

September 29, 2022

To,  
**BSE Limited** : **Code No. 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

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 September 29, 2022, has considered and approved the Scheme of Merger by Absorption of Nirlep Appliances Private 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 approval of Hon’ble National Company Law Tribunal.

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  
Company Secretary and Head of Department

Encl.: As above.



**Annexure**

Required disclosures/details in respect of Merger by Absorption of Nirlep Appliances Private 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											
<b>1.</b>	<b>NAME OF ENTITY(IES) FORMING A PART OF THE MERGER, INCLUDING BRIEF DETAILS RELATING TO SIZE, TURNOVER ETC.</b>											
1.1.	<p><b>Details of Transferee Company:</b></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”).</p>											
1.2.	<p><b>Details of Transferor Company:</b></p> <p>“Nirlep Appliances Private Limited” or “NAPL” or “Transferor Company” is a private 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 U27200MH1979PTC021470 and having its registered office at Gut No. 16, Naigavahan, Khandewadi, Taluk Paithan, Paithan Road, Naigavahan, Aurangabad – 431105, Maharashtra. The Transferor Company is a wholly owned subsidiary of Bajaj Electricals Limited and is not listed on any stock exchange in India or abroad.</p>											
1.3.	<p><b>Details of net worth and revenue of the Transferee Company and the Transferor Company:</b></p> <p style="text-align: right;">(Amount: Rs. in crore)</p> <table border="1"> <thead> <tr> <th rowspan="2">Name of the Companies</th> <th>Net Worth</th> <th>Total Revenue</th> </tr> <tr> <th>As on March 31, 2022</th> <th>For the financial year 2021-22</th> </tr> </thead> <tbody> <tr> <td>Bajaj Electricals Limited (i.e. the Transferee Company)</td> <td style="text-align: right;">1,773.89</td> <td style="text-align: right;">4,770.35</td> </tr> <tr> <td>Nirlep Appliances Private Limited (i.e. the Transferor Company)</td> <td style="text-align: right;">(34.33)</td> <td style="text-align: right;">69.30</td> </tr> </tbody> </table>	Name of the Companies	Net Worth	Total Revenue	As on March 31, 2022	For the financial year 2021-22	Bajaj Electricals Limited (i.e. the Transferee Company)	1,773.89	4,770.35	Nirlep Appliances Private Limited (i.e. the Transferor Company)	(34.33)	69.30
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<b>2.</b>	<b>WHETHER THE TRANSACTION WOULD FALL WITHIN RELATED PARTY TRANSACTIONS? IF YES, WHETHER THE SAME IS DONE AT “ARMS LENGTH”?</b>
	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.
<b>3.</b>	<b>AREA OF BUSINESS OF THE ENTITY(IES)</b>
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.	NAPL is engaged in the business of manufacturing aluminium non-stick cookware, hard anodized cookware, pressure cookers in aluminium, hard anodized and SS, tri-ply cookware.
<b>4.</b>	<b>RATIONALE FOR AMALGAMATION/ MERGER</b>
	<p>The Transferor Company, is an unlisted company and the Transferee Company, listed on BSE Limited and National Stock Exchange of India Limited, both are a part of the same group. Further, the Transferor Company is a wholly owned subsidiary of the Transferee Company. The proposed Scheme would be in the best interest of the Transferor and Transferee Company and their respective shareholders, employees, creditors and other stakeholders which would help in achieving operational efficiency and streamlining the business operations. Further, this Scheme is expected, inter alia, to result in the following benefits:</p> <p>(a) The Transferor Company is engaged in the business of manufacturing aluminium non-stick cookware, hard anodized cookware, pressure cookers in aluminium, hard anodized and SS, tri-ply cookware and is having its factory situated in Paithan, Aurangabad in the State of Maharashtra. The location is very rich and has significant geographical presence in terms of availability of resources required for manufacturing and it is connected by all sources of modern transportation.</p> <p>(b) Transferee Company is part of the globally renowned Bajaj Group of Companies, one of the largest Indian conglomerates with business interests across several sectors. Transferee Company business is spread across – consumer products (appliances, fans, lighting etc.), and EPC (illumination, transmission towers and power distribution), in India and outside India. Transferee Company has a strong presence in premium home appliance and cookware segments. Transferee Company had added the cookware line business in its portfolio by directly acquiring Transferor Company’s 79.85% in August 2018 and balance 20.15% equity shares in financial year 2021-22.</p>

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- (c) Transferee Company has provided several long-term and short-term loans, as well as trade advances to Transferor Company over the years for meeting its working capital and CAPEX requirements. Transferor Company is primarily involved in the manufacturing of pressure cookers and non-stick cookware products, which are majorly sold to the Transferee Company. Thereafter, the Transferee Company sells these products in the open market under the brand name of Nirlep and Bajaj and pays royalty fees to the Transferor Company for using the brand name of Nirlep. The Merger will result in elimination of the vertical chain and the combined entity thereafter will reap benefits in terms of elimination of inter-company balance and expenses and easier access of funds for the business of the Transferor Company.
- (d) Transferor Company has freehold land of ~4 acres which is situated at Aurangabad in the State of Maharashtra. Upon completion of merger, the land, machinery, infrastructure and all other resources available with Transferor Company can be utilized in cost effective and efficient manner to carry out Transferee Company's business expansion. This will maximize the production capacity, boost the capacity utilization, help Transferee Company in meeting increased demands and there will be significant growth in achieving the economies of scale.
- (e) Further, Transferor Company has good production line, which manufactures good quality of products and has a skilled, competent and experienced labour force which are required for manufacturing such products. Transferee Company 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.
- (f) Consolidation of Transferor and Transferee Company will help in achieving a linear and simplified corporate organization structure, rationalize the number of entities and result in a single entity with combined businesses. It will also provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, it will also enable optimal utilization of existing resources which are in excess of the current business requirements of the Transferor Company and provide increase in financial stability and an opportunity to fully leverage assets, capacities, experience and infrastructure of Transferor and Transferee Company.
- (g) The merger will result in quicker decision making by reduction in managerial overlaps involved in operating multiple entities, enable cost savings and effective utilization of valuable resources which will enhance the management focus thereby leading to increase in operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses.
- (h) Synchronization of efforts to achieve uniform corporate policy, greater integration and greater financial strength and flexibility for the Transferee Company.
- (i) Upon completion of the Merger, Transferor Company will be dissolved. Consequently, there would be lesser regulatory and legal compliance

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	obligations including accounting, reporting requirements, tax filings, company law compliances etc. and therefore reduction in administrative costs.																								
<b>5.</b>	<b>IN CASE OF CASH CONSIDERATION – AMOUNT OR OTHERWISE SHARE EXCHANGE RATIO</b>																								
	Upon the Scheme becoming effective, the Transferor Company shall stand dissolved on account of merging into the Transferee Company and no shares will be issued to the shareholders of the Transferor Company as the said Transferor Company is a wholly-owned subsidiary of the Transferee Company. Since pursuant to the Scheme, there will be no issuance of shares from the Transferee Company to Transferor Company, there was no valuation exercise required to be undertaken by the Transferee Company or the Transferor Company to determine the share exchange ratio.																								
<b>6.</b>	<b>BRIEF DETAILS OF CHANGE IN SHAREHOLDING PATTERN (IF ANY) OF LISTED ENTITY</b>																								
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