

May 1, 2021

To,

**BSE Limited** : **Code No. 500031**

Department of Corporate Services  
Phiroze Jeejeebhoy Towers  
Dalal Street Mumbai 400 001

**National Stock Exchange of India Limited** : **BAJELEC - Series: EQ**  
Listing Department **BAJ21-Series B NCDs INE193E08020**  
Exchange Plaza, Bandra Kurla Complex, **BAJ22 -Series C NCDs INE193E08012**  
Bandra (East), Mumbai 400 051

Dear Sir/Madam,

**Sub.: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) by Bajaj Electricals Limited (the “Company”)**

Further to our letter dated January 2, 2021 and in accordance with the provisions of Regulation 30, read with Schedule III, of the SEBI Listing Regulations, we wish to inform you as under:

**A. Execution of Control Transfer Agreement:**

- a. With the approval granted by the Board of Directors (“**Board**”) of the Company, at its Meeting held on Friday, April 30, 2021 (“**Meeting**”), the Control Transfer Agreement (“**CTA**”) has been executed by and amongst: (i) the Company, (ii) Shri Ravindra Bharati and Shri Arvind Bharati (collectively, the “**Outgoing Promoters**”), who, along with the Company, were Promoters/Joint Promoters of Starlite Lighting Limited (“**SLL**”), (iii) some other shareholders of SLL (related to the Outgoing Promoters or belonging to their business group), and (iv) SLL, on April 30, 2021 (“**Effective Date**”), *inter-alia*:
- to terminate the Shareholders Agreement dated February 22, 2007 by and between the Outgoing Promoters, Company and SLL; and
  - to record the agreed terms and conditions for the relinquishment and transfer of the joint Control and Management Rights of SLL by the Outgoing Promoters in favour of the Company such that the Company shall have the sole Control and Management Rights of SLL from the start of the business hours on the Effective Date.
- b. In consideration of the said relinquishment and transfer of joint Control and Management Rights of SLL by Outgoing Promoters in favour of the Company, the Company will pay an aggregate control premium of Rs.14.80 crore, plus GST as applicable, to the Outgoing Promoters, subject to the terms and conditions of the said CTA.
- c. Further, SLL has now become a subsidiary of the Company w.e.f. the Effective Date.

**B. Execution of Share Subscription Agreement:**

With the approval granted by the Board of the Company at its Meeting, the Share Subscription Agreement (“**SSA**”) has been executed on April 30, 2021 (after the execution of CTA) by and



amongst: (i) the Company, (ii) SLL, (iii) Shri Ravindra Bharati, and (iv) Shri Arvind Bharati, for subscribing to the 4,50,00,000 Equity Shares of SLL ("**Subscription Shares**") by the Company and/or by its identified purchaser(s) at a price of Rs.10/- per Equity Share, which are to be issued on a private placement/preferential allotment basis, subject to the approval of the board of directors and shareholders of SLL.

**C. Initiation of a study to explore the possibility of a merger of SLL into the Company:**

The Board of the Company, at its Meeting, has decided to commence an evaluation of a potential merger of SLL into the Company with a view to combine the strengths and synergies of both businesses so as to benefit all stakeholders and accordingly authorised some of the Directors and Officials of the Company ("**BEL Management**") to commence the evaluation/exploratory process.

No decision to merge has been taken and the Board will decide on a merger based on the recommendations of the BEL Management and the Audit Committee.

Details as required under Regulation 30 of the SEBI Listing Regulations, read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 9, 2015 are provided in the enclosed **Annexure**.

We request you to take the above on record and put up the same on your Notice Board for the information of members and general public. Further, the same be treated as compliance under the applicable provisions of the SEBI Listing Regulations.

Thanking you,

Yours faithfully,  
For Bajaj Electricals Limited

Ajay Nagle  
EVP and Head – Legal & Company Secretary

Encl. As above

**DISCLOSURES PURSUANT TO REGULATION 30 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, READ WITH SEBI CIRCULAR NO.CIR/CFD/CMD/4/2015 DATED SEPTEMBER 9, 2015:**

**A. Details of Agreements Executed**

Sr. No.	Particulars	Control Transfer Agreement (“CTA”)	Share Subscription Agreement (“SSA”)
1.	Name(s) of parties with whom the agreement is entered.	CTA has been executed by and amongst: (i) Bajaj Electricals Limited (the “ <b>Company</b> ”), (ii) Shri Ravindra Bharati and Shri Arvind Bharati (collectively, the “ <b>Outgoing Promoters</b> ”), (iii) some other shareholders of SLL (related to the Outgoing Promoters or belonging to their business group), and (iv) Starlite Lighting Limited (“ <b>SLL</b> ”).	SSA has been executed by and amongst: (i) the Company, (ii) SLL, (iii) Shri Ravindra Bharati, and (iv) Shri Arvind Bharati.
2.	Purpose of entering into the agreement.	<i>Inter-alia</i> (i) to terminate the Shareholders Agreement dated February 22, 2007 (“ <b>SHA</b> ”) by and between the Outgoing Promoters, the Company and SLL; and (ii) to record the relinquishment and transfer of the joint control and management rights of SLL by the Outgoing Promoters in favour of the Company absolutely.	<i>Inter-alia</i> for subscribing to the 4,50,00,000 Equity Shares of SLL (“ <b>Subscription Shares</b> ”) by the Company and/or by its Identified Purchaser(s) at a price of Rs.10/- per Equity Share, which are to be issued on private placement/preferential allotment basis, subject to the approval of the board of directors and shareholders of SLL.
3.	Shareholding, if any, in the entity with whom the agreement is executed.	The Company holds 47% of the equity share capital of SLL and 100% of its preference share capital.	
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance	In terms of the CTA, from the start of the business hours on April 30, 2021 (“ <b>Effective Date</b> ”), <i>inter-alia</i> : <ul style="list-style-type: none"> <li>• The SHA stand terminated in entirety;</li> </ul>	In terms of the SSA <i>inter-alia</i> : <ul style="list-style-type: none"> <li>• Subject to the terms of SSA and the provisions of the Companies Act, 2013 and upon receipt of the Subscription Amount from the Company,</li> </ul>

	of shares, right to restrict any change in capital structure etc.	<ul style="list-style-type: none"> <li>• The Outgoing Promoters have relinquished and transferred their joint Control and Management Rights of SLL to the Company;</li> <li>• The Company shall assume, own and be entitled to the sole Control and Management Rights of SLL absolutely;</li> <li>• Only the Company shall be categorised as 'promoter' of SLL;</li> <li>• Neither the Outgoing Promoters nor the other Bharati Group Shareholder(s) shall have any right or claim in respect of the Control and Management of SLL, which shall be exercised solely by the Company at its discretion; and</li> <li>• The Company shall pay an aggregate control premium of Rs.14.80 crore, plus GST as applicable, to the Outgoing Promoters, subject to the terms and conditions of the said CTA, as consideration to the Outgoing Promoters.</li> </ul>	<p>SLL shall issue and allot to the Company the Subscription Shares; and</p> <ul style="list-style-type: none"> <li>• The Company shall have the right to subscribe the Subscription Shares directly or identify employee(s) of the Company at its sole discretion, to subscribe to the Subscription Shares, fully or partly with the Company.</li> </ul>
5.	Whether, the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship.	<p>Shri Shekhar Bajaj, the Chairman and Managing Director and one of the Promoters of the Company, is holding directorship in SLL.</p> <p>Further, Jamnalal Sons Private Limited ("<b>JSPL</b>"), a promoter group entity of the Company, which is not a party to CTA/SSA, holds 13% of the equity share capital of SLL.</p>	
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	SLL was a joint venture of the Company by virtue of the said SHA and hence the transaction(s) under the said CTA/SSA would fall within the ambit of related party transaction and the same is done at "arm's length".	

7.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	Not applicable.	Subscribing to the preferential issue of Subscription Shares (i.e. 4,50,00,000 Equity Shares of SLL) by the Company and/or by its Identified Purchaser(s) at a price of Rs.10/- per Equity Share (i.e. at Face Value of Equity Shares of SLL), subject to the approval of the board of directors and shareholders of SLL.
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	In terms of the CTA, from the start of the business hours on the Effective Date, <i>inter-alia</i> neither the Outgoing Promoters nor the other Bharati Group Shareholder(s) shall have any right or claim in respect of the Control and Management of SLL, which shall be exercised solely by the Company at its discretion.	Not applicable.
9.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): a) name of parties to the agreement; b) nature of the agreement; c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.	In terms of the CTA, from the start of the business hours on the Effective Date, <i>inter-alia</i> the SHA shall stand terminated. Hence, required details in this regard are as under: a) <u>Parties to SHA</u> : Outgoing Promoters, the Company and SLL; b) <u>Nature of agreement</u> : Shareholders Agreement; c) <u>Date of execution of SHA</u> : February 22, 2007; and d) <u>Reasons of termination of SHA and impact thereof</u> : Transfer of joint Control and Management Rights of SLL by Outgoing Promoters to the Company absolutely.	Not applicable.

**B. Acquisition (including agreement to acquire)**

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Starlite Lighting Limited (“SLL”).  Turnover details of SLL are given at Sr. No. 10 in this table.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”.	SLL was a joint venture of the Company by virtue of the said SHA and hence the transaction(s) by virtue of CTA/SSA would fall within the ambit of related party transaction and the same is done at “arm’s length”.  Currently, the Company holds 47% of the equity share capital of SLL and 100% of its preference share capital. Further, Shri Shekhar Bajaj, the Chairman and Managing Director and one of the Promoters of the Company, is holding directorship in SLL. Also, JSPL, a promoter group entity of the Company, which is not a party to CTA/SSA, holds 13% of the equity share capital of SLL.
3.	Industry to which the entity being acquired belongs.	Lighting, and Consumer Electrical Appliances.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity).	<u>Objects and effects of CTA:</u> <i>Inter-alia</i> (i) termination the SHA by and between the Outgoing Promoters, the Company and SLL; and (ii) Relinquishment and transfer of the joint control and management rights of SLL by the Outgoing Promoters in favour of the Company absolutely.  <u>Objects and effects of SSA:</u> To achieve substantial acquisition of equity shares and voting capital in SLL and further consolidation of control.
5.	Brief details of any governmental or regulatory approvals required for the acquisition.	None.
6.	Indicative time period for completion of the acquisition.	<u>Transfer of the joint control and management rights of SLL by the Outgoing Promoters in favour of the Company absolutely under CTA:</u> From the start of the business hours on the Effective Date.

		Subscribing to the Subscription Shares under SSA: Within 30 days from the date of execution of SSA.										
7.	Nature of consideration - whether cash consideration or share swap and details of the same.	Cash Consideration.										
8.	Cost of acquisition or the price at which the shares are acquired.	<u>To acquire the Control and Management Rights of SLL</u> : Rs.14.80 crore, plus GST as applicable. <u>To subscribe to the Subscription Shares of SLL</u> : Rs.45 crore										
9.	Percentage of shareholding / control acquired and / or number of shares acquired.	<ul style="list-style-type: none"> <li>Under CTA, Control and Management Rights of SLL transferred by the Outgoing Promoters in favour of the Company absolutely;</li> <li>Under SSA, after subscription to the Subscription Shares of SLL by the Company, the equity shareholding of the Company in SLL will be 88.48%, whereas, Bajaj Group holding in SLL (i.e. aggregate holdings of the Company and JSPL in SLL) will be 91.30%.</li> </ul>										
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	<p>Incorporated on July 4, 1995, SLL is engaged in the business of manufacture of different consumer electrical products including: (i) lighting products including compact fluorescent lamps (CFLs) and light emitting diode (LED) of various shapes, sizes, lumens etc.; and (ii) consumer electrical appliances like water heaters (storage and instant), mixers, food processors, juicers, hand blenders, room heaters (oil filled radiators), fans etc. SLL has presence in India.</p> <p>Details of the approximate Turnover for the last three years:</p> <p style="text-align: right;">(Rs. in crore)</p> <table border="1"> <thead> <tr> <th>FY</th> <th>2020-21 (Upto nine months period ended December 31, 2020)</th> <th>2019-20</th> <th>2018-19</th> <th>2017-18</th> </tr> </thead> <tbody> <tr> <td>Amount</td> <td>130.21</td> <td>172.90</td> <td>138.85</td> <td>192.63</td> </tr> </tbody> </table>	FY	2020-21 (Upto nine months period ended December 31, 2020)	2019-20	2018-19	2017-18	Amount	130.21	172.90	138.85	192.63
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