

April 7, 2022

To,
BSE Limited
 Listing Department
 Department of Corporate Services
 P. J. Towers, Dalal Street,
 Mumbai – 400 001.

Kind Attn.: Ms. Mahek Jaju

Dear Madam,

Re.: Requirement letter w.r.t application seeking NOC under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

This is in reference to your email dated March 31, 2022 ("**Requirement Email**"), requesting Bajaj Electricals Limited ("**Demerged Company**"/"**Company**") to provide documents/details in connection to the application filed by the Company under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in relation to the draft Scheme of Arrangement between the Company and Bajel Projects Limited ("**Resulting Company**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Scheme**").

In connection to the queries raised/details sought in the said Requirement Letter, the Company would like to submit/respond as under:

Sr. No.	Query	Response by the Company
1.	<i>As per Exchange capital listed is Rs.22,97,48,228. Kindly clarify on difference</i>	The paid-up share capital of the Company as on the date of making the Application under 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, comprised of 11,48,13,829 equity shares of Rs.2/- each fully paid-up which amounted to Rs.22,96,27,658/-. The Stakeholders' Relationship Committee, at its Meeting held on March 17, 2022, approved the allotment of 60,285 equity shares of Rs.2 each, fully paid-up, in favour of 42 employees who had been granted stock options under the Company's ESOP Schemes. Post this allotment, the issued, subscribed and paid-up capital of the Company comprised of 11,48,74,114 equity shares of Rs.2/- each fully paid-up amounting to Rs.22,97,48,228/-
2.	<i>Kindly state rationale for reorganization of reserves of the demerged company</i>	As the general reserve of the Demerged Company is also a free distributable reserve and is treated at par with the retained earnings, the Demerged Company proposes to transfer the same to the retained earnings, which will improve Demerged Company's ability to

		maximise shareholder's wealth as the same shall be available for distribution to shareholders from time to time at the sole discretion of the Demerged Company. Since the transfer from general reserve to retained earnings, requires approval from the shareholders and since the Scheme is to be approved by the shareholders, the Demerged Company proposes to transfer the same via this Scheme of Arrangement itself.
3.	<i>Declaration / details on any past defaults of listed debt obligations of the entities forming part of the Scheme. Submit as per format</i>	The requisite document after incorporating changes suggested by BSE is attached as an Annexure 1.
4.	<i>Audited financials of the transferee / resulting and transferor / demerged companies for the last 3 financial years (financials not being more than 6 months old) as per Annexure IV.</i> <i>Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (where it is due) accompanied mandatorily by the Limited Review Report of the auditor:</i> <i>Submit Ann IV for Resulting Company and confirm if consolidated financials are submitted of BEL</i>	The requisite document after incorporating changes suggested by BSE is attached as an Annexure 2.
5.	<i>Detailed Compliance Report as per the format specified in Annexure IV of SEBI circular dated March 10, 2017 duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards (format attached as Annexure VI): Since e-voting is not applicable accordingly modify Para I A (9) in status of compliance column</i>	The requisite document after incorporating changes suggested by BSE is attached as an Annexure 3.
6.	<i>If as per the company, approval from the Public shareholders through e-voting, as required under Para (I)(A)(9)(a) of Annexure I of SEBI Circular no.</i>	We discussed with the statutory auditors of the Company (on this point). As informed by them, they have already certified the said undertaking by issuing their certificate thereon.

	CFD/DIL3/CIR/2017/21 dated March 10, 2017, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a)An undertaking certified by the auditor clearly stating the reasons for non applicability of Sub Para 9(a) :Undertaking is not signed by the auditor – We spoke to auditors earlier too.	
7.	Submit calculation of SEBI fees	The SEBI fees is calculated at 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs.5,00,000. As per the terms of the Scheme, post effectiveness of the Scheme, the paid up equity share capital of the Resulting Company would be similar to that of the Demerged Company. Since the exact share capital of the Demerged Company on effective date is not ascertainable at this stage, while calculating the SEBI fees, the Company has taken the (existing) paid up share capital of the Demerged Company as a base for calculating SEBI fees. The paid-up share capital of the Demerged Company (as on the date of making the Application under 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015) was Rs.22,96,27,658/-. Hence, the SEBI fees (at the rate of 0.1% of paid up capital) worked out to approximately Rs.2,29,628/-. Accordingly, the rounded net payment of Rs.2,30,000/- was made on February 22, 2022 from HDFC Bank under a payment reference/UTR No. N053221844213220 towards processing fees payable to the SEBI.

We request you to take the above on record and oblige.

Should you require any further information/clarification on the Scheme, we shall be glad to provide the same.

Based on the above information, we request you could grant your approval to the Scheme at your earliest convenience.



Thanking you,

Yours faithfully,
For Bajaj Electricals Limited

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

Encl.: As above.

Cc: National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub.: Undertaking in connection to an application dated February 23, 2022 (“Application”) made by Bajaj Electricals Limited (“Demerged Company” or “BEL” or “Company”) under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“LODR Regulations”) in respect of the Scheme of Arrangement between the Demerged Company and Bajel Projects Limited (“Resulting Company” or “BPL”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)

We hereby state, confirm and undertake that:

- a) No material event impacting the valuation has occurred during the intervening period of filing the Scheme documents with Stock Exchange and period under consideration for valuation.
- b) There are no details on any past defaults of listed debt obligations of the Company.

For Bajaj Electricals Limited

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Ajay Nagle

Head of Department- Legal (and Company Secretary)

ICSI Membership Number: A9855

Date: April 7, 2022

Place: Mumbai

**BAJAJ**

Bajaj Electricals Limited

*Inspiring Trust***Annexure 2**

Finance Department,
001, Ground Floor, Rustomjee Aspiree,
Bhanu Shankar Yagnik Marg,
Off. Eastern Express Highway, Sion (East),
Mumbai – 400 022
Tel : +91-22-6198 2000
www.bajajelectricals.com

The consolidated financial details of the Demerged Company for the previous 3 years as per the Audited Consolidated Statement of Accounts:

Name of the Company: Bajaj Electricals Limited (Demerged Company)

In INR Crores

Particulars	As per last Quarter Period	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	December 31, 2021 (Limited Review)	2020-21	2019-20	2018-19
Equity Paid up Capital	22.96	22.91	22.75	20.48
Reserves and surplus/ Other Equity	1661.72	1555.19	1325.50	1035.37
Carry forward losses	-	-	-	-
Net Worth	1674.55	1568.26	1340.06	1047.66
Miscellaneous Expenditure (as per P&L)	116.07	95.72	114.13	100.48
Secured Loans	72.16	121.06	177.73	131.57
Unsecured Loans	128.58	349.57	564.63	1453.75
Fixed Assets (includes PPE, CWIP, Intangible assets, right of use assets, Intangible assets under development & Investment Property)	489.65	396.42	453.16	377.29
Income from Operations	3478.48	4584.60	4987.23	6679.41
Total Income	3526.01	4653.81	5033.39	6744.36
Total Expenditure	3402.23	4433.03	5023.38	6500.85
Profit before Tax (after exceptional items)	114.16	246.27	10.01	243.52
Profit after Tax (before OCI)	85.75	188.96	(19.20)	149.25
Cash profit	137.15	264.12	54.47	193.18
Basic EPS	7.48	16.54	(0.99)	14.87
Book value per share	146.04	137.30	129.00	101.43

Notes:

- Net-worth has been determined in accordance with Section 2 (57) of the Companies Act, 2013. As per the section, 'Net worth' means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
The Company believes that there has been no clear guidance available in terms of the above definition, post adoption of Ind AS. Accordingly, the Company has interpreted net worth to include paid up share capital, securities premium, general reserve, reserve created for employee stock options, debenture redemption reserve, capital redemption reserve and balance of retained earnings (including adjustment made on account of transition to Ind AS). Further, in computing the net worth, the Company has excluded balance of Capital reserve and revaluation reserve (which was transferred to retained earnings on Ind AS transition date)
- Cash profit is Profit after Tax plus Depreciation.

For Bajaj Electricals Limited

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EC Prasad
Chief Financial Officer
April 7, 2022

bajaj group

Regd Office:
45/47, Veer Nariman Road, Mumbai 400 001, India
Tel: +91-22-22045341/3780; Fax: +91-22-22851279
Email Id: legal@bajajelectricals.com
CIN: L31500MH1938PLC009887

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Bajaj Electricals Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Bajaj Electricals Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter ended December 31, 2021 and year to date from April 01, 2021 to December 31, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of entity	Relationship
Bajaj Electricals Limited	Parent Company
Nirlep Appliances Private Limited	Subsidiary
Starlite Lighting Limited	Subsidiary
Hind Lamps Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditor referred to paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- 1 subsidiary, whose unaudited interim financial results include total revenue of Rs. 1,920.67 lakhs and Rs. 4,875.33 lakhs, total net loss after tax of Rs. 216.81 lakhs and Rs. 506.77 lakhs and total comprehensive loss of Rs. 216.81 lakhs and Rs. 522.11 lakhs for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively;
- 1 associate, whose unaudited interim financial results include Group's share of net profit of Rs. 0.00 lakhs and Rs. 0.00 lakhs and Group's share of total comprehensive income of Rs. 0.00 lakhs and Rs. 0.00 lakhs for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively.

The unaudited interim financial results and other unaudited financial information of the subsidiary and the associate have not been reviewed by their auditor and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the subsidiary and the associate, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 is not modified with respect to our reliance on the work done and the financial results certified by the Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

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per Vikram Mehta
Partner
Membership No.: 105938
UDIN: 22105938AATPRS7422
Mumbai; February 08, 2022

Compliance Report

It is hereby certified that the draft Scheme of Arrangement between Bajaj Electricals Limited (“**Demerged Company**” or “**BEL**” or “**Company**”) and Bajel Projects Limited (“**the Resulting Company**” or “**BPL**”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”) does not, in any way violate, override or limit the provisions of securities laws or requirements of the stock exchange(s) and the same is in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”), SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (including any amendments thereto) on scheme of arrangement involving Listed Companies (“**SEBI Circular**”), including the following:

Sl.	Reference	Particulars	Status of Compliance
1	Regulations 17 to 27 of Listing Regulations	Corporate governance requirements	Complied
2	Regulation 11 of Listing Regulations	Compliance with securities laws	Complied
Requirements of SEBI			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Complied
(b)	Para (I)(A)(3)	Conditions for Schemes of Arrangement involving unlisted entities	BEL will be complying with the conditions mentioned in point (a) and (b) of Para (I)(A)(3) of the SEBI Circular.
(c)	Para (I)(A)(4)(a)	Submission of Valuation Report	Complied
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Complied

(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting	The provisions as stated under this para w.r.t. approval of public shareholders through e-voting are not applicable to the Company. The Statutory Auditor of the Company has provided an Undertaking in this regard. However, as per the provisions of Sections 230 read with 232 and 108 of the Companies Act, 2013 and the rules framed thereunder the Company shall provide the facility of e-voting as per the directions of the NCLT. The conditions as stipulated under Para (I)(A)(9) of the SEBI Circular will be complied with as per the directions of the NCLT.
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Ajay Nagle
Company Secretary
ICSI Membership No.: A9855

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Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Certified that the transactions / accounting treatment provided in the draft Scheme of Arrangement involving BEL and BPL and their respective shareholders are in compliance with all the Accounting Standards applicable to a listed entity.

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E C Prasad
Chief Financial Officer

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Shekhar Bajaj
Chairman & Managing Director
DIN: 00089358

Date: April 7, 2022
 Place: Mumbai