

May 25, 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” / “Transferee Company”)

Pursuant to Regulation 30, read with Schedule III, of the SEBI Listing Regulations, we wish to inform you that the Board of Directors of the Company, at its meeting held today i.e. on May 25, 2021, has considered and approved the Scheme of Merger by Absorption of Starlite Lighting Limited (“**Transferor Company**”) with the Transferee Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”).

The Scheme is subject to the necessary statutory and regulatory approvals including the approvals of Hon’ble National Company Law Tribunal, the shareholders and creditors of each of the companies.

The details/disclosures required under Regulation 30 of the SEBI Listing Regulations, read with Schedule III thereto and the SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 9, 2015 (“**SEBI Circular**”), 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 and SEBI Circular.

Thanking You,

Yours faithfully,
For Bajaj Electricals Limited

Ajay Nagle
EVP and Head – Legal & Company Secretary

Encl.: As above.

Annexure

Required disclosures/details in respect of Merger by Absorption of Starlite Lighting Limited (“Transferor Company”) with Bajaj Electricals Limited (“Transferee Company”) and their respective shareholders pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated September 9, 2015:

Sr. No.	Particulars												
1.	NAME OF ENTITY(IES) FORMING A PART OF THE MERGER, INCLUDING BRIEF DETAILS RELATING TO SIZE, TURNOVER ETC.												
1.1.	<p><u>Details of Transferee Company:</u></p> <p>“Bajaj Electricals Limited” or “BEL” or “Transferee Company” is a public limited company incorporated under the Indian Companies Act, 1913, and deemed to exist within the purview of the Companies Act, 2013, and having corporate identity number L31500MH1938PLC009887 and having its registered office at 45/47, Veer Nariman Road, Mumbai - 400 001, Maharashtra. The equity shares of the Transferee Company are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”), whereas, the non-convertible debentures of the Transferee Company are listed on NSE.</p>												
1.2.	<p><u>Details of Transferor Company:</u></p> <p>“Starlite Lighting Limited” or “SLL” or “Transferor Company” is a public limited company incorporated under the Companies Act, 1956, and deemed to exist within the purview of the Companies Act, 2013, and having corporate identity number U31300MH1995PLC090213 and having its registered office at Gat Nos. 423-426, Mumbai-Agra Highway, Post Wadiwarha-422403, Taluka- Igatpuri, District - Nashik, Maharashtra. The Transferor Company is a subsidiary of Bajaj Electricals Limited and is not listed on any stock exchange in India or abroad.</p>												
1.3.	<p><u>Details of net worth and revenue of the Transferee Company and the Transferor Company:</u></p> <p style="text-align: right;">(Amount: Rs. in crore)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name of the Companies</th> <th style="text-align: center;">Net Worth</th> <th style="text-align: center;">Total Revenue</th> </tr> <tr> <td></td> <th style="text-align: center;">As on March 31, 2021</th> <th style="text-align: center;">For the financial year 2020-21</th> </tr> </thead> <tbody> <tr> <td>Bajaj Electricals Limited (i.e. the Transferee Company)</td> <td style="text-align: right;">1,594.90</td> <td style="text-align: right;">4,573.06</td> </tr> <tr> <td>Starlite Lighting Limited (i.e. the Transferor Company)</td> <td style="text-align: right;">(313.31)</td> <td style="text-align: right;">181.00</td> </tr> </tbody> </table>	Name of the Companies	Net Worth	Total Revenue		As on March 31, 2021	For the financial year 2020-21	Bajaj Electricals Limited (i.e. the Transferee Company)	1,594.90	4,573.06	Starlite Lighting Limited (i.e. the Transferor Company)	(313.31)	181.00
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Starlite Lighting Limited (i.e. the Transferor Company)	(313.31)	181.00											
2.	WHETHER THE TRANSACTION WOULD FALL WITHIN RELATED PARTY TRANSACTIONS? IF YES, WHETHER THE SAME IS DONE AT “ARMS LENGTH”?												
	The Scheme of Merger by Absorption of the Transferor Company with the Transferee Company and their respective shareholders under Sections												

	230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme” / “Merger”) does not fall within the purview of related party transactions in view of General Circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs and since the same is subject to the sanction of the Hon’ble National Company Law Tribunal. Further, the Scheme is approved by the Audit Committee of the Transferee Company pursuant to Regulation 23(2) of the SEBI Listing Regulations and is being carried out at arm’s length basis as per the valuation report given by Messrs R V Shah & Associates, Independent Chartered Accountant, determining the share exchange ratio.
3.	AREA OF BUSINESS OF THE ENTITY(IES)
3.1.	BEL is engaged in the business of diversified range of products and services including sales, distribution and marketing of electrical appliances, manufacture of fans and high masts, poles and towers and products relating to industrial, commercial, and domestic lighting, undertaking turnkey, commercial and rural lighting projects, design, manufacture, erection and commissioning of high masts, poles and towers.
3.2.	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”) (“ Lighting Products Division ”); and (ii) consumer electrical appliances like water heaters, mixers, food processors, juicers, hand blenders, room heaters (oil filled radiators), fans etc. (“ Appliances Division ”) (Lighting Products Division and Appliances Division shall be collectively referred to as “ Business ”).
4.	RATIONALE FOR AMALGAMATION/ MERGER
	<p>The Scheme would <i>inter alia</i> have the following benefits:</p> <p>(a) SLL is a manufacturer of different consumer electrical products such as lighting products including compact fluorescent lamps (CFLs) and light emitting diode (LED); also manufacturer of consumer electrical appliances like water heaters, mixers including new models, food processors, juicers, hand blenders, room heaters (oil filled radiators), fans etc.</p> <p>(b) SLL has manufacturing plant located at Wadivarhe, Igatpuri, Nashik, which is a major emerging industrial city in the State of Maharashtra, with good geographical location and has a great connectivity of roads. The plant is located at prime location which is easily accessible.</p> <p>(c) BEL is part of the globally renowned Bajaj Group of Companies, one of the largest Indian conglomerates with business interests across several sectors. BEL business is spread across – consumer products (appliances, fans, lighting etc.), and EPC (illumination, transmission towers and power distribution), in India and outside India.</p> <p>(d) SLL and BEL are engaged in the similar line of business i.e. manufacturing and distribution of consumer products, lighting and allied products which complement to each other.</p>

	<p>(e) SLL is presently an Original Equipment Manufacturer (“OEM”) vendor for BEL and BEL is the largest customer of products manufactured by SLL. Merger is in line with BEL’s strategic decision to increase in-house manufacturing and reduce dependency on OEM vendors.</p> <p>(f) Since the year 2007, BEL has made strategic investments, firstly in the equity share capital of SLL and later in the preference share capital of SLL from time to time. Further, BEL has also provided several long-term and short-term loans, as well as trade advances to SLL over the years. Also, BEL has given corporate guarantees to lenders for loans availed by SLL from its lenders. Accordingly, the Merger of SLL with BEL will enable consolidation of business of SLL into BEL for strategic and commercial considerations.</p> <p>(g) SLL has a good production line, which manufactures good quality products and has a skilled, competent and experienced labour force which are required for manufacturing such products. BEL will reap long-term benefits by absorbing such production line and skilled labour force including safeguarding the intellectual property and designs of certain products which are proposed to be launched in markets with its unique fit, finish and features, which can distinguish its products from competitors.</p> <p>(h) Merger of SLL with BEL will lead to a more efficient utilization of capital, greater business synergies, superior deployment of brand promotion, sales and distribution strategies and create a consolidated and diversified base for future growth.</p> <p>(i) The Merger will result in administrative and operational rationalization and promote organizational efficiencies with the achievement of greater economies of scale, reduction in overheads and improvement in various other operating parameters.</p>
5.	<p>IN CASE OF CASH CONSIDERATION – AMOUNT OR OTHERWISE SHARE EXCHANGE RATIO</p>
	<p>Upon the Scheme becoming effective, in consideration of the Merger, and based on the valuation report issued by Messrs R V Shah & Associates, Chartered Accountants, registered valuer, which is confirmed by the fairness opinion issued by Messrs Navigant Corporate Advisors Limited, SEBI Registered Merchant Banker, the equity shares of the Transferee Company will be issued and allotted to the shareholders of the Transferor Company (except to the Transferee Company itself) in the following Share Exchange Ratio:</p> <p style="text-align: center;"><i>“The Transferee Company shall without any further act or deed, issue and allot 1 (one) equity share of face value of Rs. 2 (Rupees Two Only) each of the Transferee Company to each of the Eligible Members.”</i></p> <p>The equity shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company, except to the Transferee Company itself, pursuant to the Scheme shall hereinafter be referred to as the “New Equity Shares”.</p> <p>The New Equity Shares to be issued and allotted pursuant to the Scheme shall rank <i>pari passu</i> with the existing equity shares of the Transferee Company in all respects including dividends, if any, that may be declared by the Transferee Company on or after the Scheme becoming effective, as</p>

the case may be, and shall be listed on the Stock Exchanges.

6. BRIEF DETAILS OF CHANGE IN SHAREHOLDING PATTERN (IF ANY) OF LISTED ENTITY

Details of shareholding of BEL:

Category	Pre-Scheme		Post-Scheme	
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares
Promoter and Promoter Group	7,23,42,278	63.16	7,23,42,279	63.16
Public Shareholders	4,21,94,341	36.84	4,21,94,359	36.84
Total	11,45,36,619	100.00	11,45,36,638	100.00