

NOTICE

Notice is hereby given that Extra-ordinary General Meeting No. 2/2017 of the members of Bajaj Motors Limited ("the Company") will be held on Sunday, the 31st day of December, 2017 at 01.00 p.m. at the registered office of the company at 39-40 KM Stone, Delhi-Jaipur Highway, Narsingpur, Gurugram-122001, Haryana, for transacting the following business:

SPECIAL BUSINESS

1. To acquire manufacturing business of auto components from Esvee Precision Components Limited, on a going concern basis and in this regard, to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof) read with the Companies (Management and Administration) Rules, 2014, the provisions of Memorandum and Articles of Association of the Company and subject to approvals, consents, permissions and sanctions as may be necessary and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be stipulated by any such authority, institution or body, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include a duly constituted committee thereof and any person authorized by the Board in this behalf), consent of the Members of the Company be and is hereby accorded to purchase and acquire, the Manufacturing Business of Auto Components of Esvee Precision Components Limited ("Manufacturing Business"/ "Manufacturing Unit") together with its respective assets (except the land and building, any advance/deposit given for purchase of Land and/or building and investment in shares/securities) & liabilities and goodwill & track records (including employees/contracts etc. pertaining to such business), as a going concern on a 'slump sale basis', by way of Slump Sale Agreement or in a manner as may be decided by the Board from Esvee Precision Components Limited for a cash consideration of Rs. 14,50,00,000/- (Rupees Fourteen Crores Fifty Lakhs only) and that the transfer of such Manufacturing Unit from Esvee Precision Components Limited to Bajaj Motors Limited shall be effective from 1st January, 2018, or such other date as may be decided by the Board of Directors of the Company."

“RESOLVED FURTHER THAT the aforesaid consideration for acquisition of the Manufacturing Unit by Bajaj Motors Limited shall be adjusted for any increase or decrease in working capital as on 31st December 2017 against the same on 30th November 2017 and Bajaj Motors Limited shall be liable to make payment to Esvee Precision Components Limited for such adjusted consideration within a period of 2 (Two) months from the date of the Slump Sale Agreement.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof) read with the Companies (Management and Administration) Rules, 2014, the provisions of Memorandum and Articles of Association of the Company and subject to approvals, consents, permissions and sanctions as may be necessary and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be stipulated by any such authority, institution or body, while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board, consent of the Members of the Company be and is hereby accorded for taking on lease the factory land and building bearing Plot no. 22, Sector-3 situated at IMT Manesar, Gurugram with a built-up area approximately 53540 Sq. Ft. from Esvee Precision Components Limited for a period of 9 Years (108 months) from 1st January 2018 at a monthly rent of Rs.6,00,000/- (Rupees Six Lakhs only) per month with increase of 15% for each successive three year term over the last paid rent of the previous term.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem fit, necessary, proper or desirable, including finalizing, varying and settling the terms and conditions of the purchase of the Manufacturing Unit in the aforementioned manner and to finalize, execute, deliver and perform such agreements (including but not limited to Slump Sale Agreement, rent agreement/ lease agreement), contracts, deeds, undertakings, and other documents, file applications, and make representations in respect thereof and seek the requisite approvals, consents, permissions and sanctions as may be applicable, including but not limited to from the Central and / or State Government(s) and/or local authorities, departments, institutions, bodies, agencies, banks and financial institutions, suitably inform and apply to all the concerned authorities, institutions or bodies, including in respect of the requirements of the Central and / or State Government(s) and/or local authorities, including but not limited to courts, municipal authorities, HSIIDC, DHBVN, Insurance Company, Welfare department, Labour department, Factory Act, Pollution department, DIC, Fire department, Telephone department, Registrar of Companies, custom authorities, excise authorities, Income Tax Authorities, Goods and Service Tax Authorities, Sales Tax Authorities, VAT authorities, any other regulatory authorities and / or to represent the Company before the said authorities, institutions or bodies, and to sign and submit such applications, letters, forms, returns, deeds, documents and to settle any question, difficulty, doubt that may arise, if any with regard to this dealing and reconsider the matter due to change in circumstances as it may in its

absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution, to any Director(s), or to any committee of Director or any other officer(s) / Authorised Representative(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

By Order of the Board

Subhash Chander Kalra

DIN: 01771827

Executive Director

Place : Gurugram

Date : December 7, 2017

Registered Office:

39-40 KM Stone, Delhi-Jaipur Highway,

Narsingpur, Gurugram-122001, Haryana.

CIN: U34103HR1986PLC024875

e-mail: bml@bajajmotors.com

NOTES:

- a) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself. A proxy need not be a member of the Company. A Proxy Form is attached herewith.
- b) The instrument appointing a proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- c) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the company, authorizing their representative to attend and vote on their behalf at the meeting.
- d) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- e) Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- f) Route Map to the venue of AGM is printed at the back of this Notice.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 1

Esvee Precision Components Limited is engaged in the business of manufacturing and supply of auto components - mainly arm valve rocker and fork gear shift for two wheelers. Apart from the manufacturing of auto components, your company is also made investment in the shares of Bajaj Motors Limited. Further there are various real estate holding of your Company. A major part of the products manufactured by Esvee Precision Components Limited is supplied to Bajaj Motors Limited. Further a large value of the raw material is also purchased by Esvee Precision Components Limited from Bajaj Motors Limited.

In view of the above, to optimize synergy of operations, the Board of Directors of your Company and Esvee Precision Components Limited has in-principally agreed that the entire manufacturing activities along with the business of auto component be sold and transferred to Bajaj Motors Limited at a cash consideration as agreed between two.

Since, Bajaj Motors Limited has better and wider infrastructure and facilities for manufacturing of auto components, it may in future decide to absorb the entire manufacturing operations of Esvee Precision Components Limited at its locations in various parts of the Country. Accordingly, it is proposed that the factory land and building shall not be transferred by Esvee Precision Components Limited to Bajaj Motors Limited and the same shall be provided on lease basis to Bajaj Motors Limited.

Further, in the light of the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors have approved the transaction as set above for the approval of the shareholders. Detailed information as required to be disclosed in terms of Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are given below:

Name of the Related Party	Esvee Precision Components Limited
Name of the director or key managerial personnel, who is related	Mr. Virender Pal Bajaj (DIN: 00003030); Mr. Vikas Bajaj (DIN: 00003039); Mr. Surender Pal Bajaj (DIN: 00042105); Mr. Subhash Bajaj (DIN: 00044392); and Mrs. Sushma V Bajaj (DIN: 02402794)
Nature of relationship	Directors of the Company are also directors and/or shareholders of Esvee Precision Components Limited
Nature, material terms, monetary value and particulars of the contract or arrangement	Proposal for acquisition and purchase of Manufacturing Business of Auto Components of Esvee Precision Components Limited together

	with its respective assets (except the land and building, any advance/deposit given for purchase of Land and/or building and investment in shares/securities) & liabilities and goodwill & track records (including employees/contracts etc. pertaining to such business), as a going concern on a 'slump sale basis', by way of Slump Sale Agreement or in a manner as may be decided by the Board from Esvee Precision Components Limited for a cash consideration of Rs. 14,50,00,000/- (Rupees Fourteen Crores Fifty Lakhs only) and that the transfer of such Manufacturing Unit from Esvee Precision Components Limited to Bajaj Motors Limited shall be effective from 1st January, 2018, or such other date as may be decided by the Board of Directors of the Company. The aforesaid consideration for acquisition of the Manufacturing Unit by Bajaj Motors Limited shall be adjusted for any increase or decrease in working capital as on 31st December 2017 against the same on 30th November 2017 and Bajaj Motors Limited shall be liable to make payment to Esvee Precision Components Limited for such adjusted consideration within a period of 2 (Two) months from the date of the Slump Sale Agreement. Proposal for taking on lease, the factory land and building bearing Plot no. 22, Sector-3 situated at IMT Manesar, Gurugram with a built-up area approximately 53540 Sq. Ft. from Esvee Precision Components Limited for a period of 9 Years (108 months) from 01st January 2018 at a monthly rent of Rs. 6,00,000/- (Rupees Six Lakhs only) per month with increase of 15% for each successive three year term over the last paid rent of the previous term.
Any other information relevant and important for the members to take decision on the proposed resolution	As above

All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 hrs. to 14:00

hrs. up to the date of extra-ordinary general meeting. The Board of Directors recommends the resolution set forth above for your approval as Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the company and their relatives are in any way concerned or interested in the said resolution except Mr. Virender Pal Bajaj (DIN: 00003030); Mr. Vikas Bajaj (DIN: 00003039); Mr. Surender Pal Bajaj (DIN: 00042105); Mr. Subhash Bajaj (DIN: 00044392); and Mrs. Sushma V Bajaj (DIN: 02402794).

The Board recommends the Special Resolution set out at Item No. 1 of the Notice for approval by the shareholders.

By Order of the Board

Subhash Chander Kalra

DIN: 01771827

Executive Director

Place : Gurugram

Date : December 7, 2017

Registered Office:

39-40 KM Stone, Delhi-Jaipur Highway,
Narsingpur, Gurugram-122001, Haryana.

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