



Electricals

BUILT FOR LIFE



8 4TH A N N U A L R E P O R T
2 0 2 2 - 2 3

KOI NAHI KEHTA KI LIFE EASY HOGI,
KI SUCCESS ASAANI SE MILEGI.

U-TURN MAAR LENA ASAAN TOH HOGA,
PAR SUCCESS FINISH LINE PAR HI MILEGI.

JAB HUM DREAMS KO SONE DENGE,
TOH VOH DREAMS HI REH JAAYENGE.

AGAR AMBITIONS KO FUEL NAHI KARENGE,
TOH VOH SIRF KOSHISH KEHLAYENGE.

SQ, LET'S PULL OURSELVES UP AND STAND FREE
CAUSE IF LIFE IS TOUGH THEN SO ARE WE.

DAY AFTER DAY, NIGHT AFTER NIGHT,
WE'RE BUILT TO PLAY.
WE'RE BUILT TO FIGHT.

WE'RE BAJAJ, AND WE'RE BUILT FOR LIFE.



This year has been exceptional as we continued to uphold our commitment to delivering excellence and building a sustainable future for all. At the core of our endeavours lies our on-going transformation journey - one that we embarked upon a few years ago and have taken long strides towards making this the #DecadeOfBajajElectricals.

We have brought about sustained impact across business, leadership, and people policies enabling us to create additional value for our stakeholders. One of the key initiatives is the transformation of our brand BAJAJ through the 'BUILT FOR LIFE' Campaign. This large-scale campaign is backed by consumer insights, innovation, and robust R&D capabilities to offer a strong product portfolio to enhance the consumer proposition.

'BUILT FOR LIFE' is inspired by the Indian consumers' spirit to endure, not give up, persevere, and keep performing. Modern Indian consumers' time-constrained lifestyle must be ably supported by home appliances like ours that perform seamlessly without glitches or inefficiencies. This initiative is underpinned by extensive research conducted across multiple product categories, wherein we diligently identified and analysed numerous

consumer pain points. The new positioning of BUILT FOR LIFE, thus, is a promise of durability and the resultant portfolio of home appliances is high endurance, aesthetically pleasing and low maintenance. Our unwavering dedication will drive us towards creating products and solutions that exceed consumer expectations, while simultaneously addressing the evolving needs and preferences of our valued customers.

Our brand has always stood for trust – our consumers' trust in our products and services for 85 years. As we take this legacy forward, we are at the right juncture to take the BAJAJ brand to the next level.



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About the Report

We are delighted to share our Annual Report, which incorporates optional details to the fullest extent feasible, following the reporting guidelines established by the International Integrated Reporting Council (IIRC). In addition, the GRI (Global Reporting Initiative) Standards and Sustainable Development Goals (SDGs) are mapped to the KPIs used for reporting on the Capitals.

Our main objective with this report is to fulfil the information needs of our stakeholders. We strive to present this information in a manner that is meaningful and applicable to our key stakeholders as well.

The reporting is aligned with the following –

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

Our approach to reporting

Shareholders are now experiencing a significant shift in their approach to evaluating corporations. Instead of solely focusing on financial performance, stakeholders now place equal importance on a company's overall value creation. Bajaj Electricals, as a responsible business, has embraced this transformation and is dedicated to pursuing sustainable value creation through its vision. This report serves as a means to convey essential details about Bajaj Electricals Limited's governance, business model, strategy, opportunity evaluation, material risk, operations, and performance for the period spanning FY 2022-2023.

Reporting year

This comprehensive report mainly focuses on the period spanning from April 1, 2022, to March 31, 2023. Nevertheless, specific segments of this report include relevant data and statistics from previous years as well. The information presented in the Integrated Report pertains to Bajaj Electricals Limited as an independent entity, unless stated otherwise. All financial and non-financial aspects adhere to the applicable laws, regulations, and standards of the Republic of India.



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

<https://www.bajajelectricals.com>

The report discusses 6 capitals

- Financial Capital
- Manufacturing Capital
- Intellectual Capital
- Human Capital
- Natural Capital
- Social & Relationship Capital

Material issues

Bajaj Electricals has conducted a materiality assessment to identify the most significant issues that could have an impact on the company's ability to create long-term value for its stakeholders. These issues were determined by considering internal and external factors, industry trends, the company's business strategy, and the economic environment.

The management of Bajaj Electricals will review these material issues as the company progresses on its sustainability journey. The Materiality section (on

page 40) provides a brief explanation of these issues. By examining these material topics, we can gain insights into the factors that drive the company's growth.

Reporting boundary

This report is for Bajaj Electricals and the scope of this report covers its four manufacturing locations, its Offices across India, project sites, international projects managed from India. It includes the segments of Bajaj Electricals — Consumer Products, Lighting Solutions and Engineering, Procurement & Construction.

Assurance

To ensure the integrity of facts and information, the Management have reviewed the facts and qualitative

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

Queries regarding the report

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

Mr. Ajay Nagle
CS & Compliance Officer
legal@bajajelectricals.com

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



Built on trust and legacy

Page 6



Accelerating organisational transformation

Page 10



A convenient, innovative and customer-centric portfolio

Page 16



Building a robust business model with prudent capital allocations

Page 34

An Impressive Legacy of Evolution

The Bajaj Group has consistently exceeded the expectations of its customers, patrons, employees, communities, and other stakeholders while remaining true to the vision and principles of its founder, Shri Jamnalal Bajaj. With its foundation laid over nine decades ago in 1926, the Group has grown into a dynamic conglomerate that promotes shared prosperity and the greater good.

Today, the Bajaj Group is one of India's most esteemed business houses, operating across diverse industries such as automobiles, financial services, insurance, steel, consumer appliances, fast-moving electrical goods, engineering, procurement and construction, travel and tourism, and material handling.

The Bajaj Group remains committed to its core values of ethical business practices and social development, despite experiencing remarkable growth and success in its various businesses. It has evolved beyond being just a corporate entity and has become a catalyst for social empowerment. In

addition to its business priorities, the Group actively engages in community development, healthcare initiatives, education promotion, and support for art, heritage, and sports. Moreover, the Bajaj Group endeavours to restore and maintain ecological balance, recognising the importance of environmental sustainability.

Industries we serve:

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

Founding members



Jamnalal Bajaj
(1889 – 1942)

More than a hundred years ago, a visionary philanthropist boldly embarked on a groundbreaking endeavour by employing business as a means to benefit society. Shri. Jamnalal Bajaj, the esteemed founder of the Bajaj Group, earned the endearing title of the 'Merchant Prince' from Mahatma Gandhi himself. Renowned for their exceptional quality, his enterprises stood apart due to his firm refusal to adopt unethical cost-cutting measures.



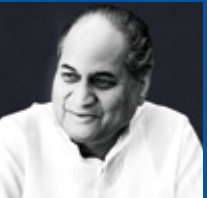
Kamalnayan Bajaj
(1915 – 1972)

Following the demise of Shri. Jamnalal in 1942, Shri. Kamalnayan Bajaj assumed the responsibility of overseeing the businesses. He expanded the Bajaj Group into new territories, aligning with the vision of a modern and diverse India. Through the tumultuous partition and post-independence era, he navigated industrial and legal challenges with great skill.



Ramkrishna Bajaj
(1923 – 1994)

In 1972, Shri. Ramkrishna Bajaj, the younger son of the Bajaj family, assumed leadership of the Bajaj Group, complementing his brother's astute business skills. He distinguished himself as a leader with a unique approach to business, establishing an improved ethical business environment materialised through the establishment of two influential organisations that he co-founded. These organisations, namely the Council for Fair Business Practices and the Advertising Standards Council of India, continue to hold significant relevance even today.



Rahul Bajaj
(1938 – 2022)

Shri. Rahul Bajaj, a Padma Bhushan awardee and former Rajya Sabha member, took over in 1994. Under his guidance, the Bajaj Group flourished across diverse sectors, including automobiles, insurance, investment, and consumer finance. His unwavering determination propelled the Group to become one of India's largest and most respected conglomerates. Furthermore, his strong commitment to societal well-being was evident through effective leadership of the Group's CSR initiatives and the Jamnalal Bajaj Foundation.

Built on Trust and Legacy

Bajaj Electricals is one of the most renowned Consumer Products, Lighting Solutions and EPC Project companies in India. With a rich legacy spanning over eight decades, the Company has earned a reputation as a ‘trusted brand’ that is dedicated to maximising value creation for diverse stakeholders.

The Company has undergone a remarkable transformation journey in recent years. From a rich legacy spanning over 85 years, the company has successfully achieved significant milestones, including a turnaround in performance, debt-free status, and the adoption of a consumer-centric 'house of brands' approach. This transformation has empowered Bajaj Electricals to drive agility, innovation, and focused growth across its diverse business portfolio.

The operations of the group are organised into three distinct segments: the consumer products segment, which offers a wide range of products; the lighting solutions segment, catering to both consumer and professional needs; and the robust Engineering, Procurement, and Construction division, specialising in power transmission and distribution.

With a strong commitment to excellence, customer satisfaction, and technological advancements, BAJAJ, Nirlep and Morphy Richards have emerged as preferred brands in the Indian market. This dedication has played a significant role in the sustained growth and success of the group.













Refer more about our businesses and brands on

 [Page 16](#)

of the report.



Key Highlights

 Financial Capital	₹ 5,429	₹ 216	19.2%
Total Revenue in (crore)	PAT in (crore)	ROCE	
Refer  Page 46 for more details.			
 Manufactured Capital	4	57%	30.69 Lakh sqft
Manufacturing sites	Factory Utilisation	Warehouse Footprint	
Refer  Page 50 for more details.			
 Intellectual Capital	184	18	678
People in R&D team	Patents filed	Launched new SKUs in Consumer Products & Lighting Solutions	
Refer  Page 58 for more details.			
 Human Capital	2,500	83%	8%
Permanent employees	Employee Engagement Score	Gender diversity (excl. factories)	
Refer  Page 72 for more details.			
 Social and Relationship Capital	700+	90+	~ 2L
Dealer network	Supplier network	Retailer network	
Refer  Page 82 for more details.			
 Natural Capital	86,000+	91%	15,507 GJ
Trees planted	Waste recycled	Green Energy generated	
Refer  Page 92 for more details.			

(Chakan 605, Nirlep 687, RU 792)*

A Culture of Responsibility and Innovation

By embracing the SDGs as a guiding framework, we are integrating sustainability into our core business strategy, fostering a culture of responsibility, innovation, and collaboration. Through the embedding of sustainable practices into our operations, active engagement in community development initiatives, and efforts to safeguard the environment, we contribute to the larger vision of creating a more inclusive, peaceful, and prosperous world for present and future generations.



We **ensure safety and wellbeing** at work by adopting the right safety measures along with regular safety training of the employees to eliminate incidents.



We are **recycling water** in our operational processes while striving to reduce the consumption of water.



We are taking initiatives through employee engagement and talent development programmes to ensure **diversity and inclusivity** among our people.



We have adopted renewable energy sources to achieve our net zero target and combat **climate change**.



We have strengthened the infrastructure in schools to promote **quality education** for children.



Efficient capital allocation, excellence in operational activities and employing the right people have contributed to **economic growth**.



We are undertaking initiatives to **uplift local communities** by providing quality healthcare and education and ensuring a holistic development of the society.



We are empowering our women workforce through regular encouragement sessions and maternity support which ensures **equal opportunities** for them.



Our R&D team has reinforced the customer-centricity of our products by continuously **investing in innovation**.



We practice **responsible production** with an integrated system to ensure that our products cause the least harm to the environment.



Our future is equally exciting: as we soon split into 2 companies going forward – Bajaj Electricals Limited and Bajel Projects Limited – we have laid strong foundations for each of them to do well and grow.

Shekhar Bajaj
Chairman

Dear Shareholders,

The year 2022-23 has been a landmark year for your Company in many ways. As we have shared in earlier investor communications, a few years ago we embarked upon our transformation journey with a vision to make 2020-2030 the “Decade of Bajaj Electricals”. As we completed Horizon 1 of that strategic roadmap during the year gone by and have entered Horizon 2, we are beginning to see the clear fruits and milestones in this journey.

- We became net-debt-free in March 2022 and have exited the year gone by with surplus cash. We have maintained our record of consistently generating positive cashflow from operations every quarter, all through the volatile market conditions.
- Our business model is structurally fixed with the right focus on each business in line with our strategic goals and long-term value creation.
- Our EPC (Power Transmission and Power Distribution) business has delivered a full turn-around and been profitable on a full-year basis, demonstrating our commitment to set that business on the right strategic and operating path.

- The scheme of arrangement that we had announced last year for the demerger of our EPC business into a separate listed entity “Bajel Projects Limited” is in the final stages of regulatory approvals and the process will be completed in the coming few months. Operationally the teams are fully geared up for this.
- During the year we relaunched our flagship brand “BAJAJ” with the BUILT FOR LIFE positioning. I believe this will be a clear pivot and marker for the destiny and growth of the BAJAJ brand for several decades to come – to fortify its relationship with consumers and its distinct position in the marketplace.
- The investments and efforts in our research and development are beginning to deliver outcomes in the form of a wide range of new, distinct and innovative products across various categories. This along with our renewed brand thrust, has been and will continue to be the key enabler for growth in our market shares during the year gone by and the years to come.
- Our financial and operational performance continues to improve. In a year that has been challenging all around due to continuing impact of the Russia-Ukraine war and rising interest rates, leading to subdued consumption demand, our performance has been ahead of industry benchmarks and peers.
- ESG (Environmental, Social, and Governance) is an integral part of our business strategy. We prioritize responsible operations and value creation for all stakeholders. Through targeted initiatives, we reduce our environmental impact, promote social well-being, and uphold strong governance practices. Our commitment to ESG ensures sustainable growth, innovation, and positive contributions to the environment, society, and economy.
- We have continued to drive organisational transformation and strengthening, in terms of talent at all levels, systems and processes and workplace culture. As part of our commitment to better corporate governance as well as professionalising the management, during the year our Board decided to split the roles of Chairman and Managing Director. Accordingly, I continue as Executive Chairman of the Company, while our erstwhile Executive Director, Anuj Poddar was elevated to the position of Managing Director and Chief Executive Officer.

It would be worthy to note that all these changes and achievements (not just in the year gone by, but over the last few years), have been realised in a period that has been amongst the most volatile and challenging for all of industry and all countries and economies, based on my experience over

the last several decades. That to me, is the most gratifying aspect of it, as it represents the new Bajaj Electricals Limited – and the grit, resilient and unwavering executorial and strategic focus of our leadership and teams. So, I am tempted to say that while BUILT FOR LIFE is the positioning of our flagship consumer brand BAJAJ, it also reflects the ethos of what your company stands for and will become synonymous with.

Our future is equally exciting: as we soon split into 2 companies going forward – Bajaj Electricals Limited and Bajel Projects Limited – we have laid strong foundations for each of them to do well and grow at a faster pace and add more value in their respective domains.

As always, I remain deeply grateful for the contributions of Anuj Poddar, team Bajaj, business associates, our entire Board of Directors and you, our shareholders, for your trust in us.

Yours sincerely,

Shekhar Bajaj
Chairman

Managing Director and Chief Executive Officer's Message



We have developed a strong product development roadmap – with meaningful innovations and consumer value propositions.

Anuj Poddar
Managing Director and
Chief Executive Officer

Dear Shareholders,

I am pleased to share that despite the various market challenges, our financial performance during the previous year has been strong and clearly ahead of industry.

Our total revenues from operations grew from ₹ 4,813 crores (in 2021-22) to ₹ 5,429 crores. Our Profit Before Tax grew from ₹ 166 crores to ₹ 303 crores. Our PAT grew from ₹ 124 crores to ₹ 216 crores. Further, your Company continued to generate strong cashflow from operations of ₹ 450 crores.

Our Consumer Products segment delivered growth of 13.5% during the previous year. This points to clear market-share growth on the back of several product launches and ongoing portfolio premiumisation. The segmental PBIT grew from ₹ 226 crores in 2021-22 to ₹ 247 crores. Despite the various challenges on costs as well as competitive pricing intensity, we have held on to our margins.

In the previous year, we carved out Lighting Solutions as a separate business segment, given our planned thrust for that business in the coming years. This segment delivered growth of 4.1% in a period where industry de-grew and the segmental PBIT grew from ₹ 59 crores in 2021-22 to ₹ 87 crores. We shall continue to invest in this segment to make it a strong growth driver for us going forward.

Our EPC segment has delivered a strong turnaround with revenue growth of 29.5% in the previous year and a positive PBIT of ₹ 7 crores on a full-year basis. This marks the culmination of our phase of consolidating this business to put it on an operationally robust path with strong project execution and controls. Going forward, based on its strong order book and the benefit of operating as a separate, focused entity,

I am confident it will deliver strong growth and value creation.

Our strong financial performance is the outcome of several ongoing strategic initiatives, a few of which I will talk about.

Brand: Our brands are our most valuable assets as a company in the consumer space. A couple of years ago we embarked upon defining an overall brand architecture framework that would propel your Company into operating as a 'house of multiple brands', each with a distinct identity and positioning. As a part of this we relaunched our flagship brand 'BAJAJ' with the BUILT FOR LIFE positioning. Going forward you will see the multiple-brands-with-distinct-identities strategy play out and pivot us into becoming a highly consumer-centric company.

Products: We have developed a strong product development roadmap – with meaningful innovations and consumer value propositions. During the previous year we launched 165 SKUs in the Consumer Products segment and 513 SKUs in the Lighting Solutions segment. These launches have helped plug gaps in our portfolio, drive greater premiumisation and grow market-shares across categories. This is enabled by strong research and development capabilities, which we shall continue to invest in, to build long term perspective competitive advantage.

Operational excellence: We have clearly identified areas of operational improvement. This

covers various aspects of sourcing, manufacturing, logistics, go-to-market and technology. Each of these is being addressed in a focused manner. During the previous year we embarked upon an ambitious digital transformation exercise that shall culminate over the next 2 years. All of these initiatives will not just provide direct financial benefits but make us a best-in-class company that is far more agile and competitive player.

People and culture: A fundamental aspect of our ongoing transformation has been the revamp of our talent pool and organisational culture. During the year, we have further strengthened our organisation across levels from the induction of our first batch of management trainees right up to the onboarding of senior talent at the leadership level. We were recognised by Great Place To Work @ Institute India for the third time in a row, fostered Diversity and Inclusion through relevant policies and are institutionalising a professionalised and high-performance-driven organisation.

Sustainability: Sustainability is a core value that guides our business decisions. We are committed to reducing our environmental impact through sustainable manufacturing processes, optimising resource efficiency, minimising our carbon footprint, and promoting supply chain efficiency. We firmly believe that by prioritising sustainability, we can provide consumers with eco-friendly products while driving circularity, efficient waste

management, water and energy conservation, and enhancing community livelihood.

On a personal note, I would like to acknowledge and thank all of you, our shareholders as well as our Board and our Chairman for entrusting me with the responsibility as Managing Director and Chief Executive Officer of your Company. Along with our team, I shall continue to work with the same zeal and commitment as we have so far.

I would like to end with a famous maxim: "People overestimate what they can do in a year & underestimate what they can achieve in 10 years."

Our future beckons us.

Warm regards,

Anuj Poddar
Managing Director and
Chief Executive Officer

Performance Highlights

Steady Performance through Disciplined Execution

13.1%

Y-O-Y growth in
revenue

36.3%

Y-O-Y growth in
EBITDA

₹ 20

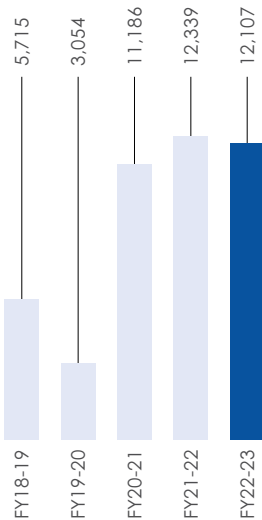
EPS

68.5%

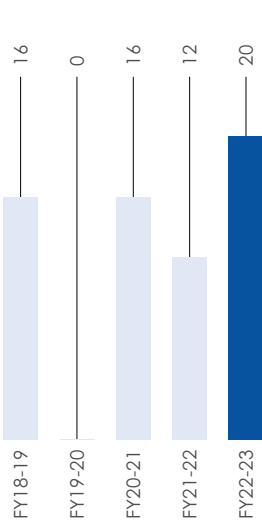
Y-O-Y growth in PAT



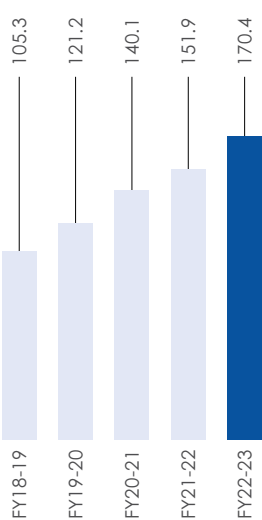
Market Capitalisation
(₹ in crore)



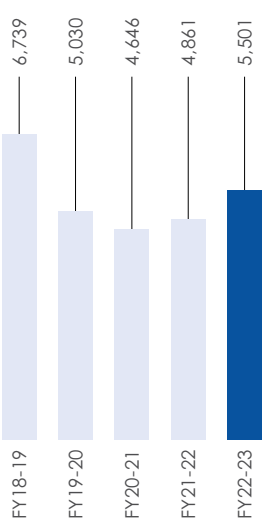
Basic EPS
(₹)



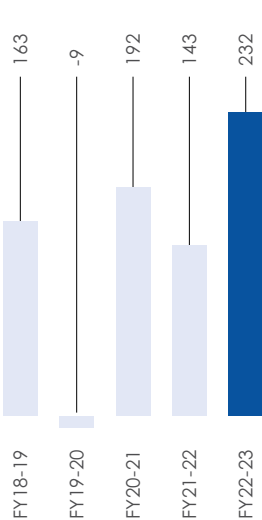
Book Value Per Share
(₹)



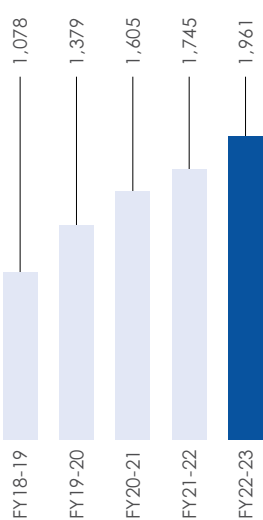
Total Income
(₹ in crore)



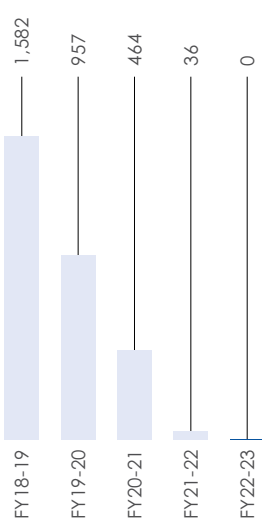
Total Comprehensive
Income
(₹ in crore)



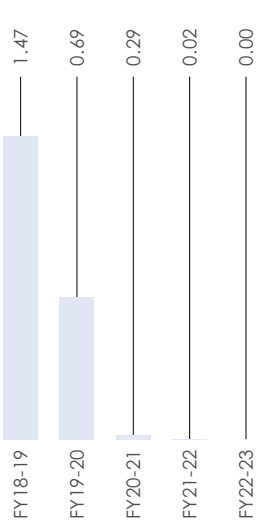
Networth /
Total Equity
(₹ in crore)



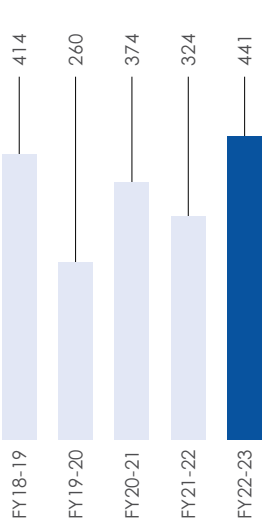
Total Debt
(₹ in crore)



Debt Equity Ratio
(times)



EBITDA
(₹ in crore)



All above numbers are on standalone basis

All above numbers are based on standalone basis

Our Businesses

A Convenient, Innovative and Customer-Centric Portfolio

Consumer products

Bajaj Electricals takes great pride in its consumer-centric approach, attuned to the ever-evolving tastes and preferences of our customers. The Company prioritises research and development to bridge the gap between consumer needs and innovative product solutions. The brands are known for their durability, convenience, and aesthetic appeal, offering products that seamlessly integrate into modern lifestyles. The Company is committed to delivering energy-efficient and intelligent solutions that enhance the overall convenience and quality of life of our valued customers.



BAJAJ offers a diverse range of durable and contemporary appliances to meet the evolving needs of consumers. Through a deep understanding of consumer preferences, meaningful innovation and adherence to stringent quality standards, the brand continues to be trusted by millions of Indian consumers.

BUILT FOR LIFE. This transformative campaign is driven by deep consumer insights, relentless innovation, and strong research and development capabilities. BAJAJ has revamped its product portfolio to align with the indomitable spirit of Indian consumers who embody endurance, perseverance, and a determination to keep performing.



Nirlep, a renowned brand in the world of non-stick cookware, stands out for its deep understanding of diverse cooking practices across India. As a market leader in its category, Nirlep continues to redefine culinary experiences. With a relentless focus on modern lifestyles, the brand has pioneered advanced non-stick coatings and specialised heat-resistant cookware, delivering convenience and superior quality to our discerning customers.



MorphyRichards

As modern Indian consumers aim to create a joyful environment at home, they seek products that align with evolving lifestyles. Morphy Richards understands this shift and offers intuitive and technologically advanced solutions that seamlessly integrate with the consumer's unique preferences. With a rich British heritage, the brand excels in product design and aesthetics, igniting happiness through visually appealing offerings. At the same time, Morphy Richards' commitment to engineering excellence ensures superior functionality, enhancing the overall consumer experience. From stylish kitchen appliances to cutting-edge home essentials, Morphy Richards caters to the diverse needs of individuals, empowering them to curate spaces that reflect their true selves.

