



February 8, 2022

To,  
**BSE Limited** : **Scrip Code - 500031**  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street Mumbai 400 001.

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

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

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Dear Sir / Madam,

In furtherance to our intimation dated December 9, 2021, and in terms of Regulation 30 of the SEBI Listing Regulations, we wish to inform you that the Board of Directors ("**Board**") of the Company at its meeting held today, i.e. on Tuesday, February 8, 2022, has, *inter-alia*, subject to the approval of the shareholders of the Company, considered and approved the Scheme of Arrangement between Bajaj Electricals Limited (the "**Demerged Company**" or "**Company**") and Bajel Projects Limited (the "**Resulting Company**") and their respective shareholders under Sections 230-232 of the Companies Act, 2013 ("**Scheme**") involving the following:

- (a) Transfer by way of demerger of the Demerged Undertaking (*as defined in the Scheme*) consisting of Power Transmission and Power Distribution Business (*as defined in the Scheme*) of the Demerged Company into the Resulting Company and consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company; and
- (b) Various other matters consequential or otherwise integrally connected therewith.

The equity shares of the Resulting Company shall be listed on BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"), post the effectiveness of the Scheme. The shareholders of the Company will be issued equity shares in the Resulting Company in the same proportion as their holding in the Company.

The Scheme is subject to necessary statutory and regulatory approvals including the approval of Hon'ble National Company Law Tribunal, Mumbai Bench.

The additional information required to be disclosed under Regulation 30 of SEBI Listing Regulations, read with Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed as **Annexure-A**. Further, the Company will file the Scheme with the Stock Exchanges according to the provisions of Regulation 37 of the SEBI Listing Regulations.



We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI Listing Regulations.

Thanking you,

Yours faithfully,  
For Bajaj Electricals Limited

Ajay Nagle  
Head of Department – Legal (and Company Secretary)

Encl.: As above.

**Required disclosures/details in respect of Scheme of Arrangement between Bajaj Electricals Limited (the “Demerged Company” or “Company”) and Bajaj Projects Limited (the “Resulting Company”) and their respective shareholders under Sections 230-232 of the Companies Act, 2013 (“Scheme”), 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	Remarks						
1.	Brief details of the division(s) to be demerged	<p>The Demerged Undertaking (<i>as defined in the Scheme</i>) consisting of Power Transmission and Power Distribution Business (<i>as defined in the Scheme</i>) of the Demerged Company will be demerged and vested into the Resulting Company, as a going concern, with all properties, pre-qualifications, rights and powers and all debts, liabilities, duties and obligations and such other ventures (and shall include ancillary and support services in relation to the same), from the Appointed Date of opening of business hours on April 1, 2022.</p> <p>All the other businesses of the Demerged Company, including the Consumer Product business and Illumination Projects business, will remain with the Demerged Company.</p>						
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/ based on financials of the last financial year.	<table border="1" data-bbox="716 1205 1432 1421"> <thead> <tr> <th data-bbox="716 1205 1036 1350">Name</th> <th data-bbox="1036 1205 1224 1350">Turnover as on March 31, 2021 (INR Crores)</th> <th data-bbox="1224 1205 1432 1350">% to the total turnover as on March 31, 2021</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 1350 1036 1421">Demerged Undertaking</td> <td data-bbox="1036 1350 1224 1421">730</td> <td data-bbox="1224 1350 1432 1421">15.97</td> </tr> </tbody> </table>	Name	Turnover as on March 31, 2021 (INR Crores)	% to the total turnover as on March 31, 2021	Demerged Undertaking	730	15.97
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Demerged Undertaking	730	15.97						
3.	Rationale for demerger	<p>(a) The Demerged Company has 2 (two) distinct business segments viz. (i) Consumer Product segment (‘CP’) (which includes appliances, fan and consumer lighting products) and (ii) Engineering Procurement and Construction segment (‘EPC’). The EPC segment primarily focuses on Illumination Business and Power Transmission and Power Distribution Business.</p> <p>(b) Illumination Business which is a part of EPC segment is more synergistic to CP segment and its risk and rewards are also aligned to that of CP segment.</p>						

		<p>(c) The nature of risk, competition, challenges, opportunities and business methods for the Power Transmission and Power Distribution Business is separate and distinct from the Remaining Business carried out by the Demerged Company. Further, the way the Power Transmission and Power Distribution Business is required to be handled and managed is not similar to that of the Remaining Business.</p> <p>(d) Each of the varied businesses carried out by the Demerged Company have significant potential for growth and profitability and can attract different set of investors, strategic partners, lenders, etc. Therefore, as these businesses approach their next phase of growth, it would be strategically apt to segregate the Power Transmission and Power Distribution Business from the Remaining Business.</p> <p>(e) The segregation shall enable them to move forward independently, with greater focus and specialization, building on their respective capabilities and their strong brand presence. It will also help to channelize resources required for all the businesses to focus on the growing businesses and attracting right talent and providing enhanced growth opportunities to existing talent in line with a sharper strategic focus on each business segment under separate entities.</p> <p>(f) The Scheme will also enable the Demerged Company and the Resulting Company to focus and enhance its respective businesses by streamlining operations and its management structure ensuring better and more efficient management control.</p> <p>(g) Bifurcation of these businesses will enable unlocking value of each vertical thereby paving way for focused growth with a view to create significant stakeholder value and at the same time allow investors to allocate their portfolio into separate entities, focused on the distinct entities. Further, it will enable independent and distinct capital allocation approach and balance sheet management based on the distinct needs of each business.</p> <p>(h) Thus, the demerger would help in achieving the desired operating structure and shall inter-alia have following</p>
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		<p>benefits:</p> <ul style="list-style-type: none"> <li>(i) Create sector focused companies;</li> <li>(ii) Streamline the management structure;</li> <li>(iii) Unlock value for shareholders;</li> <li>(iv) Ring-fence businesses from each other; and</li> <li>(v) Better risk management.</li> </ul>
4.	Brief details of change in shareholding pattern (if any) of all entities	<ul style="list-style-type: none"> <li>• There will be no change in the shareholding pattern of the Demerged Company.</li> <li>• The shareholding pattern of the Resulting Company will replica/mirror that of the Demerged Company.</li> </ul>
5.	In case of cash consideration – amount or otherwise share exchange ratio	<p>No cash consideration is payable under the Scheme. The consideration for demerger shall be discharged by issue of equity shares by the Resulting Company as follow:</p> <p><i>“1 equity share of the face value of INR 2 each fully paid-up of the Resulting Company shall be issued and allotted for every 1 equity share of face value INR 2 each fully paid up held by equity shareholders of the Demerged Company.”</i></p>
6.	Whether listing would be sought for the resulting entity?	<p>Yes, the Scheme proposes that, subject to the compliance of applicable provisions of the Securities Contract (Regulations) Rules, 1957, the circular issued by Securities and Exchange Board of India and the Stock Exchanges, and also subject to the SEBI Listing Regulations, the shares of the Resulting Company would be listed on the BSE Limited and the National Stock Exchange of India Limited.</p>