX. Total Comprehensive Income for the period (VII + VIII)		<b>19,076.67</b>	22,582.82
X. Earnings per Equity Share:			
1. Basic	34	<b>12.92</b>	15.33
2. Diluted		<b>12.92</b>	15.33
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

### For and on behalf of the Board

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639



## Standalone Statement of Changes in Equity for the year ended March 31, 2020

### (A) EQUITY SHARE CAPITAL

Particulars	Nos. in lacs	₹ in lacs
<b>Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up</b>		
As at April 1, 2018	1,475.00	1,475.00
Change in Equity Share Capital during the year	-	-
As at March 31, 2019	1,475.00	1,475.00
Change in Equity Share Capital during the year	0.34	0.34
<b>As at March 31, 2020</b>	<b>1,475.34</b>	<b>1,475.34</b>

### (B) OTHER EQUITY

For the year ended March 31, 2020

₹ in lacs

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	
<b>As at March 31, 2019</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>10,712.55</b>	<b>288.18</b>	<b>47,037.17</b>
Profit for the year	-	-	19,055.33	-	19,055.33
Recognition of share based payment expenses (refer note 41)	-	-	-	129.21	129.21
Issue of equity shares on exercise of employee stock options (note 41)	134.33	-	-	(134.33)	-
Other Comprehensive Income (note 33)	-	-	21.34	-	21.34
<b>Total</b>	<b>29,609.33</b>	<b>6,561.44</b>	<b>29,789.22</b>	<b>283.06</b>	<b>66,243.05</b>
Payment of Interim Dividend	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>29,609.33</b>	<b>6,561.44</b>	<b>29,789.22</b>	<b>283.06</b>	<b>66,243.05</b>

For the year ended March 31, 2019

₹ in lacs

Particulars	Reserves and Surplus				Total
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	
<b>As at April 1, 2018</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>13,024.40</b>	-	<b>49,060.84</b>
Profit for the year	-	-	22,613.28	-	22,613.28
Recognition of share based payment expenses (refer note 39)	-	-	-	288.18	288.18
Other Comprehensive Income (note 33)	-	-	(30.46)	-	(30.46)
<b>Total</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>35,607.22</b>	<b>288.18</b>	<b>71,931.84</b>
Payment of Interim Dividend	-	-	(20,650.00)	-	(20,650.00)
Dividend Distribution Tax	-	-	(4,244.67)	-	(4,244.67)
<b>As at March 31, 2019</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>10,712.55</b>	<b>288.18</b>	<b>47,037.17</b>
Significant Accounting Policies	1 & 2				

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

### For and on behalf of the Board

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

## Standalone Statement of Cash Flow for the year ended March 31, 2020

₹ in lacs

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	23,088.98	28,826.10
Adjustments for:		
Depreciation and Amortisation	533.30	658.72
Share based payment expenses	129.21	288.18
Interest Income	(2,831.05)	(2,312.64)
Net (gain)/loss on Current Investments	(100.69)	683.95
Net (gain)/loss on sale of Property, Plant and Equipment	(15.03)	(84.76)
Rent Received	(42.06)	(39.90)
Interest Expenses	405.85	99.30
Operating Profit before Working Capital Change	21,168.51	28,118.95
<b>Movement for Working Capital</b>		
(Increase)/Decrease in Trade and Other Receivables	1,132.55	(355.41)
(Increase)/Decrease in Inventories	(269.69)	(1,650.54)
(Increase)/Decrease in Other Assets	(1,876.03)	(2,875.39)
Increase/(Decrease) in Trade and Other Payable	2,787.58	1,245.80
Cash Generated from Operations	22,942.92	24,483.41
Less: Direct taxes paid/deducted at source	(4,779.02)	(6,135.78)
<b>Net Cash from/ (Used in) Operating Activities (A)</b>	<b>18,163.90</b>	<b>18,347.63</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(242.08)	(622.55)
Purchase of Intangible Assets	(229.29)	(35.62)
Interest Received	2,831.05	2,312.64
Net Proceeds from sale/ (purchase) of Current Investments	(19,440.37)	4,945.45
Proceeds from sale of Property, Plant and Equipment	126.02	249.14
Bank Deposit with Original Maturity of more than 3 months	(122.96)	589.03
Investment in Subsidiary Companies	(592.55)	(1,345.87)
Rent Received	42.06	39.90
<b>Net Cash from/ (Used in) Investing Activities (B)</b>	<b>(17,628.12)</b>	<b>6,132.12</b>
<b>C. Cash Flow from Financing Activities</b>		
Current Borrowing availed /(repaid) net	(500.00)	1,151.18
Interest Paid	(405.85)	(99.30)
Proceed from issue of Equity Share Capital (ESOP)	0.34	-
Dividend Paid	-	(20,650.00)
Dividend Tax Paid	-	(4,244.67)
<b>Net Cash from/ (Used in) Financing Activities (C)</b>	<b>(905.51)</b>	<b>(23,842.79)</b>
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(369.73)	636.96
Cash & Cash Equivalents - Opening Balance	1,244.27	607.31
<b>Cash &amp; Cash Equivalents - Closing Balance</b>	<b>874.54</b>	<b>1,244.27</b>
Significant Accounting Policies	1 & 2	

Note: The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'. The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cheria**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

# Notes to standalone financial statements for the year ended March 31, 2020

## 1 Corporate Information:

Bajaj Consumer Care Limited (formerly known as 'Bajaj Corp Limited') ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at Old Station Road, Sevashram Chouraha, Udaipur, (Rajasthan).

The Company is engaged in the business of cosmetics, toiletries and other personal care products. The Company has presence in both domestic and international markets. Information on related party relationships of the Company is provided in Note 42.

The name of the Company has been changed from " Bajaj Corp Limited" to " Bajaj Consumer Care Limited" w.e.f. Jan 01,2019. There is no change in Corporate Identification Number (CIN: L01110RJ2006PLC047173).

## 2 Significant Accounting Policies:

### 2.1 Statement of Compliance

In accordance with the notification dated 16<sup>th</sup> February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

### 2.2 Basis of Preparation of standalone financial statements

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies explained below.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in ₹ in lacs and all values are rounded to the nearest two decimals, except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criterion set out in schedule III of the Act. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### 2.3 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### 2.4 Property, Plant and Equipment

All the property, plant and equipment are stated in the standalone financial statements at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on additions/deletions to Property, plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000 which are fully depreciated in the year of acquisition.

Profit or loss on sale / retirement of property, plant and equipment (PPE) is recognized in statement of profit and loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

## 2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a systematic basis over a period of useful life.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

## 2.6 Research and Development

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

## 2.7 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

IND-AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings as at April 1, 2018. The adoption of the standard did not have any significant impact on the revenue of the Company.

### i) Sale of Goods :

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of taxes on sales, customer returns, rebates and other similar allowance.

### ii) Interest Income :

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

### iii) Dividend Income:

Dividend income is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

### iv) Contract balances:

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.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

## 2.8 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

## 2.9 Leases

### i) Company as a Lessee :

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

### ii) Company as a Lessor :

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

### Transition to Ind AS 116

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019. The Company has evaluated and classified all lease contract existing as at April 1, 2019 as short term leases / low value leases.

## 2.10 Inventories

- i) Stock of raw material and packing materials is valued at cost or net realisable value, whichever is lower. Cost is arrived at on weighted average basis.
- ii) Stock of work in progress and finished goods is valued at cost or net realisable value, whichever is lower.
- iii) Stock of traded goods is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

## 2.11 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### (b) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following category:

- (i) Debt instruments at amortised cost
- (ii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

**(i) Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, bank fixed deposits.

**(ii) Debt Instrument at 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.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

**(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 when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset.

**(d) Impairment of Financial Assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., net cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

**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.

The Company's financial liabilities include trade and other payables and borrowings.

**(b) Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

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.

**(c) Derecognition**

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 and loss.

**iii) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.12 Fair value**

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.

**2.13 Foreign Currency Transaction****(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. 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).

**(iii) Exchange Differences**

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous standalone financial statements, are recognized as income or as expenses in the year in which they arise.

## 2.14 Employee Benefits:

### (i) Short Term Employee Benefits:

Short term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss for the year in which the related service is rendered.

### (ii) Post-Employment Benefits:

#### (a) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### (b) Defined Benefit Plans

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the Gratuity obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss. 1) service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and 2) Net interest expense or income.

#### (c) Share based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured the fair value of the equity instruments at the grant date. Details regarding the determination of fair value of equity-settled share-based payment transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve ("Share option outstanding account").

## 2.15 Taxation

### a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).



Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis.

**b) Deferred Tax**

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**2.16 Impairments of Non-Financial Assets**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An 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. An impairment loss is recognised in profit or loss section of the statement of profit and loss for the year in which an asset is identified as impaired.

**2.17 Earnings Per Share**

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**2.18 Cash and Cash Equivalents**

Cash and cash equivalents for the purposes Statement of Cash Flow comprise cash at bank and in hand and Bank deposits with original maturity of three months or less.

**2.19 Provisions, Contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in the standalone financial statements unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the standalone financial statements when an inflow of economic benefits is probable.

**2.20 Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## Notes to the Standalone Financial Statements for the year ended March 31, 2020

### 3 Property, Plant and Equipment

₹ in lacs

Particulars	Land	Lease hold Improvements	Buildings	Plant and Machinery	Office and Other Equipment	Furniture and Fittings	Vehicles	Total
<b>Gross Block</b>								
As at April 1, 2018	1,179.73	247.26	2,417.27	2,091.20	317.54	123.45	203.34	6,579.79
Additions	-	7.20	2.59	209.30	200.29	10.70	-	430.08
Disposals	-	-	-	278.18	10.14	1.57	32.76	322.65
<b>As at March 31, 2019</b>	<b>1,179.73</b>	<b>254.46</b>	<b>2,419.86</b>	<b>2,022.32</b>	<b>507.69</b>	<b>132.58</b>	<b>170.58</b>	<b>6,687.22</b>
Additions	58.78	-	-	263.55	13.71	2.23	-	338.27
Disposals	-	-	-	239.31	9.42	0.03	-	248.76
<b>As at March 31, 2020</b>	<b>1,238.51</b>	<b>254.46</b>	<b>2,419.86</b>	<b>2,046.56</b>	<b>511.98</b>	<b>134.78</b>	<b>170.58</b>	<b>6,776.73</b>
<b>Depreciation and Impairment</b>								
As at April 1, 2018	-	60.58	403.51	700.79	168.51	62.70	83.81	1,479.90
Depreciation for the year	-	49.86	127.50	263.86	133.86	19.66	35.00	629.74
Disposals	-	-	-	127.51	6.98	1.48	22.30	158.27
<b>As at March 31, 2019</b>	<b>-</b>	<b>110.44</b>	<b>531.01</b>	<b>837.14</b>	<b>295.39</b>	<b>80.88</b>	<b>96.51</b>	<b>1,951.37</b>
Depreciation for the year	-	37.37	122.48	224.73	93.04	14.06	22.90	514.58
Disposals	-	-	-	129.78	7.96	0.03	-	137.77
<b>As at March 31, 2020</b>	<b>-</b>	<b>147.81</b>	<b>653.49</b>	<b>932.09</b>	<b>380.47</b>	<b>94.91</b>	<b>119.41</b>	<b>2,328.18</b>
<b>Net Book Value</b>								
As at March 31, 2019	1,179.73	144.02	1,888.85	1,185.18	212.30	51.70	74.07	4,735.85
<b>As at March 31, 2020</b>	<b>1,238.51</b>	<b>106.65</b>	<b>1,766.37</b>	<b>1,114.47</b>	<b>131.51</b>	<b>39.87</b>	<b>51.17</b>	<b>4,448.55</b>

**4 Capital Work-in- Progress**

₹ in lacs

Particulars	Work in Progress
<b>Gross Block</b>	
As at April 1, 2018	586.43
Additions	356.62
Capitalized during the year	169.12
<b>As at March 31, 2019</b>	<b>773.93</b>
Additions	8.39
Capitalized during the year	77.00
<b>As at March 31, 2020</b>	<b>705.32</b>

**5 Intangible Assets**

₹ in lacs

Particulars	Trademark & Intellect. Properties	Computer Software	Intangible assets under development (Refer note below)	Total
<b>Gross Block</b>				
As at April 1, 2018	6,536.35	88.49	-	6,624.84
Additions	-	35.62	-	35.62
Disposals	-	-	-	-
<b>As at March 31, 2019</b>	<b>6,536.35</b>	<b>124.11</b>	-	<b>6,660.46</b>
Additions	-	13.09	216.20	229.29
Disposals	-	-	-	-
<b>As at March 31, 2020</b>	<b>6,536.35</b>	<b>137.20</b>	<b>216.20</b>	<b>6,889.75</b>
<b>Amortisation and Impairment</b>				
As at April 1, 2018	6,536.35	65.25	-	6,601.60
Amortisation for the year	-	28.98	-	28.98
Disposals	-	-	-	-
<b>As at March 31, 2019</b>	<b>6,536.35</b>	<b>94.23</b>	-	<b>6,630.58</b>
Amortisation for the year	-	18.72	-	18.72
Disposals	-	-	-	-
<b>As at March 31, 2020</b>	<b>6,536.35</b>	<b>112.95</b>	-	<b>6,649.30</b>
<b>Net Book Value</b>				
As at March 31, 2019	-	29.88	-	29.88
<b>As at March 31, 2020</b>	-	<b>24.25</b>	<b>216.20</b>	<b>240.45</b>

Note: Intangible assets under development is towards SAP implementation.

## 6 Investments

### 6.1 Non-Current Investments

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>1) Investment in Equity Shares in Subsidiaries</b> (unquoted) valued at cost		
a) 2,215,666 (March 31, 2019: 2,116,529) Equity Shares of ₹ 10/- each fully paid-up in Uptown Properties and Leasing Private Limited	<b>12,980.39</b>	12,578.39
b) 4,869,513 (March 31, 2019: 3,984,789) Equity Shares of BDT 10/- each fully paid-up in Bajaj Bangladesh Limited	<b>398.40</b>	327.06
c) 37 (March 31, 2019: 1) Equity Shares of AED 1,50,000/- each fully paid-up in Bajaj Corp International (FZE)	<b>1,038.01</b>	24.79
<b>2) Share Application Money Pending Allotment</b>		
a) Uptown Properties and Leasing Private Limited	-	100.00
b) Bajaj Bangladesh Limited	<b>0.94</b>	72.28
c) Bajaj Corp International (FZE)	-	722.67
<b>Total</b>	<b>14,417.74</b>	<b>13,825.19</b>

### 6.2 Current Investments

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Investments at Fair Value through Profit or Loss</b>		
a) Investment in Government Securities	<b>8,347.84</b>	-
b) Investment in Bonds	<b>36,280.83</b>	23,714.17
c) Investment in Debt Mutual Funds	<b>0.06</b>	1,373.50
<b>Total</b>	<b>44,628.73</b>	<b>25,087.67</b>

(i) Script wise breakup of above investments is as follows:

a) Investment in Government Securities - Quoted

Government Securities	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
Karnataka	204	2,095.28	-	-
West Bengal	600	6,252.56	-	-
<b>Total</b>	<b>804</b>	<b>8,347.84</b>	-	-

b) Investment in Bonds - Quoted

Bonds	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
REC Bond	2,250	23,736.96	850	8,332.51
IRFC Bond	700	7,102.75	-	-
NHAI Bond	600	5,441.12	-	-
PFC Bond	-	-	650	6,307.88
EXIM Bond	-	-	200	1,959.47
LICHFL Bond	-	-	500	5,119.11
NTPC Bond	-	-	100	946.94
PGC Bond and others	-	-	104	1,048.26
<b>Total</b>	<b>3,550</b>	<b>36,280.83</b>	<b>2,404</b>	<b>23,714.17</b>

**c) Investments in Debt Mutual Fund - Unquoted**

Debt Mutual Fund	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
UTI Liquid Cash Plan Direct Growth	-	-	24,533.532	750.91
ICICI Prudential Liquid Fund Direct Growth	20.728	0.06	225,417.264	622.59
<b>Total</b>	<b>20.728</b>	<b>0.06</b>	<b>249,950.796</b>	<b>1,373.50</b>

**(ii) Aggregate Value of Investments**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Carrying amount of Quoted Investments	44,628.67	23,714.17
b) Market value of Quoted Investments	44,628.67	23,714.17
c) Carrying amount of Unquoted Investments	0.06	1,373.50
<b>Total (a+c)</b>	<b>44,628.73</b>	<b>25,087.67</b>

**7 Loans****7.1 Non-Current Loans**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Security Deposits</b>		
Considered good	366.88	261.66
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	<b>366.88</b>	<b>261.66</b>
Less:- Allowance for credit impaired	-	-
<b>Total</b>	<b>366.88</b>	<b>261.66</b>

**7.2 Current Loans**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Other (Unsecured)</b>		
Considered good	35.47	12.94
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	<b>35.47</b>	<b>12.94</b>
Less:- Allowance for credit impaired	-	-
<b>Total</b>	<b>35.47</b>	<b>12.94</b>

## 8 Other Financial Assets

### 8.1 Non-Current

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
Non-Current Bank Balance* (Fixed deposits maturing after 12 months from reporting date)	28.31	45.56
<b>Total</b>	<b>28.31</b>	<b>45.56</b>

\* It includes earmarked FDs with Sales tax authorities.

## 9 Other Non-Financial Assets

### 9.1 Non-Current

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Capital Advance	5.15	6.50
b) Deferred rent	25.36	-
<b>Total</b>	<b>30.51</b>	<b>6.50</b>

### 9.2 Current

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Advance other than Capital Advances		
(i) Advances to Suppliers	170.68	269.11
(ii) Advances to Staff	117.61	180.93
b) Prepaid Expenses	58.03	49.17
c) Balance with Govt. Authorities	7,432.41	5,446.73
d) Deferred rent	17.88	-
<b>Total</b>	<b>7,796.61</b>	<b>5,945.94</b>

(i) All the above advances are unsecured and considered good.

(ii) All the above advances are provided to non-related parties.

## 10 Inventories

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Raw Materials	1,475.25	2,616.54
b) Packing Materials	1,004.44	917.33
c) Finished Goods	3,059.20	2,055.80
d) Stock in Trade	379.65	85.94
e) Work-in-Progress	279.53	252.77
<b>Total</b>	<b>6,198.07</b>	<b>5,928.38</b>

**11 Trade Receivables**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Secured, considered good	-	-
b) Unsecured, considered good	2,860.05	4,120.35
c) Balance having significant increase in credit risk	-	-
d) Credit impaired	-	-
	<u>2,860.05</u>	<u>4,120.35</u>
Less: Allowances for credit impaired	-	-
<b>Total</b>	<b><u>2,860.05</u></b>	<b><u>4,120.35</u></b>

- (i) Unsecured receivables includes due from related parties ₹ 447.19 lacs (Previous Year: ₹ 531.70 lacs). Refer Note 42
- (ii) Refer note no 40.3 for credit risk analysis of Trade receivables.

**12 Cash and Cash Equivalents**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Balances with Banks:		
On Current Account	408.74	326.95
Deposit with maturity of less than 3 months	450.31	899.19
b) Cash in Hand	15.49	18.13
<b>Total</b>	<b><u>874.54</u></b>	<b><u>1,244.27</u></b>

**13 Other Bank Balances**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Earmarked balances with banks	9.13	4.70
b) Fixed deposits maturing within 12 months from the reporting date	261.78	121.57
<b>Total</b>	<b><u>270.91</u></b>	<b><u>126.27</u></b>

**14 Income tax****14.1 Current Tax Assets and Liabilities**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Current tax assets</b>		
Advance Income Tax (Net)	621.02	33.86
<b>Current tax liabilities</b>		
Income tax payables (Net)	-	153.69

**14.2 Total Income Tax Expenses**

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
<b>a) Income Tax Recognised in Statement of Profit and Loss</b>		
<b>Current tax</b>		
In respect of the current year	4,035.25	6,214.50
In respect of the earlier year	(1.60)	(1.68)
<b>Deferred tax</b>		
In respect of current year	-	-
<b>Total</b>	<b>4,033.65</b>	<b>6,212.82</b>
<b>b) Income Tax recognised in Other Comprehensive Income</b>		
Income Tax on Re-measurement of Defined Benefit Obligation	4.52	(8.37)
<b>Total Income tax</b>	<b>4,038.17</b>	<b>6,204.45</b>

The Company is currently in tax holiday period. Accordingly, no deferred tax liabilities / assets are recognised in respect of those temporary differences which will be reversed in tax holiday period. The Company pays and recognise minimum stipulated tax on book profit as per the Income tax laws. There are no reconciliation items between tax expense and the product of accounting profit multiplied by the applicable tax rate.

**15 Share Capital****(i) Description of Equity Share Capital**

Particulars	Face Value per Share	As at March 31, 2020		As at March 31, 2019	
		Nos (In lacs)	Amount (₹ in lacs)	Nos (In lacs)	Amount (₹ in lacs)
a) Authorised	1.00	2,000.00	2,000.00	2,000.00	2,000.00
b) Issued	1.00	1,475.34	1,475.34	1,475.00	1,475.00
c) Subscribed & fully paidup	1.00	1,475.34	1,475.34	1,475.00	1,475.00

**(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	Nos. in lacs	₹ in lacs
<b>Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up</b>		
As at April 1, 2018	1,475.00	1,475.00
Shares allotted during the year	-	-
As at March 31, 2019	1,475.00	1,475.00
Shares allotted during the year	0.34	0.34
<b>As at March 31, 2020</b>	<b>1,475.34</b>	<b>1,475.34</b>

**(iii) Terms/ Rights attached to Equity Shares:**

The Company has one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the 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.

**(iv) Out of the total equity shares of 1,475.34 lacs (Previous year 1,475.00 lacs), 561.25 lacs shares (i.e. 38.04%) (Previous year 885.25 lacs shares, i.e. 60.02%) are held by Bajaj Resources Limited (Holding Company till Oct 18, 2019), along with its subsidiaries (KNB Enterprises LLP and SKB Roop Commercials LLP).**



**(v) Details of shareholders holding more than 5% shares of the Company as year end are given below:**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	Nos in lacs	% of holding	Nos in lacs	% of holding
1. Bajaj Resources Limited	561.10	38.03%	883.75	59.92%
2. ICICI Prudential Mutual Fund	128.36	8.70%	-	0.00%
3. HDFC Trustee Company Limited	75.66	5.13%	-	0.00%
4. Baytree Investments (Mauritius) Pte Ltd	98.64	6.69%	98.64	6.69%
5. KNB Enterprises LLP	0.10	0.01%	0.75	0.05%
6. SKB Roop Commercial LLP	0.05	0.00%	0.75	0.05%
	<b>863.91</b>	<b>58.56%</b>	<b>983.89</b>	<b>66.71%</b>

**16 Other Equity**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Securities Premium	29,609.33	29,475.00
b) General Reserve	6,561.44	6,561.44
c) Retained Earnings	29,789.22	10,712.55
d) Share option outstanding account (refer note below)	283.06	288.18
<b>Total</b>	<b>66,243.05</b>	<b>47,037.17</b>

Refer Statement of Change in Equity for movement in Components of Other Equity.

The Company has an equity settled share based payment plan for certain category of employees of the company. Refer note 41 for further details of this plan.

**17 Current Borrowings**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Unsecured</b>		
From Bank - Export Credit in INR	2,000.00	2,500.00
<b>Total</b>	<b>2,000.00</b>	<b>2,500.00</b>

The borrowing is under 'Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit' notified by the RBI (earlier known as Interest Subvention Scheme) and carries interest at the rate of 5.15% to 6.27% (PY 5.01% to 5.85%) per annum.

**18 Trade Payables**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
a) Due to Micro, Small enterprises	345.63	201.77
b) Due to others	7,746.73	7,018.28
<b>Total</b>	<b>8,092.36</b>	<b>7,220.05</b>

**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	345.63	201.77
ii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

Particulars	As at March 31, 2020	As at March 31, 2019
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.19	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Company.

## 19 Other Financial Liabilities

₹ in lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Security Deposits from C&F and Others	59.50	59.26
b) Unclaimed Dividends	9.13	4.70
c) Other Outstanding Liabilities	3,719.72	2,244.52
d) Payable for Capital Goods	42.76	16.53
<b>Total</b>	<b>3,831.11</b>	<b>2,325.01</b>

## 20 Other Current Liabilities

₹ in lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Advances from Customers	858.78	377.92
b) Statutory Liabilities	1,011.66	1,031.18
<b>Total</b>	<b>1,870.44</b>	<b>1,409.10</b>

## 21 Provisions

₹ in lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for employee benefit (refer note no 38)	10.86	58.23
<b>Total</b>	<b>10.86</b>	<b>58.23</b>

## 22 Contingent Liabilities and Commitments

### Commitments

₹ in lacs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Lease Commitments</b>		
Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets and leases with term less than twelve months		
Within one year	32.56	40.99
After one year but not more than five years	20.51	-
More than five years	-	-
<b>ii) Capital Commitments</b>		
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	94.80	-
<b>Total</b>	<b>147.87</b>	<b>40.99</b>

**23 Revenue from Operations**

		₹ in lacs	
Particulars	FY 2019-20	FY 2018-19	
a) Sale of Products	<b>81,775.15</b>	88,094.49	
b) Other Operating Revenues			
(i) Government Grant	<b>2,391.19</b>	2,571.63	
(ii) Others	<b>253.70</b>	269.57	
<b>Total</b>	<b>84,420.04</b>	90,935.69	

**24 Other Income**

		₹ in lacs	
Particulars	FY 2019-20	FY 2018-19	
a) Interest Income	<b>2,831.05</b>	2,312.64	
b) Net gain/(loss) on sale of Current Investments	<b>155.50</b>	(706.93)	
c) Net gain on sale of Property, Plant and Equipment	<b>15.03</b>	84.76	
d) Fair value gain/(loss) on Financial Assets at FVTPL	<b>(54.81)</b>	22.98	
e) Rent Received	<b>42.06</b>	39.90	
<b>Total</b>	<b>2,988.83</b>	1,753.35	

**25 Cost of Material Consumed**

		₹ in lacs	
Particulars	FY 2019-20	FY 2018-19	
Inventory as at the beginning of the year	<b>3,533.87</b>	2,708.92	
Add: Purchases	<b>25,741.15</b>	30,528.24	
Less: Inventory at the end of the year	<b>2,479.69</b>	3,533.87	
<b>Cost of Material Consumed</b>	<b>26,795.33</b>	29,703.29	

**26 Change in Inventories**

		₹ in lacs		
Particulars	FY 2019-20	FY 2018-19	Changes	
<b>Inventories at the end of the year</b>				
Finished Goods	<b>3,059.20</b>	2,055.80	(1,003.40)	
Traded Goods	<b>379.65</b>	85.94	(293.71)	
Work-in-Progress	<b>279.53</b>	252.77	(26.76)	
	<b>3,718.38</b>	2,394.51	(1,323.87)	
<b>Inventories at the beginning of the year</b>				
Finished Goods	<b>2,055.80</b>	1,291.27	(764.53)	
Traded Goods	<b>85.94</b>	103.58	17.64	
Work-in-Progress	<b>252.77</b>	174.07	(78.70)	
	<b>2,394.51</b>	1,568.92	(825.59)	
<b>Change in Inventories</b>	<b>(1,323.87)</b>	(825.59)		

**27 Employee Benefits Expense**

		₹ in lacs	
Particulars	FY 2019-20	FY 2018-19	
a) Salaries and Wages	<b>7,431.25</b>	8,357.70	
b) Contribution to Provident and Other Funds (refer note no 38)	<b>629.16</b>	528.42	
c) Gratuity expenses (refer note no 38)	<b>122.95</b>	105.34	
d) Staff Training and Welfare expenses	<b>43.38</b>	122.13	
e) Share based payment expenses (refer note no 41)	<b>129.21</b>	288.18	
<b>Total</b>	<b>8,355.95</b>	9,401.77	

**28 Finance Costs**

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) Interest Expense	405.85	99.30
b) Bank Charges	17.23	10.50
<b>Total</b>	<b>423.08</b>	<b>109.80</b>

**29 Depreciation and Amortisation Expenses**

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) Depreciation on Property, Plant and Equipment	514.58	629.74
b) Amortisation of Intangible Assets	18.72	28.98
<b>Total</b>	<b>533.30</b>	<b>658.72</b>

**30 Other Expenses**

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) Advertisement and Sales Promotion Expenses	16,913.74	13,410.26
b) Freight, Forwarding and Distribution Expenses	3,477.11	4,033.70
c) Travelling and Conveyance	1,795.24	1,404.19
d) Royalty	796.00	866.75
e) Rent (refer note no 37)	713.82	427.06
f) Manufacturing Expenses	1,436.22	659.28
g) Power and fuel (Mfg)	103.85	126.34
h) Legal & Professional Expenses	231.80	752.55
i) Postage, Telephone & Other Communication	422.96	138.65
j) Power and fuel	44.73	36.47
k) Insurance	222.89	229.09
l) Audit Fees & Expenses (refer note no 31)	12.75	10.75
m) Repairs - Building	14.84	23.62
n) Repairs - Machinery	38.71	103.86
o) Repairs - Others	33.59	16.67
p) Rates and taxes	29.78	33.12
q) Information Technology Expenses	304.84	237.09
r) Corporate Social Responsibility (refer note no 36)	567.38	543.35
s) Miscellaneous expenses	560.00	530.35
<b>Total</b>	<b>27,720.25</b>	<b>23,583.15</b>

**31 Payment to Auditors**

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) For Statutory Audit	10.00	8.00
b) For Tax Audit	2.00	2.00
c) For Other Services	0.75	0.75
<b>Total</b>	<b>12.75</b>	<b>10.75</b>

### 32 Details of Expenditure directly related to Research & Development (R&D)

During the year, the Company has incurred revenue and capital nature expenditure on Research & Development activity. Expenditure of revenue nature is ₹ 363.49 lacs (₹ 318.23 lacs) and amount capitalised is ₹ NIL (₹ 15.97 lacs). The same is disclosed under various heads of the financial statements.

### 33 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) Re-measurement (gains) / losses on Defined Benefit Plans (Retained Earnings) (refer note no. 38)	<b>(25.86)</b>	38.83
b) Tax impact on above	<b>4.52</b>	(8.37)
<b>Total</b>	<b>(21.34)</b>	<b>30.46</b>

### 34 Earnings per Share

Particulars	FY 2019-20	FY 2018-19
a) Profit for the year (₹ in lacs)	<b>19,055.33</b>	22,613.28
b) Weighted average number of Equity Shares (Nos in lacs) *		
For calculating basic earning per share	<b>1,475.34</b>	1,475.00
For calculating diluted earning per share	<b>1,475.34</b>	1,475.53
c) Earnings per Share (₹)		
Basic	<b>12.92</b>	15.33
Diluted	<b>12.92</b>	15.33

The Company has one class of equity shares having par value of ₹ 1 per share. The Company has granted Employee Restricted Stock Unit Plan 2018 ("RSU 2018") of 288,282 options (Previous Year: 2,53,596 options) out of which Nil options (Previous Year : 52,704 options) have been considered for calculation of diluted earnings per share.

35 The Company operates only in one segment, namely "Cosmetics, Toiletries and Other Personal Care products" and there are no reportable segments in accordance with IND-AS 108 on "Operating Segments".

### 36 Details of CSR Expenditure

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
a) Gross amount required to be spent by the Company during the year	<b>567.38</b>	543.34
b) Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	<b>567.38</b>	543.35

### 37 Leases

The Company's significant leasing arrangements are in respect of premises used for business, are accounted as a short term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 30). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

### 38 Benefits to Employees

The following table sets out the disclosure under Ind AS-19 on 'Employee Benefits:

#### 38.1 Defined contribution plan

Amount of ₹ 385.96 lacs (FY 2018-19 : ₹ 370.20 lacs) is recognized as an expense and included in "Employee Benefits expense" (refer note 27) in the Statement of Profit and Loss.

### 38.2 Defined benefit plan

The Company has defined benefit gratuity plan (funded with LIC) which is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to gratuity benefit. Liability for employee benefits has been determined by an independent actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS-19, the details of which are as hereunder:

These plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

	₹ in lacs	
<b>Funded Scheme - Gratuity</b>	<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>(a) Liability to be recognised in Balance Sheet as at year end</b>		
Present value of Defined Benefit Obligations	<b>622.51</b>	520.51
Fair value of Plan Assets	<b>611.65</b>	462.28
<b>Net Liability / (Asset) (Refer Note 21)</b>	<b>10.86</b>	58.23
<b>(b) Change in fair value of Plan Assets</b>		
Fair value of Plan Assets as at beginning	<b>462.28</b>	400.54
Expected return on Plan Assets	<b>29.59</b>	26.15
Net actuarial gain / ( losses)	<b>8.48</b>	0.78
Contributions	<b>144.46</b>	108.20
Benefits paid	<b>(33.16)</b>	(73.39)
<b>Fair value of Plan Assets as at year end</b>	<b>611.65</b>	462.28
<b>(c) Change in present value of Define benefit obligation</b>		
Present value of Defined Benefit Obligation as at beginning	<b>520.51</b>	422.80
Current Service Cost	<b>119.31</b>	104.51
Interest Cost	<b>33.23</b>	26.98
Net Actuarial losses / (gain )	<b>(17.38)</b>	39.61
Benefits paid	<b>(33.16)</b>	(73.39)
<b>Present value of Defined Benefit Obligation as at year end</b>	<b>622.51</b>	520.51
<b>(d) Expenses recognised during the year</b>		
<b>Gratuity cost charged to profit or loss</b>		
Current Service Cost	<b>119.31</b>	104.51
Interest Cost	<b>3.64</b>	0.83
<b>Total included in Statement of Profit and Loss (note no 27)</b>	<b>122.95</b>	105.34
<b>Remeasurement gain / loss charged to OCI</b>		
Expected return on Plan Assets	<b>(8.48)</b>	(0.78)
Actuarial changes arising from changes in Demographic Assumptions	<b>(1.92)</b>	(0.07)
Actuarial changes arising from changes in Financial Assumptions	<b>30.13</b>	8.05
Experience Adjustments	<b>(45.59)</b>	31.63
<b>Total included in OCI (refer note no 33)</b>	<b>(25.86)</b>	38.83

<b>Funded Scheme - Gratuity</b>		FY 2019-20	FY 2018-19
₹ in lacs			
<b>(e) Assumptions used</b>			
Discount rate (per annum)		<b>6.90%</b>	7.55%
Expected rate of return on assets (per annum)		<b>6.90%</b>	7.55%
Salary escalation rate (per annum)		<b>7.00%</b>	7.00%
Withdrawal rate		<b>1% - 5%</b>	1% - 5%
Mortality table		<b>Indian Assured Lives Mortality 2012-14 Ult.</b>	Indian Assured Lives Mortality 2012-14 Ult.
<b>(f) Sensitivity Analysis of Actuarial Assumptions</b>			
<u>Impact on Defined Benefit Obligation</u>			
Discount Rate	0.5% increase	<b>-3.77%</b>	-3.78%
	0.5% decrease	<b>4.07%</b>	4.08%
Future Salary Increase	0.5% increase	<b>4.05%</b>	4.08%
	0.5% decrease	<b>-3.78%</b>	-3.81%
<b>(g) Categories of Plan Assets</b>			
Insurer managed fund (unquoted)		<b>611.66</b>	462.28
<b>(h) Expected benefit payout in future years</b>			
Within the next 12 months		<b>194.55</b>	160.72
Between 2 and 5 years		<b>106.59</b>	90.23
Beyond 5 years		<b>959.83</b>	897.38
<b>(i)</b> The Weighted average duration of the defined benefit plan obligation at the end of the reporting period is 7.96 Years (P.Y. 7.85 years).			
<b>(j)</b> Expected contribution in respect of Gratuity for next year will be ₹ 20 lacs (P.Y. ₹ 20 lacs).			

**Note:**

- (i) The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a Defined Benefit Obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (ii) The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- (iii) The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.
- (iv) The sensitivity analyses shown above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**39 Initial Public Offer (IPO)**

The Company came up with an IPO in August 2010 and listed its securities on NSE & BSE on August 18, 2010. The Company issued 45 lacs fully paid up equity shares of face value of ₹ 5 per share each at a premium of ₹ 655 per share thereby raising a total fund of ₹ 29,700 Lacs.

Position of IPO Funds at the end of the year is as follows:

Particulars	₹ in lacs	
	FY 2019-20	FY 2018-19
Amount collected through IPO	<b>29,700.00</b>	29,700.00
Less : IPO expenses	<b>1,896.25</b>	1,896.25
Less : Fund utilized for promotion of future products	<b>2,859.75</b>	2,859.75
Less : Fund utilized for acquisitions & strategic initiatives	<b>16,237.82</b>	14,094.01
Less : Fund utilized for general corporate purpose	<b>2,305.55</b>	766.71
<b>Closing Balance of IPO Funds as on 31 March</b>	<b>6,400.63</b>	10,083.28

Pending utilisation, net proceeds of the IPO have been invested in interest bearing debt liquid instruments, bank deposits and other financial products as mentioned herein below:

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
(a) In Corporate Bonds	<b>6,400.63</b>	10,048.21
(b) In Mutual Funds	-	35.07
<b>Total</b>	<b>6,400.63</b>	10,083.28

## 40 Financial instruments

### 40.1 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. Primary objective of Company's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company does not have any long-term debts hence there is no capital gearing ratio. Surplus fund has been invested into risk-free highly liquid financial instruments.

### 40.2 Categorization of Financial Instruments

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>(i) Financial Assets</b>		
a) Investments at Fair Value through Profit or Loss (note 6.2)	<b>44,628.73</b>	25,087.67
b) Measured at Amortised Cost		
i) Cash and Cash Equivalents (note 12)	<b>874.54</b>	1,244.27
ii) Other Bank Balance (note 13)	<b>270.91</b>	126.27
iii) Non-Current Bank Balance (note 8)	<b>28.31</b>	45.56
iv) Loans (Current and Non-Current) (note 7)	<b>402.35</b>	274.60
v) Trade Receivables (note 11)	<b>2,860.05</b>	4,120.35
	<b>4,436.16</b>	5,811.05
<b>(ii) Financial Liabilities</b>		
Measured at Amortised Cost		
i) Current Borrowings (note 17)	<b>2,000.00</b>	2,500.00
ii) Trade Payables (note 18)	<b>8,092.36</b>	7,220.05
iii) Other Financial Liabilities (note 19)	<b>3,831.11</b>	2,325.01
	<b>13,923.47</b>	12,045.06



### 40.3 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of the financial markets and seek to minimize the potential adverse effects on its financial performance.

#### (a) 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 price risk. Financial instruments affected by market risk include trade receivables, deposits and current investments.

##### i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long-term debt obligation hence not affected by interest rate fluctuations. The Company has invested its surplus funds in fixed income securities. The mark to market valuation of its portfolio is impacted by fluctuation of the interest rates.

##### ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company has international business and some part of its sales are in foreign currencies which exposes to changes in foreign exchange rates. Fluctuating rupee can impact the realisation of its receivables. The Company may use various hedging instruments to hedge its foreign currency risk associated with those exposures. The maximum export sales are done on advance payment basis and outstanding export receivables are very insignificant. Hence foreign currency risk has insignificant impact on the Company.

##### iii) Commodity Price Risk

The Company is affected by the price volatility of its key raw materials. Its operating activities require a continuous supply of key material for manufacturing of hair oil and other cosmetic products. The Company's procurement department continuously monitors the fluctuation in price and takes necessary action to minimise its price risk exposure.

#### (b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its treasury operation. The Company majorly sells its goods on advance payment basis and hence not subject to credit risk for its receivables. The Company has invested in high grade corporate bonds which have a strong track record hence the credit risk component of its investment portfolio is neutralised.

#### (c) Liquidity Risk

As of March 31, 2020, the Company has working capital of ₹ 47,480.63 lacs (current assets of ₹ 63,285.40 lacs including cash and cash equivalents of ₹ 874.54 lacs and current investments of ₹ 44,628.73 lacs). The Company has outstanding bank borrowings of ₹ 2,000 lacs as export credit which will be repaid within 6 months from export realisations. Accordingly, no liquidity risk is perceived.

### 40.4 Fair value Measurement

The management assessed that fair value of loans, cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- i) The fair value of unquoted instruments are evaluated by the Company based on parameters such as interest rates and its investments rating.
- ii) The fair values of the quoted instruments are based on price quotations at the reporting date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 as described below:

₹ in lacs				
Assets measured at fair value	Total	Level 1	Level 2	Level 3
<b>As at March 31, 2020</b>				
Current investments (quoted) (note 6.2)	44,628.67	44,628.67	-	-
Current investments (unquoted) (note 6.2)	0.06	-	0.06	-
<b>As at March 31, 2019</b>				
Current investments (quoted) (note 6.2)	23,714.17	23,714.17	-	-
Current investments (unquoted) (note 6.2)	1,373.50	-	1,373.50	-

#### 41 Disclosures required pursuant to Ind AS 102 - Share Based Payment

##### Employee stock option plan

During the previous year, the Company has implemented the Bajaj Corp Employee Restricted Stock Unit Plan 2018 ("RSU 2018") which was approved by the shareholders of the Company at the Annual General Meeting held on July 23, 2018 enabling the grant of 7,37,500 stock options to the some of the key management employees including managing director of the Company. Pursuant to the said approval, on August 14, 2018 the Company had granted 2,53,596 stock options to some key management employees including managing director of the Company, at an exercise price of ₹ 1 per stock option. Further in current year, on February 10, 2020, the Company has granted additional 167,803 stock options to Chief Executive Officer, at an exercise price of ₹ 1 per stock option. Each option represents 1 equity share in the Company.

The vesting period is 1 year to 4 years from the date of grant and the exercise period is within three years from the date of vesting.

There are no cash settlement alternatives in RSU 2018.

The expense recognised for employee services received during the year is shown in the following table:

₹ in lacs		
Particulars	FY 2019-20	FY 2018 -19
Expense arising from equity-settled share-based payment transactions	129.21	288.18

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	FY 2019-20		FY 2018-19	
	Exercise Price (₹ per option)	Nos. of Option	Exercise Price (₹ per option)	Nos. of Option
Opening Balance	1.00	2,53,596	-	-
Granted during the year	1.00	1,67,803	1.00	2,53,596
Exercised during the year	1.00	34,346	-	-
Forfeited during the year	1.00	98,770	-	-
Closing balance	1.00	2,88,283	1.00	2,53,596
Vested and exercisable	-	-	-	-

Share option outstanding at the end of the year have following expiry date and exercise price:

Grant date	Expiry date	Exercise Price (₹ per option)	Share Option Outstanding	
			31-Mar-20	31-Mar-19
14-Aug-18	August 13, 2022-25	1	120,479	159,800
Weighted average remaining contractual life of the options (Years)			1.12	2.12
10-Feb-20	February 9, 2024-27	1	167,803	-
Weighted average remaining contractual life of the options (Years)			3.14	-

#### Fair value

The fair value of the share options is estimated at the grant date using Black Sholes Option Pricing Model, which takes into account the exercise price, terms and conditions of the options, the share price at grant date, expected price volatility of the underlying shares, the expected dividend yield and risk free interest rate.

The weighted average fair value of the options granted during the year is ₹ 195.92 (Previous Year :₹ 392.10) per share.

The following assumption were used for calculating fair valuation of the grants:

Particulars	10-Feb-2020	14-Aug-2018
Dividend yield	3.00%	2.50%
Expected volatility	32% PA.	24% PA.
Risk free Interest rate	5.9% PA.	7.20-7.70% PA.
Expected life of the contract	1-4 years	1-4 years
Weighted average share price (₹ per share)	221.79	420.75

The volatility in share price is estimated from the actual movement in share prices of the Company over one year preceding the grant date. This historical volatility is the annualized standard deviation of the continuously compounded rates of daily stock returns.

## 42 Related Party Disclosure

### 42.1 Related Parties and Relationships

Name of the Related Party	Relationship
<b>A The entity and the reporting entity are members of the same group</b>	
1 Bajaj Resources Limited	Holding company (Till October 18,2019) (refer note below)
2 Uptown Properties and Leasing Private Limited	Subsidiary company
3 Bajaj Bangladesh Limited	Subsidiary company
4 Bajaj Corp International (FZE)	Subsidiary company
5 KNB Enterprises LLP	Fellow subsidiary company (Till October 18, 2019)
6 SKB Roop Commercial LLP	Fellow subsidiary company (Till October 18, 2019)
7 Bajaj International Realty Private Limited	Fellow subsidiary company (Till October 18, 2019)
<b>B The entity (including member of the same group) having Significant influence over the reporting entity</b>	
1 Bajaj Resources Limited	w.e.f October 19, 2019 (refer note below)
<b>C A person or a close member of that person's family, who has control or joint control of the Reporting Entity</b>	
1 Mr. Kushagra Bajaj	Chairman and Non-Executive Director
2 Mr. Apoorv Bajaj	Key Management Personnel
3 Mrs. Vasavadatta Bajaj	Non-Executive Director (upto March 19, 2019)
<b>D Key management personnel of the reporting entity or of parent of the reporting entity and their relatives</b>	
1 Mr. Sumit Malhotra	Managing Director
2 Mr. Aditya Vikram Somani	Independent Director
3 Mr. Gaurav Dalmia	Independent Director
4 Mr. Dilip Cherian	Independent Director
5 Ms. Lilian Jessie Paul	Independent Director (from March 19, 2019)
6 Mr. Jaideep Nandi	Chief Executive Officer (w.e.f January 02, 2020)
7 Mr. Dilip Kumar Maloo	Chief Financial Officer
8 Mr. Chandresh Chhaya	Company Secretary (w.e.f February 11, 2020)
9 Mr. Makarand Karnataki	Company Secretary (from July 13, 2018 to February 10,2020 )
10 Mr. Hitesh Kanani	Company Secretary (upto June 19, 2018)
11 Mr. Ronak Kumar Modi	Key Management Personnel (Till October 18,2019) refer note below
12 Mr. Aakash Gupta	Key Management Personnel (Till October 18,2019) refer note below
<b>E Entities over which persons specified in B above having control or significant influence</b>	
1 Abhitech Developers Private Limited	
2 Kamalnayan Jammalal Bajaj Foundation	

Note :- Bajaj Resources Limited has sold 3,22,65,100 Equity Shares of the Company on October 18, 2019 resulting into reduction of equity holdings from 59.92% to 38.04%. Accordingly, w.e.f. October 19, 2019, Bajaj Resources Limited ceases to be the Holding Company of the Company and it become an entity having significant influence over the Company.

**42.2 Transactions during the year with Related Parties:**

₹ in lacs

S No	Nature of Transaction	Holding company	Entity having Significant Influence over the Company	Key management personnel	Subsidiary company	Fellow Subsidiary Company	Entities specified in E	Total
<b>A. Statement of Profit and Loss</b>								
1	Dividend Paid	-	-	-	-	-	-	-
		(13,786.50)	(-)	(-)	(-)	(21.00)	(-)	(13,807.50)
2	Royalty Expense	-	796.00	-	-	-	-	796.00
		(866.75)	(-)	(-)	(-)	(-)	(-)	(866.75)
3	Rent Expenses	43.29	37.08	-	-	-	10.08	90.45
		(73.61)	(-)	(-)	(-)	(-)	(10.08)	(83.69)
4	Sales of Goods	-	-	-	533.41	-	-	533.41
		(-)	(-)	(-)	(358.67)	(-)	(-)	(358.67)
5	Purchase of Tangible Assets	-	-	-	-	-	-	-
		(-)	(-)	(-)	(-)	(60.29)	(-)	(60.29)
6	Remuneration	-	-	979.34	-	-	-	979.34
		(-)	(-)	(732.89)	(-)	(-)	(-)	(732.89)
7	Share based payments	-	-	0.31	-	-	-	0.31
		(-)	(-)	(-)	(-)	(-)	(-)	-
8	Sitting Fees paid	-	-	9.65	-	-	-	9.65
		(-)	(-)	(11.05)	(-)	(-)	(-)	(11.05)
9	Corporate Social Responsibility	-	-	-	-	-	567.38	567.38
		(-)	(-)	(-)	(-)	(-)	(543.35)	(543.35)
<b>B. Balance Sheet</b>								
1	Investment in Equity	-	-	-	592.55	-	-	592.55
		(-)	(-)	(-)	(579.49)	(-)	(-)	(579.49)
2	Share Application Money Given	-	-	-	-	-	-	-
		(-)	(-)	(-)	(894.95)	(-)	(-)	(894.95)

(Figures in bracket are for previous year)

**42.3 Outstanding Balances**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Holding company</b>		
(i) Royalty	-	884.08
<b>Entity having Significant Influence over the Company</b>		
(i) Royalty	<b>716.40</b>	-
<b>Subsidiaries</b>		
(i) Sales of goods	<b>447.19</b>	531.70
(ii) Investment in Equity	<b>14,416.80</b>	12,930.24
(iii) Share Application Money	<b>0.94</b>	894.95
<b>Key management personnel of the reporting entity</b>		
(i) Remuneration	<b>39.62</b>	-

**43** Figures have been regrouped/rearranged wherever necessary.

**44** This Standalone Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors on June 18, 2020.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

# Independent Auditors' Report

## To the Members of Bajaj Consumer Care Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Bajaj Consumer Care Limited (Formerly known as 'Bajaj Corp Limited') (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant 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 consideration of reports of other auditors on standalone financial statements of subsidiaries as audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 (financial position) of the Group as at March 31, 2020, of consolidated profit (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our 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 of the current period. 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.

We have determined that there are no key audit matters to communicate in our report.

#### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's 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 the 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 and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term 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 changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

### Auditors' 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 company has adequate internal financial controls system 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 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 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 entities or business activities within the Group 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities 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 of the current period 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 Matters

- (a) We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ (2062.46) lacs as at March 31, 2020, total revenues of ₹ 803.18 lacs and net cash inflows amounting to ₹ 63.38 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Two of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on standalone financial statements of subsidiaries as audited by other auditors, as noted in the 'Other Matters' 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 consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant 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 Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:
- i. There were no pending litigations which would impact the consolidated financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company amounting to ₹ 0.56 lacs and ₹ 2.00 lacs pertaining to financial year 2011-12 and 2012-13 which were to be deposited on or before April 16, 2019 and March 18, 2020 respectively. The Holding Company has transferred the said amount before the signing of the consolidated financial statements.
- Further, there were no amount which was required to be transferred to the Investor Education and Protection Fund by its subsidiaries company incorporated in India.
- (h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies, where applicable, to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

**For Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

**Sidharth Jain**

Proprietor

Membership No.: 134684

UDIN: 20134684AAAADC1313

Place : Surat

Date : June 18, 2020

# Annexure 'A'

## **Annexure to the independent auditors' report of even date on the Consolidated financial statements of Bajaj Consumer Care Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, We have audited the internal financial controls with reference to consolidated financial statements of Bajaj Consumer Care Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial control with reference to consolidated financial statements 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 ("the Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding company, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 system 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 such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 control 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.

#### **Other Matters**

Our aforesaid reports 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 in so far as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

#### **For Sidharth N Jain & Company**

Chartered Accountants

Firm registration number: 018311C

#### **Sidharth Jain**

Proprietor

Membership No.: 134684

UDIN: 20134684AAAADC1313

Place : Surat

Date : June 18, 2020

## Consolidated Balance Sheet as at March 31, 2020

₹ in Lacs

Particulars	Note No.	As at Mar 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3	10,777.11	11,111.74
(b) Capital Work-in-Progress	4	2,443.78	2,247.15
(c) Goodwill	5	4,300.10	4,300.10
(d) Other Intangible Assets	5	24.25	29.88
(e) Intangible Assets under development	5	216.20	-
(f) Financial Assets			
(i) Loans	7	371.84	266.62
(ii) Others	8	39.50	56.07
(g) Other Non-Current Assets	9	51.51	6.50
		<b>18,224.29</b>	<b>18,018.06</b>
<b>Current Assets</b>			
(a) Inventories	10	6,296.25	6,092.11
(b) Financial Assets			
(i) Investments	6	44,629.83	25,088.10
(ii) Trade Receivables	11	2,554.42	3,738.09
(iii) Cash and Cash Equivalents	12	981.42	1,287.77
(iv) Bank Balance other than (iii) above	13	281.70	144.44
(v) Loans	7	51.13	30.82
(c) Current tax Assets (Net)	14	621.21	34.70
(d) Other Current Assets	9	7,820.45	6,101.24
		<b>63,236.41</b>	<b>42,517.27</b>
<b>TOTAL ASSETS</b>		<b>81,460.70</b>	<b>60,535.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1,475.34	1,475.00
(b) Other Equity	16	63,842.00	45,261.35
		<b>65,317.34</b>	<b>46,736.35</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Deferred tax Liability (Net)	14	4.14	16.46
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2,000.00	2,500.00
(ii) Trade Payables			
(a) total outstanding dues of micro and small enterprises	18	345.63	201.77
(b) total outstanding dues of creditors other than micro and small enterprises	18	7,766.91	7,027.90
(iii) Other Financial Liabilities	19	4,118.69	2,430.72
(b) Other Current Liabilities	20	1,897.07	1,409.90
(c) Provisions	21	10.86	58.23
(d) Current tax Liabilities (Net)	14	0.06	154.00
		<b>16,139.22</b>	<b>13,782.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>81,460.70</b>	<b>60,535.33</b>
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
Chartered Accountants  
Firm's Registration No.: 018311C

**Sidharth Jain**  
Proprietor  
M. No. 134684

Place : Surat  
Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
Chairman  
DIN 00017575

**Lilian Jessie Paul**  
Director  
DIN 02864506

**D.K. Maloo**  
Chief Financial Officer

Place : Mumbai  
Date : June 18, 2020

**Sumit Malhotra**  
Managing Director  
DIN 02183825

**Aditya Vikram Somani**  
Director  
DIN 00046286

**Chandresh Chhaya**  
Company Secretary  
M.No. FCS 4813

**Dilip Cherian**  
Director  
DIN 00322763

**Gaurav Dalmia**  
Director  
DIN 00009639

## Consolidated Statement of Profit and Loss for the year ended March 31, 2020

₹ in lacs

Particulars	Note No.	For the Year ended Mar 31, 2020	For the Year ended March 31, 2019
I. Revenue from Operations	23	85,220.83	91,847.73
II. Other Income	24	2,991.22	1,701.08
III. Total Revenue (I + II)		88,212.05	93,548.81
IV. Expenses			
1. Cost of Materials Consumed	25	26,795.33	29,703.29
2. Purchase of Stock in Trade		1,815.85	1,246.99
3. Changes in Inventories of Finished Goods, Stock in Trade and Work-in-Progress	26	(1,258.32)	(602.97)
4. Employee Benefits Expense	27	8,691.50	9,717.11
5. Finance Costs	28	424.65	117.09
6. Depreciation and Amortisation	29	580.63	708.50
7. Other Expenses	30	28,663.57	24,344.25
Total Expenses		65,713.21	65,234.26
V. Profit before tax (III-IV)		22,498.84	28,314.55
VI. Tax Expense:			
1. Current tax	14	4,035.31	6,214.52
2. Tax expenses of earlier year	14	(1.54)	(2.06)
3. Deferred tax	14	(12.32)	(57.21)
		4,021.45	6,155.25
VII. Profit for the period (V - VI)		18,477.39	22,159.30
VIII. Other Comprehensive Income			
(A) Items that will not be Reclassified to Statement of Profit and Loss			
- Remeasurement gains / (losses) on Defined Benefit Plans	32	25.86	(38.83)
- Income tax effect		(4.52)	8.37
		21.34	(30.46)
(B) Items that will be Reclassified to Statement of Profit and Loss			
- Foreign Currency Translation Difference	32	(47.29)	(32.15)
- Income tax effect		-	-
		(47.29)	(32.15)
Total Other Comprehensive Income (VIII)		(25.95)	(62.61)
IX. Total Comprehensive Income for the period (VII+VIII)		18,451.44	22,096.69
X. Earnings per Equity Share:			
1. Basic	34	12.52	15.02
2. Diluted		12.52	15.02
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

### For and on behalf of the Board

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

## Consolidated Statement of Changes in Equity for the year ended March 31, 2020

### (A) EQUITY SHARE CAPITAL

Particulars	Nos. in lacs	₹ in lacs
<b>Equity shares of ₹ 1 each Issued, Subscribed and Fully Paid up</b>		
As at April 1, 2018	1,475.00	1,475.00
Change in Equity Share Capital during the year	-	-
<b>As at March 31, 2019</b>	<b>1,475.00</b>	<b>1,475.00</b>
Change in Equity Share Capital during the year	0.34	-
<b>As at March 31, 2020</b>	<b>1,475.34</b>	<b>1,475.00</b>

### (B) OTHER EQUITY

For the Year ended Mar 31, 2020

₹ in Lacs

Particulars	Attributable to Equity holders of Parent					Total	Non-Controlling Interest	Total Other Equity
	Securities Premium	General Reserves	Retained Earnings	Share option outstanding account	Item of OCI Foreign Currency Translation Reserve			
<b>As at April 1, 2019</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>8,972.62</b>	<b>288.18</b>	<b>(35.89)</b>	<b>45,261.35</b>	-	<b>45,261.35</b>
Profit for the year	-	-	18,477.39	-	-	18,477.39	-	18,477.39
Recognition of share based payment expenses (refer note 39)	-	-	-	129.21	-	129.21	-	129.21
Issue of equity shares on exercise of employee stock options (note 39)	134.33	-	-	(134.33)	-	-	-	-
Other Comprehensive Income (Note 32)	-	-	21.34	-	(47.29)	(25.95)	-	(25.95)
<b>Total</b>	<b>29,609.33</b>	<b>6,561.44</b>	<b>27,471.35</b>	<b>283.06</b>	<b>(83.18)</b>	<b>63,842.00</b>	-	<b>63,842.00</b>
Payment of Interim Dividend	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
<b>As at Mar 31, 2020</b>	<b>29,609.33</b>	<b>6,561.44</b>	<b>27,471.35</b>	<b>283.06</b>	<b>(83.18)</b>	<b>63,842.00</b>	-	<b>63,842.00</b>

For the Year ended March 31, 2019

₹ in Lacs

Particulars	Attributable to Equity holders of Parent					Total	Non-Controlling Interest	Total Other Equity
	Securities Premium	General Reserves	Retained Earnings	Share Option Outstanding Account	Item of OCI Foreign Currency Translation Reserve			
<b>As at April 1, 2018</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>11,738.45</b>	-	<b>(3.74)</b>	<b>47,771.15</b>	-	<b>47,771.15</b>
Profit for the year	-	-	22,159.30	-	-	22,159.30	-	22,159.30
Recognition of share based payment expenses (refer note 39)	-	-	-	288.18	-	288.18	-	288.18
Other Comprehensive Income (Note 32)	-	-	(30.46)	-	(32.15)	(62.61)	-	(62.61)
<b>Total</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>33,867.29</b>	<b>288.18</b>	<b>(35.89)</b>	<b>70,156.02</b>	-	<b>70,156.02</b>
Payment of Interim Dividend	-	-	(20,650.00)	-	-	(20,650.00)	-	(20,650.00)
Dividend Distribution Tax	-	-	(4,244.67)	-	-	(4,244.67)	-	(4,244.67)
<b>As at March 31, 2019</b>	<b>29,475.00</b>	<b>6,561.44</b>	<b>8,972.62</b>	<b>288.18</b>	<b>(35.89)</b>	<b>45,261.35</b>	-	<b>45,261.35</b>

Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

## Consolidated Statement of Cash Flow for the year ended March 31, 2020

Particulars	₹ in lacs	
	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	22,498.84	28,314.55
Adjustments for:		
Depreciation and Amortisation	580.63	708.50
Share based payment expenses	129.21	288.18
Interest Income	(2,833.02)	(2,313.98)
Net loss/(gain) on Current Investments	(101.11)	737.56
Net loss/(gain) on sale of Property, Plant and Equipment	(15.03)	(84.76)
Rent Received	(42.06)	(39.90)
Interest Expenses	405.85	99.30
Operating Profit before Working Capital Change	<u>20,623.31</u>	<u>27,709.45</u>
<b>Movement for Working Capital</b>		
(Increase)/Decrease in Trade and Other Receivables	1,058.14	(635.01)
(Increase)/Decrease in Inventories	(204.14)	(1,427.92)
(Increase)/Decrease in Other Assets	(1,744.57)	(2,950.86)
Increase/(Decrease) in Trade and Other Payable	2,949.49	1,078.05
Cash Generated from Operations	<u>22,682.23</u>	<u>23,773.71</u>
Less: Direct taxes paid/deducted at source	<u>(4,778.74)</u>	<u>(6,135.64)</u>
<b>Net Cash from/ (Used in) Operating Activities (A)</b>	<u>17,903.49</u>	<u>17,638.07</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(471.97)	(1,195.61)
Purchase of Intangible Assets	(229.29)	(35.62)
Interest Received	2,833.02	2,313.98
Net Proceeds from sale/(purchase) of Current Investments	(19,440.62)	4,913.24
Proceeds from sale of Property, Plant and Equipment	126.02	249.14
Bank Deposit with Original Maturity of more than 3 months	(116.26)	570.35
Rent Received	42.06	39.90
<b>Net Cash from/ (Used in) Investing Activities (B)</b>	<u>(17,257.04)</u>	<u>6,855.38</u>
<b>C. Cash Flow from Financing Activities</b>		
Current Borrowing net of repayment	(500.00)	1,151.18
Interest Paid	(405.85)	(99.30)
Proceed from issue of Equity Share Capital (ESOP)	0.34	-
Dividend Paid	-	(20,650.00)
Dividend Tax Paid	-	(4,244.67)
<b>Net Cash from/ (Used in) Financing Activities (C)</b>	<u>(905.51)</u>	<u>(23,842.79)</u>
<b>D Effect of foreign exchange fluctuation</b>	<u>(47.29)</u>	<u>(32.15)</u>
Net increase/(decrease) in Cash & Cash Equivalents (A+B+C+D)	<u>(306.35)</u>	<u>618.51</u>
Cash & Cash Equivalents - Opening Balance	<u>1,287.77</u>	<u>669.26</u>
<b>Cash &amp; Cash Equivalents - Closing Balance (Note12)</b>	<u>981.42</u>	<u>1,287.77</u>
Significant Accounting Policies	1 & 2	

Note: The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639



## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### 1 Corporate Information:

The consolidated financial statements comprise financial statements of Bajaj Consumer Care Limited (formerly Bajaj Corp Limited ('the Company')) and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2020. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located Old Station Road, Sevashram Chouraha, Udaipur, (Rajasthan).

The Group is engaged in the business of cosmetics, toiletries and other personal care products. The Group has presence in both domestic and international markets. Information on the Group's structure is provided in Note 40 and other related party relationships of the Group is provided in Note 42.

The name of the Company has been changed from " Bajaj Corp Limited" to " Bajaj Consumer Care Limited" w.e.f. Jan 01,2019. There is no change in Corporate Identification Number (CIN: L01110RJ2006PLC047173).

### 2 SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1 Statement of Compliance

In accordance with the notification dated 16<sup>th</sup> February, 2015, issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016. These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

#### 2.2 Basis of Preparation of Financial Statements

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies explained below.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in ₹ in lacs and all values are rounded to the nearest two decimals, except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criterion set out in schedule III of the Act. Based on the nature of the product and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### 2.3 Basis of Consolidation

- (i) The Consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company has
  - a) power over the investee,
  - b) Exposure, or rights, to variable returns from its involvement with the investee, and
  - c) The ability to use its power over the investee to affect its returns
- (ii) 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.
- (iii) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.

- (iv) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

#### **Consolidation Procedure**

- a) The financial statements of the parent Company and its subsidiary companies have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flows.
- b) 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.
- d) 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.
- e) On consolidation, the assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

## **2.4 Business Combination**

- (i) 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. Acquisition related costs are expensed as incurred.
- (ii) At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities.
- (iii) 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.
- (iv) If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, with clear evidence of bargain purchase, then the gain is recognised in OCI and accumulated in equity as capital reserve. In other case the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.
- (v) 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.
- (vi) 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.

## **2.5 Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## 2.6 Property, Plant and Equipment

All the property, plant and equipment are stated in the consolidated financial statements at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on additions/deletions to Property, plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000 which are fully depreciated in the year of acquisition.

Profit or loss on sale / retirement of property, plant and equipment (PPE) is recognized in statement of profit and loss.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

## 2.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a systematic basis over a period of useful life.

For transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as the Previous GAAP and used that carrying value as deemed cost as of the transition date.

## 2.8 Research and Development

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

## 2.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

IND-AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earnings as at April 1, 2018. The adoption of the standard did not have any significant impact on the revenue of the Group.

### (i) Sale of Goods :

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of taxes on sales, customer returns, rebates and other similar allowance.

### (ii) Interest Income :

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

### (iii) Dividend Income:

Dividend income is recognised when the Group's right to receive dividend is established, which is generally when shareholders approve the dividend.

**(iv) Contract Balances:**

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. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

**2.10 Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate.

**2.11 Leases****(i) Group as a Lessee :**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and low value leases. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

**(ii) Group as a Lessor :**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

**Transition to Ind AS 116**

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019. The Group has evaluated and classified all lease contract existing as at April 1, 2019 as short-term leases / low value leases.

**2.12 Inventories**

- (i) Stock of raw material and packing materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on Weighted Average basis.
- (ii) Stock of work in progress and finished goods is valued at cost or net realisable value whichever is lower.
- (iii) Stock of traded goods is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

**2.13 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**b) Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following category:

- (i) Debt Instruments at Amortised Cost
- (ii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

**(i) 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 Statement of Profit and loss. The losses arising from impairment are recognised in the Statement of Profit and loss. This category generally applies to trade and other receivables, bank fixed deposits.

**(ii) Debt Instrument at 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.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

**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 when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Group has transferred its rights to receive cash flows from the asset.

**d) Impairment of Financial Assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., net cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of financial assets.

**(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.

The Group's financial liabilities include trade and other payables and borrowings.

#### **b) Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below:

##### **Loans and borrowings**

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.

#### **c) Derecognition**

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) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **2.14 Fair value**

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.

### **2.15 Foreign Currency Transaction**

#### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date. 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).

#### **(iii) Exchange Differences**

Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise.

## 2.16 Employee Benefits:

### (i) Short-Term Employee Benefits:

Short-term employee benefits are recognised as expenditure at the undiscounted value in the Statement of Profit and Loss for the year in which the related service is rendered.

### (ii) Post-Employment Benefits:

#### (a) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Payment to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### (b) Defined Benefit Plans

Gratuity and Leave Encashment liabilities are covered under the Gratuity cum-Insurance Policy and Leave Encashment Policy respectively, of Life Insurance Corporation of India (LIC). The present value of the Gratuity obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss. 1) service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and 2) Net interest expense or income.

#### (c) Share based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured the fair value of the equity instruments at the grant date. Details regarding the determination of fair value of equity-settled share-based payment transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve ("Share option outstanding account").

## 2.17 Taxation

### (i) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amount and there is an intention to settle the asset and liability on a net basis.

**(ii) Deferred Tax**

Deferred income taxes reflects the impact of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

In the situations where the Group Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Group Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**2.18 Impairments of Non-Financial Assets**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An 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. An impairment loss is recognised in profit or loss section of the statement of profit and loss for the year in which an asset is identified as impaired.

**2.19 Earnings Per Share**

Basic and diluted earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**2.20 Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and Bank deposits with original maturity of three months or less.

**2.21 Provisions, Contingent liabilities and contingent assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in the consolidated financial statements unless possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

**2.22 Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2020

### 3 Property, Plant and Equipment

₹ in Lacs

Particulars	Land	Lease hold Improvements	Buildings	Plant and Machinery	Office and Other Equipment	Furniture and Fittings	Vehicles	Total
<b>Gross Block</b>								
As at April 1, 2018	6,582.35	247.26	3,605.92	2,091.20	317.54	123.45	203.34	13,171.06
Additions	-	7.20	2.59	209.30	200.29	10.70	-	430.08
Disposals	-	-	-	278.18	10.14	1.57	32.76	322.65
<b>As at March 31, 2019</b>	<b>6,582.35</b>	<b>254.46</b>	<b>3,608.51</b>	<b>2,022.32</b>	<b>507.69</b>	<b>132.58</b>	<b>170.58</b>	<b>13,278.49</b>
Additions	58.78	-	-	263.55	13.71	2.23	-	338.27
Disposals	-	-	-	239.31	9.42	0.03	-	248.76
<b>As at March 31, 2020</b>	<b>6,641.13</b>	<b>254.46</b>	<b>3,608.51</b>	<b>2,046.56</b>	<b>511.98</b>	<b>134.78</b>	<b>170.58</b>	<b>13,368.00</b>
<b>Depreciation and Impairment</b>								
As at April 1, 2018	-	60.58	569.11	700.79	168.51	62.70	83.81	1,645.50
Depreciation for the year	-	49.86	177.28	263.86	133.86	19.66	35.00	679.52
Disposals	-	-	-	127.51	6.98	1.48	22.30	158.27
<b>As at March 31, 2019</b>	<b>-</b>	<b>110.44</b>	<b>746.39</b>	<b>837.14</b>	<b>295.39</b>	<b>80.88</b>	<b>96.51</b>	<b>2,166.75</b>
Depreciation for the year	-	37.37	169.81	224.73	93.04	14.06	22.90	561.91
Disposals	-	-	-	129.78	7.96	0.03	-	137.77
<b>As at March 31, 2020</b>	<b>-</b>	<b>147.81</b>	<b>916.20</b>	<b>932.09</b>	<b>380.47</b>	<b>94.91</b>	<b>119.41</b>	<b>2,590.89</b>
<b>Net Book Value</b>								
As at March 31, 2019	6,582.35	144.02	2,862.12	1,185.18	212.30	51.70	74.07	11,111.74
<b>As at March 31, 2020</b>	<b>6,641.13</b>	<b>106.65</b>	<b>2,692.31</b>	<b>1,114.47</b>	<b>131.51</b>	<b>39.87</b>	<b>51.17</b>	<b>10,777.11</b>

#### 4 Capital Work-in- Progress

Particulars	₹ in Lacs
<b>Gross Block</b>	
As at April 1, 2018	1,486.59
Additions	929.68
Capitalized during the year	169.12
<b>As at March 31, 2019</b>	<b>2,247.15</b>
Additions	275.69
Capitalized during the year	79.06
<b>As at March 31, 2020</b>	<b>2,443.78</b>

#### 5 Intangible Assets

Particulars	₹ in Lacs				
	Goodwill	Trademark & Intellectual Properties	Computer Software	Intangible Assets under Development	Total
<b>Gross Block</b>					
As at April 1, 2018	4,300.10	6,536.35	88.49	-	10,924.94
Additions	-	-	35.62	-	35.62
Disposals	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>4,300.10</b>	<b>6,536.35</b>	<b>124.11</b>	-	<b>10,960.56</b>
Additions	-	-	13.09	216.20	229.29
Disposals	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>4,300.10</b>	<b>6,536.35</b>	<b>137.20</b>	<b>216.20</b>	<b>11,189.85</b>
<b>Amortisation and Impairment</b>					
As at April 1, 2018	-	6,536.35	65.25	-	6,601.60
Amortisation for the year	-	-	28.98	-	28.98
Disposals	-	-	-	-	-
<b>As at March 31, 2019</b>	-	<b>6,536.35</b>	<b>94.23</b>	-	<b>6,630.58</b>
Amortisation for the year	-	-	18.72	-	18.72
Disposals	-	-	-	-	-
<b>As at March 31, 2020</b>	-	<b>6,536.35</b>	<b>112.95</b>	-	<b>6,649.30</b>
<b>Net Book Value</b>					
As at March 31, 2019	4,300.10	-	29.88	-	4,329.98
<b>As at March 31, 2020</b>	<b>4,300.10</b>	-	<b>24.25</b>	<b>216.20</b>	<b>4,540.55</b>

	₹ in Lacs	
Net Book Value	March 31, 2020	March 31, 2019
Goodwill (Refer note (i) below)	4,300.10	4,300.10
Intangible Assets	24.25	29.88
Intangible Assets under development (Refer note (ii) below)	216.20	-

#### Note:

- (i) Goodwill is related to acquisition of a subsidiary company Uptown Properties and Leasing Private Limited. For impairment testing purpose goodwill is allocated to CGU of Uptown Properties and Leasing Private Limited. The fair value of the CGU is higher than its carrying amount. Accordingly, no impairment losses has been identified.
- (ii) Intangible assets under development is towards SAP implementation.

## 6 Investments

### 6.1 Current Investments

₹ in Lacs

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>Investments at Fair Value through Profit or Loss</b>		
a) Investment in Government Securities	<b>8,347.84</b>	-
b) Investment in Bonds	<b>36,280.83</b>	23,714.17
c) Investment in Mutual Funds	<b>1.16</b>	1,373.93
<b>Total</b>	<b>44,629.83</b>	25,088.10

(i) Script wise breakup of above investments is as follows:

a) Investment in Government Securities - Quoted

Government Securities	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
Karnataka	204	2,095.28	-	-
West Bengal	600	6,252.56	-	-
<b>Total</b>	<b>804</b>	<b>8,347.84</b>	-	-

b) Investment in Bonds - Quoted

Bonds	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
REC Bond	2,250	23,736.96	850	8,332.51
IRFC Bond	700	7,102.75	-	-
NHAI Bond	600	5,441.12	-	-
PFC Bond	-	-	650	6,307.88
EXIM Bond	-	-	200	1,959.47
LICHFL Bond	-	-	500	5,119.11
NTPC Bond	-	-	100	946.94
PGC Bond and others	-	-	104	1,048.26
<b>Total</b>	<b>3,550</b>	<b>36,280.83</b>	<b>2,404</b>	<b>23,714.17</b>

c) Investments in Debt Mutual Fund -Unquoted

₹ in Lacs

Debt Mutual Fund	As at March 31, 2020		As at March 31, 2019	
	Units	₹ in lacs	Units	₹ in lacs
UTI Liquid Cash Plan Direct Growth	13.919	1.10	24,547.451	751.34
ICICI Prudential Liquid Fund Direct Growth	20.728	0.06	2,25,417.264	622.59
<b>Total</b>	<b>34.647</b>	<b>1.16</b>	<b>2,49,964.715</b>	<b>1,373.93</b>

**(ii) Aggregate Value of Investments**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Carrying amount of Quoted Investments	44,628.67	23,714.17
b) Market value of Quoted Investments	44,628.67	23,714.17
c) Carrying amount of Unquoted Investments	1.16	1,373.93
<b>Total (a+c)</b>	<b>44,629.83</b>	<b>25,088.10</b>

**7 Loans****7.1 Non-Current Loans**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Security Deposits</b>		
Considered good	371.84	266.62
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	<b>371.84</b>	<b>266.62</b>
Less:- Allowance for credit impaired	-	-
<b>Total</b>	<b>371.84</b>	<b>266.62</b>

**7.2 Current Loans**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Refundable Security Deposits	15.66	17.88
b) Other Recoverable	35.47	12.94
<b>Total</b>	<b>51.13</b>	<b>30.82</b>
<b>Out of the above</b>		
Considered good	51.13	30.82
Balance having significant increase in credit risk	-	-
Credit impaired	-	-
	<b>51.13</b>	<b>30.82</b>
Less:- Allowance for credit impaired	-	-
<b>Total</b>	<b>51.13</b>	<b>30.82</b>

These financial assets are carried at amortised cost.

**8 Other Financial Assets****8.1 Non-Current**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current Bank Balance* (Fixed deposits maturing after 12 months from reporting date)	39.50	56.07
<b>Total</b>	<b>39.50</b>	<b>56.07</b>

\* It includes earmarked FDs with Sales tax authorities.

**9 Other Non-Financial Assets****9.1 Non-Current**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Capital Advances	26.15	6.50
b) Deferred rent	25.36	-
<b>Total</b>	<b>51.51</b>	<b>6.50</b>

**9.2 Current**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Advance other than Capital Advances		
(i) Advances to Suppliers	170.68	371.67
(ii) Advances to Staff	119.47	203.57
b) Prepaid Expenses	76.00	77.62
c) Balance with Govt. Authorities	7,436.42	5,448.38
d) Deferred rent	17.88	-
<b>Total</b>	<b>7,820.45</b>	<b>6,101.24</b>

(i) All the above advances are unsecured and considered good.

(ii) All the above advances are provided to non-related parties.

**10 Inventories**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Raw Materials	1,475.25	2,616.54
b) Packing Materials	1,004.44	917.33
c) Finished Goods	3,059.20	2,055.80
d) Stock in Trade	477.83	249.67
e) Work-in-Progress	279.53	252.77
<b>Total</b>	<b>6,296.25</b>	<b>6,092.11</b>

**11 Trade Receivables**

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
a) Secured, considered good	-	-
b) Unsecured, considered good	2,554.42	3,738.09
c) Balance having significant increase in credit risk	-	-
d) Credit impaired	-	-
	<u>2,554.42</u>	<u>3,738.09</u>
Less: Allowances for credit impaired	-	-
<b>Total</b>	<b><u>2,554.42</u></b>	<b><u>3,738.09</u></b>

Refer note no 38.3 for credit risk analysis of Trade receivable.

**12 Cash and Cash Equivalents**

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
a) Balances with Banks:		
On Current Account	515.51	369.06
Deposit with original maturity of less than 3 months	450.31	899.19
b) Cash in Hand	15.60	19.52
<b>Total</b>	<b><u>981.42</u></b>	<b><u>1,287.77</u></b>

**13 Other Bank Balances**

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
a) Earmarked balances with banks	9.13	4.70
b) Fixed deposits maturing within 12 months from the reporting date	272.57	139.74
<b>Total</b>	<b><u>281.70</u></b>	<b><u>144.44</u></b>

**14 Income Tax****14.1 Current Tax Assets and Liabilities**

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Current tax Assets</b>		
Advance Income Tax (Net)	621.21	34.70
<b>Current tax Liabilities</b>		
Income tax payables (Net)	0.06	154.00

**14.2 Deferred Tax Assets and Liabilities**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities	4.14	16.46
<b>Total</b>	<b>4.14</b>	<b>16.46</b>

Breakup of Deferred Tax Liabilities is as follows

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Recognised in Statement of Profit and Loss - Property, plant and equipments	4.14	16.46
<b>Total</b>	<b>4.14</b>	<b>16.46</b>

The Company is currently in tax holiday period. Accordingly, no deferred tax liabilities / assets are recognised in respect of those temporary differences which will be reversed in tax holiday period. The Company pays and recognise minimum stipulated tax on book profit as per the Income tax laws. There are no reconciliation items between tax expense and the product of accounting profit multiplied by the applicable tax rate.

**14.3 Total Income Tax Expenses**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
<b>a) Income Tax Recognised in Statement of Profit and Loss</b>		
<b>Current tax</b>		
In respect of the current year	4,035.31	6,214.52
In respect of the earlier years	(1.54)	(2.06)
<b>Deferred tax</b>		
In respect of current year	(12.32)	(57.21)
<b>Total</b>	<b>4,021.45</b>	<b>6,155.25</b>
<b>b) Income Tax recognised in Other Comprehensive Income</b>		
Income Tax on Re-measurement of Defined Benefit Obligation	4.52	(8.37)
<b>Total Income tax</b>	<b>4,025.97</b>	<b>6,146.88</b>

**15 Share capital****(i) Description of Equity Share Capital**

Particulars	Face Value per Share	As at March 31, 2020		As at March 31, 2019	
		Nos (In lacs)	Amount (₹ in lacs)	Nos (In lacs)	Amount (₹ in lacs)
a) Authorised	1.00	2,000.00	2,000.00	2,000.00	2,000.00
b) Issued	1.00	1,475.34	1,475.34	1,475.00	1,475.00
c) Subscribed & Fully paid-up	1.00	1,475.34	1,475.34	1,475.00	1,475.00

**(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	Nos. in lacs	₹ in lacs
<b>Equity Shares of ₹ 1 each Issued, Subscribed and Fully Paid up</b>		
As at April 1, 2018	1,475.00	1,475.00
Shares allotted during the year	-	-
As at March 31, 2019	1,475.00	1,475.00
Shares allotted during the year	0.34	0.34
<b>As at March 31, 2020</b>	<b>1,475.34</b>	<b>1,475.34</b>

**(iii) Terms/ Rights attached to Equity Shares:**

The Company has one class of equity shares having par value of 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the 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.

**(iv) Out of the total equity shares of 1,475.34 lacs (Previous year 1,475.00 lacs), 561.25 lacs shares (i.e. 38.04%) (Previous year 885.25 lacs shares, i.e. 60.02%) are held by Bajaj Resources Limited (Holding Company till Oct 18, 2019), along with its subsidiaries (KNB Enterprises LLP and SKB Roop Commercial LLP).****(v) Details of shareholders holding more than 5% shares of the Company as year end are given below:**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	Nos. in lacs	% of holding	Nos. in lacs	% of holding
1. Bajaj Resources Limited	561.10	38.03%	883.75	59.92%
2. ICICI Prudential Mutual Fund	128.36	8.70%	-	0.00%
3. HDFC Trustee Company Limited	75.66	5.13%	-	0.00%
4. Baytree Investments (Mauritius) Pte Ltd	98.64	6.69%	98.64	6.69%
5. KNB Enterprises LLP	0.10	0.01%	0.75	0.05%
6. SKB Roop Commercial LLP	0.05	0.00%	0.75	0.05%
	<b>863.91</b>	<b>58.56%</b>	<b>983.89</b>	<b>66.71%</b>

**16. Other Equity**

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
a) Securities Premium	29,609.33	29,475.00
b) General Reserve	6,561.44	6,561.44
c) Foreign Currency Translation Reserve	(83.18)	(35.89)
d) Share Option outstanding Account (Refer note below)	283.06	288.18
e) Retained Earnings	27,471.35	8,972.62
<b>Total</b>	<b>63,842.00</b>	<b>45,261.35</b>

Refer Statement of Change in Equity for movement in Components of Other Equity.

The Company has an equity settled share based payment plan for certain category of employees of the Company. Refer note 33 for further details of this plan.



**17 Current Borrowings**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured</b>		
From Bank - Export Credit in INR	<u>2,000.00</u>	<u>2,500.00</u>
<b>Total</b>	<u><u>2,000.00</u></u>	<u><u>2,500.00</u></u>

The borrowing is under 'Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit' notified by the RBI (earlier known as Interest Subvention Scheme) and carries interest at the rate of 5.15% to 6.27% (PY 5.01% to 5.85%) per annum.

**18 Trade Payables**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Due to Micro and Small enterprises	<u>345.63</u>	<u>201.77</u>
b) Due to others	<u>7,766.91</u>	<u>7,027.90</u>
<b>Total</b>	<u><u>8,112.54</u></u>	<u><u>7,229.67</u></u>

**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):**

Particulars	As at March 31, 2020	As at March 31, 2019
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	<b>345.63</b>	201.77
ii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	<b>0.19</b>	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Group.

**19 Other Financial Liabilities**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Security Deposits from C&F and Others	59.50	59.26
b) Unclaimed Dividends	9.13	4.70
c) Other Outstanding Liabilities	3,950.95	2,350.23
d) Payable for Capital Goods	99.11	16.53
<b>Total</b>	<b>4,118.69</b>	<b>2,430.72</b>

**20 Other Current Liabilities**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
a) Advances from Customers	885.11	377.92
b) Statutory Liabilities	1,011.96	1,031.98
<b>Total</b>	<b>1,897.07</b>	<b>1,409.90</b>

**21 Provisions**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
Provisions for Employee Benefit (refer note no 33)	10.86	58.23
<b>Total</b>	<b>10.86</b>	<b>58.23</b>

**22 Contingent Liabilities and Commitments****Commitments**

₹ in Lacs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i) Lease Commitments</b>		
Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets and leases with term less than twelve months		
Within one year	32.56	40.99
After one year but not more than five years	20.51	-
More than five years	-	-
<b>ii) Capital Commitments</b>		
Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances)	94.80	-
	<b>147.87</b>	<b>40.99</b>

**23 Revenue from Operations**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Sale of Products	<b>82,575.94</b>	89,006.53
b) Other Operating Revenues		
(i) Government Grant	<b>2,391.19</b>	2,571.63
(ii) Others	<b>253.70</b>	269.57
<b>Total</b>	<b>85,220.83</b>	91,847.73

**24 Other Income**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Interest Income	<b>2,833.02</b>	2,313.98
b) Net gain / (loss) on sale of Current Investments	<b>155.91</b>	(759.99)
c) Net gain on sale of Property, Plant and Equipment	<b>15.03</b>	84.76
d) Fair value gain / (loss) on Financial Assets at FVTPL	<b>(54.80)</b>	22.43
e) Rent Received	<b>42.06</b>	39.90
<b>Total</b>	<b>2,991.22</b>	1,701.08

**25 Cost of Material Consumed**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
Inventory as at the beginning of the year	<b>3,533.87</b>	2,708.92
Add: Purchases	<b>25,741.15</b>	30,528.24
Less: Inventory at the end of the year	<b>2,479.69</b>	3,533.87
<b>Cost of Material Consumed</b>	<b>26,795.33</b>	29,703.29

**26 Change in Inventories**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19	Changes
<b>Inventories at the end of the Period</b>			
Finished Goods	<b>3,059.20</b>	2,055.80	(1,003.40)
Traded Goods	<b>477.83</b>	249.67	(228.16)
Work-in-Progress	<b>279.53</b>	252.77	(26.76)
	<b>3,816.56</b>	2,558.24	(1,258.32)
<b>Inventories at the beginning of the Period</b>			
Finished Goods	<b>2,055.80</b>	1,291.27	(764.53)
Traded Goods	<b>249.67</b>	489.93	240.26
Work-in-Progress	<b>252.77</b>	174.07	(78.70)
	<b>2,558.24</b>	1,955.27	(602.97)
<b>Change in Inventories</b>	<b>(1,258.32)</b>	(602.97)	

**27 Employee Benefits Expense**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Salaries and Wages	7,766.80	8,673.04
b) Contribution to Provident and Other Funds (note no 33)	629.16	528.42
c) Gratuity expenses (note no 33)	122.95	105.34
d) Staff Training and Welfare expenses	43.38	122.13
e) Share based payment expenses	129.21	288.18
<b>Total</b>	<b>8,691.50</b>	<b>9,717.11</b>

**28 Finance Costs**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Interest expense	405.85	99.30
b) Bank Charges	18.80	17.79
<b>Total</b>	<b>424.65</b>	<b>117.09</b>

**29 Depreciation and Amortisation Expenses**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Depreciation on Property, Plant and Equipment	561.91	679.52
b) Amortisation of Intangible Assets	18.72	28.98
<b>Total</b>	<b>580.63</b>	<b>708.50</b>

**30 Other Expenses**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) Advertisement and Sales Promotion Expenses	17,552.39	13,996.67
b) Freight, Forwarding and Distribution Expenses	3,545.46	4,100.25
c) Travelling and Conveyance	1,823.51	1,437.86
d) Royalty	796.00	866.75
e) Rent (refer note no 37)	734.94	443.86
f) Manufacturing Expenses	1,436.22	659.28
g) Power and fuel (Mfg)	103.85	126.34
h) Legal & Professional Expenses	249.29	771.44
i) Postage and Telephone	422.96	138.68
j) Power and fuel	44.73	36.47
k) Insurance	222.89	229.09
l) Audit Fees & Expenses (refer note no 31)	14.32	12.67
m) Repairs - Building	14.84	23.62
n) Repairs - Machinery	38.71	103.86
o) Repairs - Others	33.59	16.67
p) Foreign exchange rate fluctuation	1.92	11.09
q) Rates and taxes	48.07	34.95
r) Information Technology Expenses	304.84	237.09
s) Corporate Social Responsibility (refer note no 36)	567.38	543.35
t) Miscellaneous expenses	707.66	554.26
<b>Total</b>	<b>28,663.57</b>	<b>24,344.25</b>

**31 Payment to Auditors**

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
a) For Statutory Audit	11.57	9.92
b) For Tax Audit	2.00	2.00
c) For Other services	0.75	0.75
<b>Total</b>	<b>14.32</b>	<b>12.67</b>

**32 Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

₹ in Lacs

Particulars	FY 2019-20	FY 2018-19
<b>a) Retained earnings</b>		
i) Re-measurement (gains) / losses on Defined Benefit Plans (Retained Earnings)	(25.86)	38.83
ii) Tax impact on above	4.52	(8.37)
<b>Total OCI in Retained earnings</b>	<b>(21.34)</b>	<b>30.46</b>
<b>b) Foreign currency translation reserve (FCTR)</b>		
i) Foreign Currency Translation Difference	(47.29)	(32.15)
ii) Tax impact on above*	-	-
<b>Total impact in FCTR</b>	<b>(47.29)</b>	<b>(32.15)</b>

\* No tax impact on FCTR arise due to consolidation adjustment.

**33 Benefits to Employees**

The following table sets out the disclosure under Ind AS-19 on 'Employee Benefits':

**33.1 Defined Contribution Plan**

Amount of ₹ 385.96 lacs (FY 2018-19 : ₹ 370.20 lacs) is recognized as an expense and included in "Employee Benefits Expense" (refer note 27) in the Consolidated Statement of Profit and Loss.

**33.2 Defined Benefit Plan**

The Parent Company has defined benefit gratuity plan (funded with LIC) which is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to gratuity benefit. Liability for employee benefits has been determined by an independent actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS-19, the details of which are as hereunder:

These plans typically expose to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

		₹ in Lacs	
<b>Funded Scheme - Gratuity</b>		<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>(a) Liability to be recognised in Balance Sheet as at year end</b>			
	Present value of Defined Benefit Obligations	<b>622.51</b>	520.51
	Fair value of Plan Assets	<b>611.65</b>	462.28
	<b>Net Liability / (Asset)</b>	<b>10.86</b>	58.23
<b>(b) Change in Fair value of Plan Assets</b>			
	Fair value of Plan Assets as at beginning	<b>462.28</b>	400.54
	Expected return on Plan Assets	<b>29.59</b>	26.15
	Net actuarial gain / (Losses)	<b>8.48</b>	0.78
	Contributions	<b>144.46</b>	108.20
	Benefits paid	<b>(33.16)</b>	(73.39)
	<b>Fair value of Plan Assets as at year end</b>	<b>611.65</b>	462.28
<b>(c) Change in Present value of Define Benefit Obligation</b>			
	Present value of Defined Benefit Obligation as at beginning	<b>520.51</b>	422.80
	Current Service Cost	<b>119.31</b>	104.51
	Interest Cost	<b>33.23</b>	26.98
	Net Actuarial losses / (gain)	<b>(17.38)</b>	39.61
	Benefits paid	<b>(33.16)</b>	(73.39)
	<b>Present value of Defined Benefit Obligation as at year end</b>	<b>622.51</b>	520.51
<b>(d) Expenses recognised during the year</b>			
<b>Gratuity cost charged to Statement of Profit and Loss</b>			
	Current Service Cost	<b>119.31</b>	104.51
	Interest Cost	<b>3.64</b>	0.83
	<b>Total included in Statement of Profit and Loss (note no 27)</b>	<b>122.95</b>	105.34
<b>Remeasurement gain / loss charged to OCI</b>			
	Expected return on Plan Assets	<b>(8.48)</b>	(0.78)
	Actuarial changes arising from changes in demographic assumptions	<b>(1.92)</b>	(0.07)
	Actuarial changes arising from changes in financial assumptions	<b>30.13</b>	8.05
	Experience adjustments	<b>(45.59)</b>	31.63
	<b>Total included in OCI (note no 32)</b>	<b>(25.86)</b>	38.83
<b>(e) Assumptions used</b>			
	Discount rate (per annum)	<b>6.90%</b>	7.55%
	Expected rate of return on assets (per annum)	<b>6.90%</b>	7.55%
	Salary escalation rate (per annum)	<b>7.00%</b>	7.00%
	Withdrawal rate	<b>1% - 5%</b>	1% - 5%
	Mortality table	<b>Indian Assured Lives Mortality 2012-14 Ult.</b>	Indian Assured Lives Mortality 2012-14 Ult.
<b>(f) Sensitivity analysis of Actuarial Assumptions</b>			
<u>Impact on Defined Benefit Obligation</u>			
Discount rate	0.5% increase	<b>-3.77%</b>	-3.78%
	0.5% decrease	<b>4.07%</b>	4.08%
Future Salary Increase	0.5% increase	<b>4.05%</b>	4.08%
	0.5% decrease	<b>-3.78%</b>	-3.81%

		₹ in Lacs	
<b>Funded Scheme - Gratuity</b>		<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>(g) Major categories of Plan Assets</b>			
	Insurer managed fund	<b>611.66</b>	462.28
<b>(h) Expected benefit payout in future years</b>			
	Within the next 12 months	<b>194.55</b>	160.72
	Between 2 and 5 years	<b>106.59</b>	90.23
	Beyond 5 years	<b>959.83</b>	897.38
<b>(i)</b>	The Weighted average duration of the defined benefit plan obligation at the end of the reporting period is 7.96 Years (P.Y. 7.85 years).		
<b>(j)</b>	Expected contribution in respect of Gratuity for next year will be ₹ 20 lacs (P.Y. ₹ 20 lacs).		

**Note:**

- (i) The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (ii) The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- (iii) The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.
- (iv) The sensitivity analyses shown above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**34 Earnings per Share**

Particulars		<b>FY 2019-20</b>	<b>FY 2018-19</b>
a)	Profit for the year (₹ in lacs)	<b>18,477.39</b>	22,159.30
b)	Weighted average number of equity shares (Nos in lacs) *		
	For calculating basic earning per share	<b>1,475.34</b>	1,475.00
	For calculating diluted earning per share	<b>1,475.34</b>	1,475.53
c)	Earnings per share (₹)		
	Basic	<b>12.52</b>	15.02
	Diluted	<b>12.52</b>	15.02

The Company has one class of equity shares having par value of ₹ 1 per share. The Company has granted Employee Restricted Stock Unit Plan 2018 ("RSU 2018") of 288,282 options (Previous Year: 2,53,596 options) out of which Nil options (Previous Year : 52,704 options) have been considered for calculation of diluted earnings per share.

- 35** The Group operates only in one segment, namely "Cosmetics, Toiletries and Other Personal Care products" and there are no reportable segments in accordance with Ind-AS 108 on "Operating Segments".

### 36 Details of CSR Expenditure

Particulars	₹ in Lacs	
	FY 2019-20	FY 2018-19
a) Gross amount required to be spent by the Group during the year	<b>567.38</b>	543.34
b) Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	<b>567.38</b>	543.35

### 37 Leases

The Group's significant leasing arrangements are in respect of premises used for business, are accounted as a short-term lease. The aggregate lease rentals payable are charged as rent in the statement of profit and loss (Refer note 30). These lease arrangements are cancellable in nature and can be terminated by giving notice for a period, which vary from one months to three months.

### 38 Financial Instruments

#### 38.1 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. Primary objective of Group's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group does not have any long-term debts hence there is no capital gearing ratio. Surplus fund has been invested into risk-free highly liquid financial instruments.

#### 38.2 Categorization of Financial Instruments

Particulars	₹ in Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>(i) Financial Assets</b>		
a) Investments at Fair Value Through Profit or Loss (note 6)	<b>44,629.83</b>	25,088.10
b) Measured at Amortised Cost		
i) Cash and Cash Equivalents (note 12)	<b>981.42</b>	1,287.77
ii) Other Bank Balances (note 13)	<b>281.70</b>	144.44
iii) Non-Current Bank Balance (note 8)	<b>39.50</b>	56.07
iv) Loans (Current and Non-Current) (note 7)	<b>422.97</b>	297.44
v) Trade Receivables (note 11)	<b>2,554.42</b>	3,738.09
	<b>4,280.01</b>	5,523.81
<b>(ii) Financial Liabilities</b>		
Measured at Amortised Cost		
i) Current Borrowings (note 17)	<b>2,000.00</b>	2,500.00
ii) Trade Payables (note 18)	<b>8,112.54</b>	7,229.67
iii) Other Financial Liabilities (note 19)	<b>4,118.69</b>	2,430.72
	<b>14,231.23</b>	12,160.39

#### 38.3 Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of the financial markets and seek to minimize the potential adverse effects on its financial performance.



**(a) 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 price risk. Financial instruments affected by market risk include trade receivables, deposits and current investments.

**i) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any long-term debt obligation hence not affected by interest rate fluctuations. The Group has invested its surplus funds in fixed income securities. The mark to market valuation of its portfolio is impacted by fluctuation of the interest rates.

**ii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The Group has international business and some part of its sales are in foreign currencies which exposes to changes in foreign exchange rates. Fluctuating rupee can impact the realisation of its receivables. The Group may use various hedging instruments to hedge its foreign currency risk associated with those exposures. The maximum export sales are done on advance payment basis and outstanding export receivables are very insignificant. Hence foreign currency risk has insignificant impact on the Group.

**iii) Commodity Price Risk**

The Group is affected by the price volatility of its key raw materials. Its operating activities require a continuous supply of key material for manufacturing of hair oil and other cosmetic products. The Group's procurement department continuously monitors the fluctuation in price and takes necessary action to minimise its price risk exposure.

**(b) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its treasury operation. The Group majorly sells its goods on advance payment basis and hence not subject to credit risk for its receivables. The Group has invested in high grade corporate bonds which have a strong track record hence the credit risk component of its investment portfolio is neutralised.

**(c) Liquidity Risk**

As of March 31, 2020, the Group has working capital of ₹ 47,097.19 lacs (current assets of ₹ 63,236.41 lacs including cash and cash equivalents of ₹ 981.42 lacs and current investments of ₹ 44,629.83 lacs). The Group has outstanding bank borrowings of ₹ 2,000.00 lacs as export credit which will be repaid within 6 months from export realisations. Accordingly, no liquidity risk is perceived.

**38.4 Fair value Measurement**

The management assessed that fair value of loans, cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

- i) The fair value of unquoted instruments are evaluated by the Group based on parameters such as interest rates and its investments rating.
- ii) The fair values of the quoted instruments are based on price quotations at the reporting date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 as described below:

₹ in lacs				
Assets measured at Fair value	Total	Level 1	Level 2	Level 3
<b>As at March 31, 2020</b>				
Current investments (quoted) (note 6.1)	44,628.67	44,628.67	-	-
Current investments (unquoted) (note 6.1)	1.16	-	1.16	-
<b>As at March 31, 2019</b>				
Current investments (quoted) (note 6.1)	23,714.17	23,714.17	-	-
Current investments (unquoted) (note 6.1)	1,373.93	-	1,373.93	-

### 39 Disclosures required pursuant to Ind AS 102 - Share Based Payment

#### Employee stock option plan

During the previous year, the Company has implemented the Bajaj Corp Employee Restricted Stock Unit Plan 2018 ("RSU 2018") which was approved by the shareholders of the Company at the Annual General Meeting held on July 23, 2018 enabling the grant of 7,37,500 stock options to some of the key management employees including managing director of the Company. Pursuant to the said approval, on August 14, 2018 the Company had granted 2,53,596 stock options to some key management employees including managing director of the Company, at an exercise price of ₹ 1 per stock option. Further in current year, on February 10, 2020, the Company has granted additional 167,803 stock options to Chief Executive Officer, at an exercise price of ₹ 1 per stock option. Each option represents 1 equity share in the Company.

The vesting period is 1 year to 4 years from the date of grant and the exercise period is within three years from the date of vesting.

There are no cash settlement alternatives in RSU 2018.

The expense recognised for employee services received during the year is shown in the following table:

₹ in lacs		
Particulars	FY 2019-20	FY 2018 -19
Expense arising from equity-settled share-based payment transactions	129.21	288.18

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	FY 2019-20		FY 2018-19	
	Exercise Price (per option)	Nos. of Option	Exercise Price (per option)	Nos. of Option
Opening Balance	1.00	2,53,596	-	-
Granted during the year	1.00	1,67,803	1.00	2,53,596
Exercised during the year	1.00	34,346	-	-
Forfeited during the year	1.00	98,770	-	-
Closing balance	1.00	2,88,283	1.00	2,53,596
Vested and exercisable	-	-	-	-

Share option outstanding at the end of the year have following expiry date and exercise price:

Grant date	Expiry date	Exercise Price (per option)	Share Option Outstanding	
			31-Mar-20	31-Mar-19
14-Aug-18	August 13, 2022-25	1	1,20,479	1,59,800
Weighted average remaining contractual life of the options (Years)			1.12	2.12
10-Feb-20	February 9, 2024-27	1	1,67,803	-
Weighted average remaining contractual life of the options (Years)			3.14	-

#### Fair value

The fair value of the share options is estimated at the grant date using Black Sholes Option Pricing Model, which takes into account the exercise price, terms and conditions of the options, the share price at grant date, expected price volatility of the underlying shares, the expected dividend yield and risk-free interest rate.

The weighted average fair value of the options granted during the year is 195.92 (Previous Year : 392.10) per share.

The following assumption were used for calculating fair valuation of the grants:

Particulars	10-Feb-2020	14-Aug-2018
Dividend yield	3.00%	2.50%
Expected volatility	32% PA.	24% PA.
Risk-free Interest rate	5.9% PA.	7.20-7.70% PA.
Expected life of the contract	1-4 years	1-4 years
Weighted average share price (₹ per share)	221.79	420.75

The volatility in share price is estimated from the actual movement in share prices of the Company over one year preceding the grant date. This historical volatility is the annualized standard deviation of the continuously compounded rates of daily stock returns.

## 40 Group information

### Information about subsidiaries

Name of Subsidiary	Country of Incorporation	Extent of Holding	
		As at March 31,2020	As at March 31,2019
1. Uptown Properties and Leasing Private Limited	India	100%	100%
2. Bajaj Bangladesh Limited	Bangladesh	100%	100%
3. Bajaj Corp International (FZE)	UAE	100%	100%

**41 Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013:**

Particulars	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in lacs)	As % of Consolidated Profit or Loss	Amount (₹ in lacs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in lacs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in lacs)
<b>Parent</b>								
Bajaj Consumer Care Limited	103.68%	67,718.39	103.13%	19,055.33	-82.24%	21.34	103.39%	19,076.67
<b>Subsidiaries</b>								
<b>A) Indian</b>								
1. Uptown Properties and Leasing Private Limited	12.34%	8,059.24	-0.20%	(36.33)	0.00%	-	-0.20%	(36.33)
<b>B) Foreign</b>								
1. Bajaj Bangladesh Limited	0.03%	18.92	-0.76%	(140.19)	0.00%	-	-0.76%	(140.19)
2. Bajaj Corp International FZE	-0.54%	(352.55)	-2.29%	(423.97)	0.00%	-	-2.30%	(423.97)
Non-controlling Interests in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Consolidation Adjustments</b>	-15.50%	(10,126.66)	0.12%	22.55	182.24%	(47.29)	-0.13%	(24.74)
<b>Total</b>	<b>100.00%</b>	<b>65,317.34</b>	<b>100.00%</b>	<b>18,477.39</b>	<b>100.00%</b>	<b>(25.95)</b>	<b>100.00%</b>	<b>18,451.44</b>

**42 Related Party Disclosure****42.1 Related Parties and Relationships**

Name of the Related Party	Relationship
<b>A The entity and the reporting entity are members of the same group</b>	
1 Bajaj Resources Limited	Holding company (Till October 18,2019) (refer note below)
2 KNB Enterprises LLP	Fellow subsidiary company (Till October 18, 2019)
3 SKB Roop Commercial LLP	Fellow subsidiary company (Till October 18, 2019)
4 Bajaj International Realty Private Ltd	Fellow subsidiary company (Till October 18, 2019)
<b>B The entity (including member of the same group) having Significant influence over the reporting entity</b>	
1 Bajaj Resources Limited	W.e.f October 19, 2019 (refer note below)
<b>C A person or a close member of that person's family, who has control or joint control of the Reporting Entity</b>	
1 Mr. Kushagra Bajaj	Chairman and Non-Executive Director
2 Mr. Apoorv Bajaj	Key Management Personnel
3 Mrs. Vasavadatta Bajaj	Non-Executive Director (upto March 19, 2019)

Name of the Related Party		Relationship
<b>D Key management personnel of the reporting entity or of parent of the reporting entity and their relatives</b>		
1	Mr. Sumit Malhotra	Managing Director
2	Mr. Aditya Vikram Somani	Independent Director
3	Mr. Gaurav Dalmia	Independent Director
4	Mr. Dilip Cherian	Independent Director
5	Ms. Lilian Jessie Paul	Independent Director (from March 19, 2019)
6	Mr. Jaideep Nandi	Chief Executive Officer (w.e.f January 02, 2020)
7	Mr. Dilip Kumar Maloo	Chief Financial Officer
8	Mr. Chandresh Chhaya	Company Secretary (w.e.f February 11, 2020)
9	Mr. Makarand Karnataki	Company Secretary (from July 13, 2018 to Feb 10, 2020)
10	Mr. Hitesh Kanani	Company Secretary (upto June 19, 2018)
11	Mr. Ronak Kumar Modi	Key Management Personnel (Till October 18, 2019) refer note below
12	Mr. Aakash Gupta	Key Management Personnel (Till October 18, 2019) refer note below
<b>E Entities over which persons specified in B above having control or significant influence</b>		
1	Abhitech Developers Private Limited	
2	Kamalnayan Jamnalal Bajaj Foundation	

Note :- Bajaj Resources Limited has sold 3,22,65,100 Equity Shares of the Company on October 18, 2019 resulting into reduction of equity holdings from 59.92% to 38.04%. Accordingly, w.e.f. October 19, 2019, Bajaj Resources Limited ceases to be the Holding Company of the Company and it become an entity having significant influence over the Company.

#### 42.2 Transactions during the year with Related Parties:

₹ in lacs

S No	Nature of Transaction	Holding company	Entity having Significant Influence over the Company	Key management personnel	Fellow Subsidiary Company	Entities specified in E	Total
<b>A. Statement of Profit and Loss</b>							
1	Dividend Paid	-	-	-	-	-	-
		(13,786.50)	(-)	(-)	(21.00)	(-)	(13,807.50)
2	Royalty Expense	-	796.00	-	-	-	796.00
		(866.75)	(-)	(-)	(-)	(-)	(866.75)
3	Rent Expenses	43.29	37.08	-	-	10.08	90.45
		(73.61)	(-)	(-)	(-)	(10.08)	(83.69)
4	Purchase of Tangible Assets	-	-	-	-	-	-
		(-)	(-)	(-)	(60.29)	(-)	(60.29)
5	Remuneration	-	-	979.34	-	-	979.34
		(-)	(-)	(732.89)	(-)	(-)	(732.89)
6	ESOP issued	-	-	0.31	-	-	0.31
		(-)	(-)	(-)	(-)	(-)	(-)
7	Sitting Fees paid	-	-	9.65	-	-	9.65
		(-)	(-)	(11.05)	(-)	(-)	(11.05)
8	Corporate Social Responsibility	-	-	-	-	567.38	567.38
		(-)	(-)	(-)	(-)	(543.35)	(543.35)

(Figures in bracket are for previous year)

**42.3 Outstanding Balances**

Particulars	₹ in lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Holding company</b>		
Royalty	-	884.08
<b>Entity having Significant Influence over the Company</b>		
Royalty	716.40	-
<b>Key management personnel of the reporting entity</b>		
Remuneration	39.62	-

**43** Figures have been regrouped/rearranged wherever necessary.

**44** This Consolidated Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors on June 18, 2020.

As per our report of even date  
**For Sidharth N Jain & Company**  
 Chartered Accountants  
 Firm's Registration No.: 018311C

**Sidharth Jain**  
 Proprietor  
 M. No. 134684

Place : Surat  
 Date : June 18, 2020

**For and on behalf of the Board**

**Kushagra Bajaj**  
 Chairman  
 DIN 00017575

**Lilian Jessie Paul**  
 Director  
 DIN 02864506

**D.K. Maloo**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 18, 2020

**Sumit Malhotra**  
 Managing Director  
 DIN 02183825

**Aditya Vikram Somani**  
 Director  
 DIN 00046286

**Chandresh Chhaya**  
 Company Secretary  
 M.No. FCS 4813

**Dilip Cherian**  
 Director  
 DIN 00322763

**Gaurav Dalmia**  
 Director  
 DIN 00009639

# Form AOC-1

(Pursuant to First Proviso to Sub-Section (3) of Section 129 Read with Rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing Salient Features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures

### Part A Subsidiaries

(Information in respect of each Subsidiary to be presented with Amounts in ₹ lacs)

Sr. No.	Particulars	Name of the Subsidiary(ies)		
		Uptown Properties & Leasing Private Limited	Bajaj Bangladesh Limited	Bajaj Corp International (FZE)
1	Reporting period for the Subsidiary(ies) concerned, if different from the Holding company's Reporting Period	Not Applicable	Not Applicable	Not Applicable
2	The date since when subsidiary was acquired	10 <sup>th</sup> Sep 2011	9 <sup>th</sup> Dec 2012	23 <sup>rd</sup> Dec 2013
3	Reporting Currency and Exchange Rate as on the last date of the Relevant Financial Year in the case of Foreign Subsidiaries	INR	BDT; INR 0.8853 per BDT	AED; INR 20.5221 per AED
4	Share Capital	221.57	432.12	1,138.98
5	Reserves and Surplus	7,837.67	(413.20)	(1,491.53)
6	Total Assets	8,121.84	19.25	371.10
7	Total Liabilities	62.60	0.33	723.65
8	Investments	1.10	NIL	NIL
9	Turnover	NIL	-	1,334.20
10	Profit before taxation	(48.59)	(140.13)	(423.97)
11	Provision for taxation	(12.26)	0.06	NIL
12	Profit after taxation	(36.33)	(140.19)	(423.97)
13	Proposed Dividend	NIL	NIL	NIL
14	% of Shareholding	100%	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

### Part B Associates and Joint Ventures

#### Statement Pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1	Latest Audited Balance Sheet Date	NIL	NIL	NIL
2	Date on which the Associate or Joint Venture was associated or Acquired	NIL	NIL	NIL
3	Shares of Associate or Joint Ventures held by the Company on the year end	NIL	NIL	NIL
	No. Amount of Investment in Associates or Joint Venture			
	Extent of Holding (in percentage)			
4	Description of how there is Significant Influence	NIL	NIL	NIL
5	Reason why the Associate/Joint Venture is not consolidated	NIL	NIL	NIL
6	Net Worth attributable to Shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
7	Profit or Loss for the year	NIL	NIL	NIL
	i. Considered in Consolidation			
	ii. Not Considered in Consolidation			

- 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

**Kushagra Bajaj**  
Chairman  
DIN 00017575

**Sumit Malhotra**  
Managing Director  
DIN 02183825

**Dilip Cheria**  
Director  
DIN 00322763

**Lilian Jessie Paul**  
Director  
DIN 02864506

**Aditya Vikram Somani**  
Director  
DIN 00046286

**Gaurav Dalmia**  
Director  
DIN 00009639

**D.K. Maloo**  
Chief Financial Officer

**Chandresh Chhaya**  
Company Secretary  
M.No. FCS 4813

Place : Mumbai  
Date : June 18, 2020

## Notice

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting (AGM) of the Members of Bajaj Consumer Care Limited (Formerly Bajaj Corp Limited) will be held on Monday, September 21, 2020 at 10.00 A.M. at Crimson Park, Shree Kanak Hotel, 328-A, Sevashram Circle, Airport Road, Udaipur -313 001, Rajasthan, to transact the following business:-

### Ordinary Business:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
  - (a) "RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
  - (b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."
2. To declare a dividend on equity shares for the financial year ended March 31, 2020 and, in this regard, pass the following resolution as an Ordinary Resolution:
 

"RESOLVED THAT a dividend at the rate of ₹ 2/- (Two rupees only) per equity share of ₹ 1/- (One rupee) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2020 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2020."
3. To appoint a Director in place of Mr. Sumit Malhotra (DIN: 02183825), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:
 

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sumit Malhotra (DIN: 02183825), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### Special Business:

#### 4. Ratification of Change in Designation and Payment of Remuneration to Mr. Sumit Malhotra, Non- Executive Non -Independent Director

To consider and pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 188, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), Regulation 17 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary, approval of the members be and is hereby accorded for ratification of change of designation and payment of remuneration not exceeding ₹ 1,50,00,000 (Rupees One Crore Fifty lac) per annum plus Goods & Services Tax as may be applicable to Mr. Sumit Malhotra (DIN: 02183825), Non- Executive Non Independent director of Bajaj Consumer Care Limited ("the Company") designated as Director & Advisor with effect from July 1, 2020 for a period of 5 (five) years till June 30, 2025."

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Mr. Sumit Malhotra in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder (including any amendment thereto or



reenactment thereof for the time being in force), Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any modification thereto and as may be agreed by and between the Board and the Mr. Sumit Malhotra.”

“RESOLVED FURTHER THAT the copies of this resolution certified to be true by any of the Directors/Key Managerial Personnel be furnished to the concerned authorities and/or any other person(s) as may be required.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

#### **5. Appointment of Mr. Jaideep Nandi as a Director of the Company liable to retire by rotation**

To consider and pass the following resolution as an Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force) (“the Act”), Mr. Jaideep Nandi (DIN: 06948380), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **6. Appointment and Remuneration of Mr. Jaideep Nandi as Managing Director of the Company**

To consider and pass the following resolution as an Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary, the approval of members of the Company be and is hereby accorded for appointment of Mr. Jaideep Nandi (DIN: 06938480), director of Bajaj Consumer Care Limited (“the Company”) as Managing Director of the Company with effect from July 1, 2020 for a period of 5 (five) years till June 30, 2025, at the terms and remuneration as set out below:-

In consideration of the performance of his duties, the Company shall pay to Mr. Jaideep Nandi, the aggregate remuneration with such increments as may be approved by the Board of Directors (which term includes any Committee thereof) from time to time, as per the break up stated below:-

I) Remuneration:

a) Basic Salary: In the range of ₹ 12,75,000/- per month to ₹ 30,00,000/- per month.

b) Allowances and Perquisites:

II) House Rent Allowance:

50 % of Basic Salary.

III) Other Allowances:

The Managing Director shall be paid other allowances as per the rules of the Company including but not limited to Special Allowance, Conveyance and Leave Travel, provided however that, the aggregate value of all such allowances paid shall not exceed 200% of the Basic Salary.

IV) Contribution to Provident Fund:

Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.

V) Gratuity payable at the time of retirement/cessation shall be as per the scheme of the Company.

VI) Leave:

Leave with full pay or encashment thereof as per the rules of the Company.

Explanation:

Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

VII) Performance Linked Incentive on achievement of targets as per the rules of the Company, not exceeding 2 times of the total basic salary per annum.

c) Amenities:

i) Conveyance facilities:

The Company shall provide suitable vehicle for use by the Managing Director as per the rules of the Company.

ii) Communication facilities:

The Managing Director is entitled for use of telephone, telefax and other communication facilities at his residence.

VIII) Group Life Term Insurance – ₹ 1 crore

Group Mediclaim Hospitalization Benefit:

Maximum limit of ₹ 10 lacs. Hospitalization Insurance for self, spouse and 2 dependent children (below 21 years of age) as per Company's policy.

IX) Group Personal Accident Insurance: ₹ 25 lacs

I) Overall Remuneration:

The total remuneration (including salary, allowances perquisites, benefits and amenities) in any Financial Year shall not exceed the applicable limits prescribed from time to time under Sections 197 and 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being, in force.

II) Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Jaideep Nandi, Managing Director are as under:

- a. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The appointment of Managing Director may be terminated by the Company or the Managing Director, by giving 3 months' notice to the other side or Salary in lieu thereof."

"RESOLVED FURTHER THAT in case the Company has in any Financial Year no profits or if its profits are inadequate anytime during the tenure of office of Mr. Jaideep Nandi, he shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board to revise, amend, alter and vary the terms and conditions

relating to the remuneration payable to the Managing Director in such manner as may be permitted and subject to such approvals of such authority as may be required, in accordance with the provisions of the Companies Act, 2013 and Schedule V thereto or any modification thereof and as may be agreed by and between the Board and Mr. Jaideep Nandi, without any further approval of the members of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

“RESOLVED FURTHER THAT any one of the Directors or the Key Managerial Personnel of the Company, be and are hereby severally authorised to certify the true copy of the aforementioned resolutions and forward the same to the concerned for their record and necessary action(s).”

**By Order of the Board of Directors**

**Chandresh Chhaya**

Company Secretary

Membership No.: FCS4813

Place : Mumbai  
Dated : June 18,2020

Registered Office:  
Old Station Road,  
Sevashram Chouraha  
Udaipur 313 001  
Rajasthan  
CIN:L01110RJ2006PLC047173

**NOTES:**

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- b. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY FORM IS ANNEXED TO THIS NOTICE.
- c. Proxy holder shall prove his/her identity at the time of attending the Meeting.
- d. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution together with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote at the Meeting on their behalf.
- e. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
- f. In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sumit Malhotra (DIN: 02183825), Director, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends the aforesaid re-appointment. As per explanation to Section 152(6)(e) of the Companies Act, 2013, total number of Directors for the purpose of determining Directors liable to retire by rotation shall not include Independent Directors, whether appointed under the Companies Act, 2013 or any other law for the time being in force.

- g. Information of Directors proposed to be re-appointed or appointed at the forthcoming Annual General Meeting as required by Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings is provided in the annexure to the Notice. The Directors have furnished the requisite declarations for their re-appointment/appointment as applicable.
- h. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the 14<sup>th</sup> AGM.
- i. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 15, 2020 to Monday, September 21, 2020 (both days inclusive) for the purpose of 14<sup>th</sup> AGM of the Company.
- j. The Board of Directors has recommended Dividend of 200 % (i.e. ₹ 2/- per equity share of ₹ 1/- each) for the Financial year ended 31<sup>st</sup> March 2020 subject to approval of the Shareholders at the ensuing Annual General Meeting. The Dividend, if approved by the members at the ensuing Annual General Meeting will be paid to those shareholders whose names stand registered:
- a) As beneficial owners as at the end of business on Monday, September 14, 2020 as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and
  - b) As members in the Register of Members of the Company after giving effect to valid transmission/transposition in physical form lodged with the Company's Registrar and Share Transfer Agent (RTA) M/s. KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, on or before the aforesaid date i.e. Monday, September 14, 2020. The transmission/transposition requests complete in all respects should reach the Registrar and Share Transfer Agent well before the above date.
- k. Members holding shares in physical form are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail Id etc., if any, immediately to the Company's Registrar and Share Transfer Agent (hereinafter referred to as "RTA") i.e. KFin Technologies Private Limited, Unit : Bajaj Consumer Care Limited (Formerly Bajaj Corp Limited), Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana. Tel: +91 40 67162222, Fax: +91 40 23420814, Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants (DPs) only.
- l. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled into the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
- m. SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide their PAN details to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
- n. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the AGM will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip duly filled in and hand it over at the entrance of the venue.
- o. Members of the Company are requested to note that as per the provisions of Section 124 of the Companies Act, 2013, dividends not en-cashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

- p. The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed/ un-claimed dividend to IEPF are furnished hereunder:

Dividend for the Financial Year	Date of Declaration of Dividend	Tentative Date of transfer to the IEPF
2013-2014	February 6, 2014	March 14, 2021
2014-2015	October 16, 2014	November 21, 2021
2015-2016	January 7, 2016	February 12, 2023
2016-2017	January 12, 2017	February 18, 2024
2017-2018	January 11, 2018	February 16, 2025
2018-2019	January 9, 2019	February 14, 2026

Members who have not en-cashed/claimed the dividend warrant(s) so far in respect of the above Financial Years are, therefore, requested to make their claims to the RTA of the Company well in advance of the above tentative dates

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

Members/claimants whose shares and/or unclaimed dividend have been transferred to the Fund, may claim the shares or apply for refund by making an application to IEPF Authority in Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the Authority from time to time. Members/claimants can file only one consolidated claim in a Financial Year as per IEPF Rules. The Company and IEPF Authority shall deal with the application in the manner provided in IEPF Rules.

It is in the Members interest to claim any un-cashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members account on time.

The Company for claiming the dividend for the aforesaid years. The details of the unclaimed dividends are available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

- q. Copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Members who have not registered their e-mail Id, physical copies of the Annual Report 2019-20 are being sent by the modes permitted under Companies Act, 2013. The Annual Report is also available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com).

Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a Financial Year to the Members to register his/her e-mail Ids and any changes therein. In accordance with the said requirements, we request the Members who do not have their e-mail Ids registered, get the same registered with the Company or changes therein by submitting a duly filled-in 'E-communication Registration Form' appended to this Annual Report as well as available on the Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) under the heading "Investors" by the name "E-Communication Registration Form".

- r. Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, September 15, 2020, i.e. the date of the commencement of book closure, being the cut-off date will be paid the Dividend for the financial year ended 31<sup>st</sup> March, 2020, as recommended by the Board, if approved at the AGM, on or after Friday, September 30, 2020.

Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to KFin Technologies Private Limited (KFinTech) (Formerly known as Karvy Fintech Private Limited), Registrar and Share Transfer Agent of the Company or Investor Service Department of the Company immediately by sending a request on email at [complianceofficer@bajajconsumer.com](mailto:complianceofficer@bajajconsumer.com) or contact KFinTech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant to such shareholder by post.

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

- a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 7.5% on the amount of Dividend declared and paid by the Company during financial year 2020-21 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during financial year 2020-21 does not exceed ₹ 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2020-21.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b) For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
  - Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
  - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
  - Self-declaration, certifying the following points:
    - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2020-21;
    - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

- iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
- v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2020-21.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and submitted by Non- Resident shareholder. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Monday, September 14, 2020.

Kindly note that the aforementioned documents are required to be submitted at <https://ris.kfintech.com/form15> on or before Monday, September 14, 2020 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Monday, September 14, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

We shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said Dividend.

- s. The route map of the venue of the Meeting in terms of requirement of Secretarial Standards on General Meetings forms part of this Notice.
- t. Members desiring any information with regard to financial statements are requested to write to the Company at an early date so as to enable the management to keep the information ready.
- u. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarification(s), exemption(s), re- enactment(s) or substitution(s) thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing to its Members facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") using an electronic voting system provided by KFin Technologies Private Limited (KFINTECH) as an alternative for all Members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. For voting electronically, the process and manner for generating/receiving the password and to cast vote(s) in a secure manner, the Members are requested to take note of the following:

- a) The remote e-voting period commences on Thursday, September 17, 2020 at 9.00 A.M. and ends on Sunday, September 20, 2020 at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Monday, September 14, 2020, may cast their vote by electronic means in the manner and process set out hereinbelow. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, if held at the Meeting.
- b) The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut- off date, being Monday, September 14, 2020.
- c) Once the vote on a resolution is cast by a Member through remote e-voting, he/ she/it shall not be allowed to change it subsequently.

- d) Any person, who acquires shares and becomes Member of the Company after dispatch of Notice of AGM and holding shares as on the cut-off date, i.e. Friday, August 21, 2020, may refer to this Notice of AGM of the Company, posted on Company's website at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) for detailed procedure with regard to remote e-voting. Any person, who ceases to be the Member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- e) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of Polling Papers/Ballot Papers at the AGM for the Members attending the meeting who have not cast their vote by remote e-voting. In case of voting by Polling Paper/Ballot Papers at the AGM, the voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the date of Book Closure.
- f) A Member may participate in the AGM even after exercising his right to vote through remote e-voting but cannot vote again at the AGM.
- g) If a Member cast votes by both modes i.e. remote e-voting and Polling Papers/Ballot Papers at the AGM, then voting done through remote e-voting shall prevail and Polling Paper/ Ballot Paper shall be treated as invalid.

The instructions for remote e-voting are as under:

- A. In case a Member receiving Notice of AGM by email from KFintech [for Members whose email Ids are registered with the Company/ Depository Participant(s)]:
  - i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii) Enter the login credentials (i.e., User ID and Password). In case of physical folio, user ID will be EVEN Number followed by Folio No. In case of Demat Account, user ID will be your DP ID and Client ID. However, if you are already registered with KFintech for remote e-voting, you can use your existing User ID and password to cast your vote.  
  
After entering these details appropriately, Click on "LOGIN".
  - iii) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email Id, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - iv) You need to login again with the new credentials.
  - v) On successful login, the system will prompt you to select the "EVENT" i.e., Bajaj Consumer Care Limited.
  - vi) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - vii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/ demat accounts.
  - viii) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.



- ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - x) A confirmation window will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they confirm voting on the Resolution(s).
  - xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail Id: [prasanjit@gbcs.co.in](mailto:prasanjit@gbcs.co.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."
  - xii) In case a person has become the Member of the Company after the dispatch of Notice of AGM but on or before the cut-off date Monday, September 14, 2020, may write to KFINTECH on the email Id: [evoting@kfintech.com](mailto:evoting@kfintech.com) or to Ms. C. Shobha Anand, Deputy General Manager, KFinTech Technologies Private Limited, Unit: Bajaj Consumer Care Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana Contact No. 040-67162222, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case of Members receiving physical copy of the Notice of AGM [for Members whose email Ids are not registered with the Company/ Depository Participant(s)]:
- i) User Id and Password are provided in the enclosed Attendance Slip for the AGM.
  - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. In case of any query pertaining to remote e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.
- D. The Company has appointed Mr. Prasanjit Kumar Baul, (Membership No. A34347) or failing him Mr. Hitesh Gupta (Membership No. A33684) from M/s. Gupta Baul & Associates, Company Secretaries in Practice, as the Scrutinizer to scrutinize the remote e-voting and voting by way of Polling Paper/ Ballot Paper in a fair and transparent manner.
- E. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by him shall declare the result of the voting forthwith.
- F. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s).
- G. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at [www.bajajconsumercare.com](http://www.bajajconsumercare.com) and Service Provider's website at <https://evoting.karvy.com> and the communication will be sent to the BSE Limited and National Stock Exchange of India Limited.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.****Item No. 4: Ratification of Change in Designation and Payment of Remuneration to Mr. Sumit Malhotra, Non- Executive Non -Independent Director**

Mr. Sumit Malhotra was re-appointed as Managing Director of the Company for a period of 5 (five) years from August 8, 2016 to August 7, 2021 at the terms and remuneration in conformity with Schedule V of the Companies Act, 2013, which was approved by the members at the 10<sup>th</sup> Annual General Meeting of the Company held on July 20, 2016.

As a part of succession plan, Mr. Sumit Malhotra has demitted his office as Managing Director of the Company with effect from June 30, 2020 and will continue to guide the Company in the role of Director and Advisor of the Company.

Mr. Sumit Malhotra has successfully led the Company for the last 16 years. His contribution to the growth of the organisation is reflected in the performance of the Company. His association with the Company as a Director and Advisor to the Board will ensure that his deep insight into the working of the Company as well as the Consumer Products industry can be called upon during future Board interactions. His experience and maturity will also help the Board while developing new strategies for growth and will play an important role in mentoring the new leadership team of the Company. In addition to this the Board will benefit from his guidance on matters related to areas of Sales, Marketing, International Business, launch of New Products, Mergers & Acquisition and Corporate Restructuring as and when such matters come up before the Board.

Accordingly, the Board of Directors at its meeting held on June 18, 2020 has, pursuant to the approval of the Nomination, Remuneration and Corporate Governance Committee of the Board, approved appointment of Mr. Sumit Malhotra as Non- Executive Director and officially designated him as Director and Advisor of the Company with effect from July 1, 2020 till June 30, 2025 i.e. for a period of 5 (five) years, for a remuneration not exceeding ₹ 1,50,00,000 (Rupees One Crore Fifty lac) per annum plus Goods & Services Tax as may be applicable.

Payment of remuneration to non-executive directors in excess of 1% of the net profits of the Company being limit prescribed under provisions of Section 197 (1) of the Companies Act, 2013 ('the Act'), requires approval of the Members of the Company by way of a Special Resolution. Further, in terms of Regulation 17 (6) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the consent of the Members by way of Special Resolution is required every year if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Remuneration payable to Mr. Sumit Malhotra upon his re-designation as Director and Advisor would exceed 50% of the aggregate remuneration payable to all the Non-Executive Directors. Hence, taking into consideration the above requirements of the Act and the Listing Regulations, the approval of the Members of the Company by way of Special Resolution is sought for ratification of re-designation of Mr. Sumit Malhotra, as the Non Independent Non-Executive Director on the Board and payment of remuneration for the period from July 1, 2020 to June 30, 2025. Considering the proposal for monthly pay out of the remuneration, the approval of the Members is also sought under Section 188 of the Act, in connection with Mr. Sumit Malhotra holding an office or place of profit as Non-Executive Director on the Board of Directors of the Company.

In case the Company has in any Financial Year has no profits or if its profits are inadequate anytime during the tenure of office of Mr. Sumit Malhotra, as Director & Advisor, he shall be paid the remuneration as stated in resolution at Item No. 4, with the liberty to the Board to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to Mr. Sumit Malhotra in such manner as may be permitted and subject to approval of such authority(ies) as may be required, in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed by and between the Board and Mr. Sumit Malhotra, without any further approval of the Members of the Company.

The Company has not defaulted in payment of dues of any bank, public financial institutions, non-convertible debenture holders or any other secured creditor and accordingly, the company is not required to obtain approval in terms of the third proviso to Section 197(1) of the Companies Act, 2013.

A brief profile of Mr. Sumit Malhotra and other requisite details, pursuant to the provisions of the Listing Regulations and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this notice.

A copy of the Resolution passed by the Board of Directors and the Nomination Remuneration and Corporate Governance Committee at their respective meetings held on June 18, 2020 are available for inspection by the members at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to September 21, 2020.

The particulars prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 is provided as under:

Name of the Related Party	Mr. Sumit Malhotra
Name of the Director or Key Managerial Personnel related, if any	Mr. Sumit Malhotra is not related to any Director or Key Managerial Personnel
Nature of Relationship	Not Applicable
Nature, Material Terms, Monetary Value and particulars of contract or arrangement	With effect from July 01,2020, Mr. Sumit Malhotra has been designated as Director & Advisor of the Company for a period of 5 years. He will be paid annual remuneration of ₹ 1,50,00,000 plus Goods & Service Tax as may be applicable
Any other information relevant or important for members to take decision on the proposed resolution	Not Applicable

Mr. Sumit Malhotra and his relatives may be deemed to be interested in the Resolution at Item No. 4 of the Notice. Save as aforesaid, none of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in any way, in the said resolution set out at Item No. 4 of the Notice.

The Board of Directors of the Company recommends passing of the Special Resolution at Item No.4 of the Notice.

#### **Item No. 5 & 6: Appointment and Remuneration of Mr. Jaideep Nandi as Managing Director**

The Board of Directors ("the Board") of the Company had appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Jaideep Nandi as an Additional Director of the Company with effect from July 01, 2020. As per the provisions of Section 161(1) of the Act, Mr. Jaideep Nandi holds office of Director up to the date of ensuing Annual General Meeting of the Company and being eligible, has offered himself for appointment as Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Jaideep Nandi for the office of Director of the Company.

Further, the Board at its meeting held on June 18, 2020 has, subject to the approval of members, appointed Mr. Jaideep Nandi as Managing Director for a period of 5 (five) years w.e.f. July 01, 2020 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the appointment of Mr. Jaideep Nandi as Managing Director of the Company and remuneration payable to Mr. Jaideep Nandi are set out in the resolution under Item No. 6 of the Notice.

Mr. Jaideep Nandi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Jaideep Nandi under Section 190 of the Act. A copy of the Resolution passed by the Board of Directors and the Nomination, Remuneration and Corporate Governance at their respective meetings held on June 18, 2020 are available for inspection by shareholders at the Registered Office of the Company during the office hours on any working days, except Saturdays, Sundays and National Holidays between 11.00 A.M. and 1.00 P.M. up to September 21, 2020.

A brief profile of Mr. Jaideep Nandi and other requisite details, pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this notice.

Mr. Jaideep Nandi is interested in the Ordinary Resolutions set out at Item No.5 and 6 with respect to his appointment and remuneration, respectively. The relative(s) of Mr. Jaideep Nandi may be deemed to be interested in the said Resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 and 6 of the Notice.

The Board commends the Ordinary Resolutions set out at Item No. 5 and 6 of the Notice for approval by the members.

**By Order of the Board of Directors**

Place : Mumbai  
Dated : June 18,2020

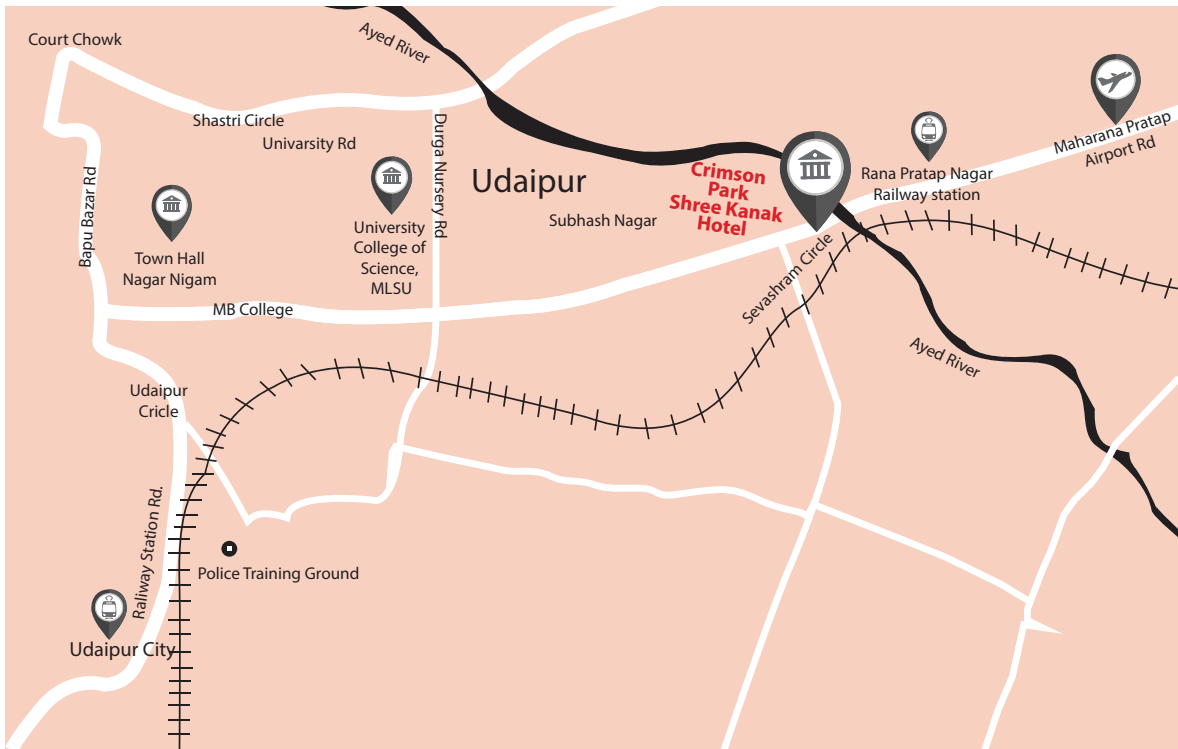
**Chandresh Chhaya**  
Company Secretary  
Membership No.: FCS4813

**ANNEXURE TO ITEM NO. 4, 5 & 6 OF THE NOTICE DATED JUNE 18, 2020**

The following information about Mr. Sumit Malhotra and Mr. Jaideep Nandi is provided pursuant to Regulation 36(3) of SEBI LODR and Secretarial Standard – 2:

<b>Name of the Director</b>	Mr. Sumit Malhotra	Mr. Jaideep Nandi
<b>Director Identification Number (DIN)</b>	02183825	06838480
<b>Designation</b>	Director & Advisor	Managing Director
<b>Date of Birth</b>	28-09-1961	01-07-1965
<b>Age</b>	58 Years	56 Years
<b>Nationality</b>	Indian	Indian
<b>Date of first appointment on the Board</b>	01-04-2008	01-07-2020
<b>Date of re-appointment by the Members</b>	23-07-2016	His appointment to be regularized at this Annual General Meeting
<b>Qualifications</b>	Bachelor's degree in pharmacy with Honors from Indian Institute of Technology, Benares Hindu University, Varanasi and a Post Graduate Diploma in Business Management from IIM, Ahmedabad.	Degree in Engineering, Post-graduation in Management, Marketing & Finance from IIM Bangalore.
<b>Expertise in functional area</b>	Over 30 years of experience in the consumer care sector.	About 30 years of experience in the consumer care sector.
<b>Number of Equity Shares held in the Company as on 31.03.2020</b>	31,440 Shares	Nil
<b>List of Directorships and Committee Memberships held in other entities as on 31.03.2020</b>	Directorship: 1. Anmol Industries Limited Membership/ Chairmanship of Committees: None	Directorship: None Membership/ Chairmanship of Committees: None
<b>Number of Board Meetings attended during the year</b>	5	None
<b>Relationship with other Directors, Manager and KMP</b>	Nil	Nil
<b>Remuneration Last Drawn</b>	₹ 492.18 lakh	₹ 66.71 lakh
<b>Terms and conditions of appointment</b>	As specified in the resolution at Item no. 4	As specified in the resolution at Item no. 6

Route Map to the AGM Venue



**E-COMMUNICATION REGISTRATION FORM**

To,  
 KFintech Technologies Private Limited  
**Unit : Bajaj Consumer Care Limited**  
 Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District,  
 Nanakramguda, Hyderabad – 500 032  
 Phone No.: +91 40 6716 2222  
 E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

Dear Sir / Madam,

I hereby register / update my email address provided below for receiving all communication from the Company through electronic mode:

<b>Folio No. / DP ID &amp; Client ID</b>	
<b>Name of the First Registered Holder</b>	
<b>Name of the Joint Holder(s), (if any)</b>	
<b>Registered Address</b>	
<b>Email ID (to be Registered)</b>	
<b>Signature of the First Registered Holder</b>	
<b>Date:</b>	

Notes:

1. On registration/ updation, all the communications will be sent to the registered e-mail Id.
2. The form is also available on the website of the Company [www.bajajconsumercare.com](http://www.bajajconsumercare.com) under the heading "Investors" by the name "E-Communication Registration Form".
3. Members holding shares in electronic mode are requested to ensure to keep their e-mail Id updated with the Depository Participants with whom they are holding their Demat Account.
4. Members are requested to keep their depository participants / Company's Registrar- KFintech Technologies Private Limited informed as and when there is any change in the e-mail Id. Unless, the email Id given hereunder is changed by you by sending another communication in writing, the Company will continue to send all the communication to you on the above mentioned email Id.







# **bajaj** CONSUMER CARE

CIN: L01110RJ2006PLC047173

**Registered office:** Old Station Road, Sevashram Chauraha, Udaipur 313 001, Rajasthan.  
Website: [www.bajajconsumercare.com](http://www.bajajconsumercare.com) | Email: [complianceoffice@bajajconsumer.com](mailto:complianceoffice@bajajconsumer.com)