



## **LISTING OF GDRs**

Pursuant to the Scheme of Demerger, the GDR programs for Bajaj Auto Limited (BAL) and Bajaj Finserv Limited (BFS) have got established on 21 August 2008. Deutsche Bank has been appointed as Depository Bank for the Regulation S Global Depository Receipt (GDR) programs of BAL & BFS.

GDRs of BHIL (earlier known as Bajaj Auto Limited) continue to be listed in LSE.

## **PRESS RELEASE**

The process of demerger of erstwhile Bajaj Auto Ltd (BAL), which was approved by the board of directors of the company on 17 May 2007 has now been completed with all approvals being obtained, including that of Bombay High Court and SEBI.

Pursuant to the Scheme of Arrangement of Demerger, Bajaj Holdings & Investments Ltd (BHIL, erstwhile BAL) was demerged into three undertakings with effect from the effective date, viz. 20 February 2008.

It is now hereby informed that :-

1. The equity shares (14,46,83,510 Nos.) of Bajaj Auto Ltd (in whom manufacturing business undertaking has been vested) will be listed and permitted for trading on Bombay Stock Exchange and National Stock Exchange with effect from Monday, 26 May 2008. The listing ceremony is scheduled to take place at the designated Stock Exchange, i.e., BSE on 26 May 2008; and
2. The equity shares (14,46,83,510 Nos.) of Bajaj Finserv Ltd (in whom strategic business undertaking has been vested) will be listed and permitted for trading on Bombay Stock Exchange and National Stock Exchange with effect from Monday, 26 May 2008. The listing ceremony is scheduled to take place at the designated Stock Exchange, i.e., NSE on 26 May 2008.

This is for your information please.

PUNE  
23 MAY 2008

For Bajaj Holdings & Investment Ltd

( J SRIDHAR )  
AUTHORISED SIGNATORY

## FAQs regarding Demerger

### ► Why demerger?

Considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, it has been considered timely and appropriate to de-merge these activities into separate entities, each of which can focus on these core businesses and strengthen its competencies.

The demerger creates three separate entities with management focus on clearly laid out objectives, pursuant to which: -

- a. the auto company would focus on auto business;
- b. the wind power and financial services company will focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services space; and
- c. the primary investment company will focus on new business opportunities.

The two new companies will be able to tap (on an arm's length basis) into the cash pool of the investment company to support future growth initiatives, if required.

The demerger will enable the investors to hold separate focused stocks

The demerger will facilitate more transparent benchmarking of the companies with its peers in their respective industries.

The demerger unlocks value for the shareholders and would also benefit the employees and other stakeholders.

### ► What are the key elements of the scheme of demerger?

The Scheme would operate as under.

Erstwhile Bajaj Auto Ltd. (BAL) formed two subsidiaries in April 2007 viz.

- i. Bajaj Holdings & Investment Limited (BHIL) and
- ii. Bajaj FinServ Limited (BFS).

Erstwhile BAL subscribed to the shares of the two companies as under :-

BHIL (new BAL) - 43.5 million shares of Rs. 10 each i.e. Rs. 435.0 million.

BFS - 43.5 million shares of Rs. 5 each i.e. Rs. 217.5 million.

The auto business of the company along with all assets and liabilities pertaining thereto, including investments in PT Bajaj Auto Indonesia and in a few vendor companies, are transferred to BHIL (i.e. the current BAL). In addition, a total of Rs.15,000 million (market value) in cash and cash equivalents are also transferred to this company.

The wind power project, investments in the insurance companies viz. Bajaj Allianz Life Insurance Co Ltd., Bajaj Allianz General Insurance Co. Ltd. and investment in the consumer finance company Bajaj Auto Finance Ltd. along with relevant assets and liabilities are transferred to BFS. In addition, a total of Rs. 8,000 million (market value) in cash and cash equivalents are also transferred to BFS.

The remaining assets and liabilities including investments in group companies and balance cash and cash equivalents are retained in BHIL (formerly BAL).

As part of the Scheme, Bajaj Holdings and Investment Limited, the auto company, is renamed as Bajaj Auto Limited and the erstwhile Bajaj Auto Limited is renamed as Bajaj Holdings & Investment Limited (which would act as the primary investment company). Requisite changes have been made in the respective charter documents of these companies.

All shareholders in erstwhile BAL on the record date have become shareholders in each of the two new companies and have been issued shares of the two new companies in the ratio of 1:1.

After such issuance, each shareholder, for every share held in erstwhile Bajaj Auto Limited,

- a. would continue to hold one share of BHIL (formerly BAL) of the face value of Rs.10/- each fully paid up,
- b. has been allotted one share of the new BAL of face value of Rs.10/- each fully paid up and
- c. has been allotted one share of BFS of face value of Rs.5/- each fully paid up.

After the above issue of shares by the new companies, the share capital position in each of the companies would stand as under.

## Bajaj Holdings & Investment Limited (formerly BAL)

	No. of shares (Mn.)	Face Value Rs.	Amount (Rs. Mn.)
Authorized	150.00	10	1500.0
Issued	101.18	10	1011.8

## Bajaj Auto Limited (New)

	No. of shares (Mn.)	Face Value Rs.	Amount (Rs. Mn.)
Authorized	150.00	10	1500.0
Issued	144.68	10	1446.8

## Bajaj Finserv Limited

	No. of shares (Mn.)	Face Value Rs.	Amount (Rs. Mn.)
Authorized	150.00	5	750.0
Issued	144.68	5	723.4

After the issue of new shares, the shareholders of erstwhile BAL would hold about 70% shares in the new companies in the same ratio as their current holding, with the remaining about 30% being held by Bajaj Holdings and Investment Limited.

The proposed transaction reinforces the commitment of the Bajaj Group to the businesses of the new companies, BAL and BFS. The transaction structure also enables the new companies to tap into the cash pool of BHIL to support their future growth initiatives, even while enabling BHIL to participate in the growth of the auto business and the financial services business.

### ▶ **When was the scheme of demerger approved by the board of directors?**

The board of directors of erstwhile Bajaj Auto Ltd. had approved the scheme of demerger at its meeting held on 17 May 2007.

### ▶ **When was the scheme of demerger approved by the shareholders / creditors of erstwhile Bajaj Auto Ltd.?**

The scheme of demerger was approved by the shareholders of erstwhile Bajaj Auto Ltd. at the court-convened meeting held on 18 August 2007. The scheme was also approved by the creditors of the company in their court-convened meeting held on the same day.

### ▶ **When was the scheme of demerger approved by the court?**

The scheme of demerger was approved by the Hon'ble Bombay High Court vide its order dated 18 December 2007, a copy of which was received by the company on 19 February 2008.

### ▶ **What is the effective date of demerger?**

The effective date of demerger is the date on which a copy of the court order has been filed with the Registrar of Companies, Maharashtra, Pune. In the instant case, it is 20 February 2008.

### ▶ **What are the companies that will emerge out of the scheme of demerger?**

As a result of demerger, the erstwhile Bajaj Auto Ltd. is trifurcated and three companies emerging as a result thereof are (1) Bajaj Auto Ltd. (2) Bajaj Holdings & Investment Ltd. and (3) Bajaj Finserv Ltd.

### ▶ **Will shares of Resulting companies be listed on stock exchange/s and if so which exchange/s?**

Shares of Resulting companies i.e. BAL & BFS shall be listed on BSE & NSE and shall be available for trading thereon after the necessary permissions / approvals.

### ▶ **What has happened to shareholders of erstwhile BAL as a result of demerger?**

The shareholders of erstwhile Bajaj Auto Ltd. as on the record date i.e. 25 March 2008, (1) are continuing to hold one equity share of the face value of Rs.10/- each fully paid-up, under the changed name as Bajaj Holdings & Investment Ltd. (2) have been allotted equity share/s of Bajaj Auto Ltd. of the face value of Rs.10/- each fully paid-up in the ratio of 1:1 and (3) have been allotted equity share/s of Bajaj Finserv Ltd. of the face value of Rs.5/- each fully paid-up in the ratio of 1:1.

▶ **What was the record date for allotment of shares of companies resulting out of demerger?**

Record Date for allotment / credit of shares of companies resulting out of demerger was 25 March 2008.

▶ **What is the date of allotment / credit of shares of BAL & BFS?**

The date of allotment of shares of BAL & BFS in the ratio of 1:1 was 3 April 2008, on or after which date (a) the shares of these additional two companies got credited to the demat accounts of the shareholders in electronic mode, and (b) share certificates were despatched to the shareholders holding shares in physical mode.

▶ **If I held BAL shares on the effective date, but not on the record date, am I still be entitled to the shares of resulting companies?**

Shareholders of erstwhile Bajaj Auto Ltd. were entitled to receive shares of Resulting companies, only if they held shares of erstwhile BAL on the record date, i.e. as on 25 March 2008

▶ **If I was holding shares of erstwhile Bajaj Auto Ltd. in dematerialized form on the record date, how long will it take to receive the credit of the shares of the Resulting companies into my demat account?**

Shares of the Resulting companies got credited to the respective active demat accounts on 4 April 2008.

▶ **If I was holding shares of erstwhile Bajaj Auto Ltd. on the record date in physical category, how long will it take to receive the share certificate/s?**

Share Certificates were despatched to the shareholders holding existing shares in physical form on or shortly after the date of allotment i.e. 3 April 2008.

▶ **If I was holding erstwhile BAL shares on the record date, but sold those immediately after that date, will I still be entitled to receive shares of resulting companies?**

Yes.

▶ **What are the share certificates that I shall receive after the record date and what are the face value thereof?**

Each shareholder of erstwhile Bajaj Auto Ltd. shall receive one Share Certificate each in the following companies for shares in equal proportion to his/her existing holding on the record date:

1. Bajaj Holdings & Investment Ltd. (formerly Bajaj Auto Ltd.) - one certificate representing shares held on the record date in the ratio of 1:1 of the face value of Rs.10/- each.
2. Bajaj Auto Ltd. (formerly Bajaj Holdings & Investment Ltd.) Ð one certificate representing shares held in Bajaj Holdings & Investment Ltd. on the record date in the ratio of 1:1 of the face value of Rs.10/- each.
3. Bajaj Finserv Ltd. Ð one certificate representing shares held in Bajaj Holdings & Investment Ltd. on the record date in the ratio of 1:1 of the face value of Rs.5/- each.

▶ **What happens to the old share certificates of erstwhile Bajaj Auto Ltd.?**

Upon new certificates being issued as mentioned above, the old share certificate/s of erstwhile Bajaj Auto Ltd. shall cease to be valid and shall not be transferable on and from the record date. These shares may be surrendered to the company or cancelled and/or destroyed.

▶ **Will there be any locking in or period during which any of these shares may not be available for trading on stock exchange/s?**

Yes. The shares of BAL & BFS obtained under the scheme of demerger will not be available for trading, until the listing / trading permission is granted by the stock exchanges. As regards shares held by BHIL in BAL & BFS are concerned, there will be a lock-in for a period of 3 years from the date of listing.

▶ **Will the shares of these companies be available for transfer / trading independently?**

Yes.

**Notices:**

Notice1:

April 03, 2008

Bajaj Holdings & Investment Limited  
(Formerly Bajaj Auto Ltd.)  
Regd. Office: Bajaj Auto Ltd. Complex  
Mumbai Ð Pune Road, Akurdi,

PUNE 411 035

Tel : 020 27406063 Fax : 020 - 27407380

Dear shareholder,

Sub : Equity Shares in terms of Scheme of Arrangement of Demerger between  
Bajaj Auto Ltd. (BAL), Bajaj Holdings & Investment Ltd. (BHIL) and  
Bajaj Finserv Ltd. (BFSL) and their respective shareholders and creditors

As you may be aware, considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, erstwhile BAL has been demerged into (a) BAL to focus on auto business, (b) BFSL to focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services and (c) BHIL to focus on investments and new business opportunities.

Under the said scheme of demerger, the name of erstwhile BAL has been changed to BHIL and the name of erstwhile BHIL, i.e. the company to which auto business is transferred has been changed to BAL.

Pursuant to the scheme of arrangement of demerger approved by the Hon'ble High Court of Bombay vide its order dated 18 December 2007 between the above companies and subject to the provisions of Memorandum and Articles of Association of these companies, following equity shares have been allotted to you as per particulars given below:-

DP ID & Client ID No.	No. of Equity Shares held in BHIL ( formerly BAL ) <b>(ISIN: INE118A01012)</b> as on Record date i.e. 25 March 2008 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BAL ( formerly BHIL ) <b>(ISIN: INE917101010)</b> in the ratio of 1:1 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BFSL <b>(ISIN: INE918101018)</b> in the ratio of 1:1 <b>(Face Value of Rs.5 each)</b>
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The shareholders of BHIL (erstwhile BAL) will continue to hold equity shares in the company, under the same ISIN i.e. INE118A01012, but under the changed name of BHIL.

Kindly note that as per the procedure for listing of equity shares on the stock exchanges, applications to the stock exchanges (BSE & NSE) are being made by BAL & BFSL for listing and trading permission. The equity shares allotted in these companies, pursuant to the scheme, shall remain frozen in the depositories system till listing / trading permission is given. Should the members trade / deal in these shares before the listing, they will do so at their own risk and consequences.

Kindly acknowledge receipt of credit into your account as shown above

Thanking you & assuring you of our best services at all times,

Yours faithfully,

For BHIL, BAL & BFS



Sanjiv Bajaj  
Director

Notice2:

April 04, 2008

Bajaj Holdings & Investment Limited  
(Formerly Bajaj Auto Ltd.)  
Regd. Office: Bajaj Auto Ltd. Complex  
Mumbai 2 Pune Road, Akurdi,  
PUNE 411 035

Dear shareholder,

Sub : Equity Shares in terms of Scheme of Arrangement of Demerger between Bajaj Auto Ltd. (BAL), Bajaj Holdings & Investment Ltd. (BHIL) and Bajaj Finserv Ltd. (BFSL) and their respective shareholders and creditors

This is further to our communication dated 25 February 2008 on the above subject.

As you are aware, considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, erstwhile BAL has been demerged into (a) BAL to focus on auto business, (b) BFSL to focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services and (c) BHIL to focus on investments and new business opportunities

Pursuant to the scheme of arrangement of demerger approved by the Hon'ble Bombay High Court vide its order dated 18 December, 2007 between the above companies and subject to the provisions of Memorandum and Articles of Association of these companies, following fully paid equity shares have been allotted to you as per particulars given below:-

Folio No.	No. of Equity Shares held in BHIL ( formerly BAL ) <b>(ISIN: INE118A01012)</b> as on Record date i.e. 25 March 2008 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BAL ( formerly BHIL ) <b>(ISIN: INE917101010)</b> in the ratio of 1:1 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BFSL in the ratio of 1:1 <b>(Face Value of Rs.5 each)</b>
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Following are the details of share certificates issued to you:

Name of the Company	Folio No.	Certificate No.	Distinctive Nos.		ISIN
			From	To	
<b>I. New Allotments</b> a) Bajaj Auto Ltd. (formerly BHIL) b) Bajaj Finserv Ltd.					INE917101010 INE918101018
<b>II. Issue of new share certificate</b> Bajaj Holdings & Investment Ltd. (formerly Bajaj Auto Ltd.)					INE118A01012

The shareholders of erstwhile BAL will continue to hold equity shares in the company, but under the changed name of BHIL. Accordingly, a new share certificate in the name of BHIL has been issued in lieu of old share certificate/s in your possession, which have now ceased to be valid.

Share Certificates for the above-mentioned shares of the three companies are enclosed.

Kindly note that as per the procedure for listing of equity shares on the stock exchanges, applications to the stock exchanges (BSE & NSE) are being made by BAL & BFSL for listing and trading permission. The equity shares allotted in these companies, pursuant to the scheme, shall remain frozen in the depositories' system till listing / trading permission is given. Should the members trade / deal in these shares before listing, they will do so at their own risk and consequences.

Kindly acknowledge receipt

Thanking you & assuring you of our best services at all times

Yours faithfully,

For BAL, BFSL and BHIL



Sanjiv Bajaj

Director

Notice3:

April 04, 2008

Bajaj Holdings & Investment Limited  
(Formerly Bajaj Auto Ltd.)  
Regd. Office: Bajaj Auto Ltd. Complex  
Mumbai & Pune Road, Akurdi,  
PUNE 411 035  
Tel : 020 & 27406063 Fax : 020 - 27407380

Dear shareholder,

Sub : Equity Shares in terms of Scheme of Arrangement of Demerger between  
Bajaj Auto Ltd. (BAL), Bajaj Holdings & Investment Ltd. (BHIL) and  
Bajaj Finserv Ltd. (BFSL) and their respective shareholders and creditors

This is further to our communication dated 25 February 2008 on the above subject.

As you are aware, considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, erstwhile BAL has been demerged into (a) BAL to focus on auto business, (b) BFSL to focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services and (c) BHIL to focus on investments and new business opportunities

Pursuant to the scheme of arrangement of demerger approved by the Hon'ble Bombay High Court vide its order dated 18 December, 2007 between the above companies and subject to the provisions of Memorandum and Articles of Association of these companies, following fully paid equity shares have been allotted to you as per particulars given below:-

Folio No.	No. of Equity Shares held in BHIL ( formerly BAL ) <b>(ISIN: INE118A01012)</b> as on Record date i.e. 25 March 2008 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BAL ( formerly BHIL ) in the ratio of 1:1 <b>(Face Value of Rs.10 each)</b>	No. of Equity Shares allotted in BFSL in the ratio of 1:1 <b>(Face Value of Rs.5 each)</b>

Following are the details of share certificates issued to you:

Name of the Company	Folio No.	Certificate No.	Distinctive Nos.		ISIN
			From	To	
<b>I. Issue of new share certificate</b> Bajaj Holdings & Investment Ltd. (formerly Bajaj Auto Ltd.)					INE118A01012
<b>II. New Allotments</b> a) Bajaj Auto Ltd. (formerly BHIL) b) Bajaj Finserv Ltd.					INE917101010 INE918101018

The shareholders of erstwhile BAL will continue to hold equity shares in the company, but under the changed name of BHIL. Accordingly, a new share certificate in the name of BHIL has been issued in lieu of old share certificate/s in your possession, which have now ceased to be valid.

Kindly note that as per the procedure for listing of equity shares on the stock exchanges, applications to the stock exchanges (BSE & NSE) are being made by BAL & BFSL for listing and trading permission. The equity shares allotted in these companies, pursuant to the scheme, shall remain frozen in the depositories

system till listing / trading permission is given. Should the members trade / deal in these shares before listing, they will do so at their own risk and consequences.

Kindly acknowledge receipt

Thanking you & assuring you of our best services at all times

Yours faithfully,

For BAL, BFSL and BHIL



Sanjiv Bajaj  
Director

**Notice4:**

March 25, 2008

Bajaj Holdings & Investment Limited  
(Formerly Bajaj Auto Ltd.)  
Regd. Office: Bajaj Auto Ltd. Complex  
Mumbai @ Pune Road, Akurdi,  
PUNE 411 035  
Tel : 020 @ 27406063 Fax : 020 - 27407380

Dear shareholder,

**Sub : Cost of acquisition on demerger**

The Hon'ble High Court of Bombay has by its order dated 18 December 2007, sanctioned the scheme of Arrangement of demerger between Bajaj Holdings & Investment Ltd (BHIL or the Company - erstwhile Bajaj Auto Ltd), Bajaj Auto Ltd (BAL - erstwhile Bajaj Holdings & Investment Ltd) and Bajaj Finserv Ltd (BFSL) & their respective shareholders and creditors.

As per the said scheme, the assets & liabilities relating to Manufacturing undertaking & Strategic undertaking of the Company have been transferred at book value to BAL and BFSL respectively (Resulting Companies) at book value, as standing in the books of the Company as on the close of business hours on 31 March 2007

The book value of net assets transferred and the equity shares to be issued pursuant to the said scheme are as under

Name of Resulting Company	Book Value of Net Assets transferred (Rs. in crore)	No. of Equity Shares (in crore)	Face Value per Equity share (Rs.)
BAL (Resulting company1)	1217.23	14.47	10/-
BFSL (Resulting company2)	1183.03	14.47	5/-

This intimation is issued to inform the shareholders the method of calculation of the cost of acquisition and date of acquisition of the Resulting companies' shares as also of the Company's shares as per the provisions of the Income Tax Act, 1961 and is based on expert's opinion obtained by the Company.

The Company has been advised and also on its own interpretation of the Income Tax Act, feels that:

As per the provisions of sub-section (2C) of section 49 of the Income-tax Act, 1961, the cost of shares of Resulting Companies has to be taken in the same proportion as the net book value of the assets transferred bears to the net worth of the demerged company immediately before such demerger. As per



provisions of sub-section (2D), the cost of acquisition of original shareholding in the demerged company is deemed to have been reduced by the amount calculated as per provisions of sub-section (2C).

The net worth, for the purpose of this provision, is Share Capital & General Reserve, which was Rs.5516.11 crore as on 31 March 2007 immediately before the demerger.

Hence, for determining the cost of acquisition of equity shares of the Resulting Companies and the Company, shareholders are advised to apportion their pre-demerger cost of acquisition of the Company's shares in the following manner:

Name of the company	Proportionate cost (%)
BHIL	56.5%
BAL (Resulting company1)	22.1%
BFSL (Resulting company2)	21.4%

Further, the Company has been advised that as per the provisions of section 47(vid) of the Income-Tax Act 1961, the issue of shares by Resulting Companies to the shareholders of the Company, when the transfer is made pursuant to the scheme of demerger, is not regarded as transfer.

Accordingly, the date of acquisition of shares of the Resulting Companies would be deemed to be the date on which the shares of the Company were acquired.

This communication is solely for the benefit of the shareholders and due care has been taken by the Company to check the accuracy of the information. However, the Company does not take any express or implied liability in providing this guidance.

The shareholders are advised to seek legal opinion, should they feel it necessary

Thanking you,

Yours faithfully,

For Bajaj Holdings & Investment Ltd.

(Formerly Bajaj Auto Ltd.)

( J SRIDHAR )

AUTHORISED SIGNATORY

Notice5:

#### **COMMUNICATION TO SHAREHOLDERS HOLDING SHARES IN ELECTRONIC FORM**

Sub : Scheme of Arrangement of Demerger between  
Bajaj Auto Ltd. (BAL), Bajaj Holdings & Investment Ltd. (BHIL) &  
Bajaj Finserv Ltd. (BFS) and their respective shareholders and creditors

#### **Option to receive shares in physical form**

Considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, BAL has been demerged into a) BAL to focus on auto business b) BFS to focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services and c) BHIL to focus on investments and new business opportunities.

Pursuant to the sanction given by the Hon'ble High Court of Bombay vide its order dated 18 December 2007 to the above scheme of demerger, the shareholders of the demerged company, i.e. BAL (renamed as BHIL under the scheme) will be allotted equity shares in the two Resulting Companies in the following manner:-

1. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company1 i.e. the new BAL of the face value of Rs.10/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company, and
2. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company2 i.e. BFS of the face value of Rs.5/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company.

For this purpose, the Record Date has been fixed as 25 March 2008. All shareholders, whose names appear on the register of members of erstwhile BAL (renamed as BHIL under the scheme) as on the said Record Date, will be eligible for the shares arising out of the scheme of demerger.

The shareholders of the demerged company will continue to hold equity shares in the company, but under the changed name of BHIL.

As per the Business rules of the Depository regulations, shareholders are provided with an option to receive newly allotted shares mentioned at (1) and (2) above in physical or electronic form. As a shareholder holding shares in electronic form, should you be interested in receiving the said shares in physical form, you may write to the company on or before 20 March 2008. In case of non-receipt of such an option on or before 20 March 2008, shares will be allotted in electronic form.

We may inform you that holding shares in electronic form offers several distinct benefits vis-a-vis holding shares in physical form and shareholders will be perfectly entitled to ignore this option.

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Notice6:

#### **COMMUNICATION TO SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM**

Sub : Scheme of Arrangement of Demerger between  
Bajaj Auto Ltd. (BAL), Bajaj Holdings & Investment Ltd. (BHIL) &  
Bajaj Finserv Ltd. (BFS) and their respective shareholders and creditors

#### **Option to receive shares in electronic form**

As you are aware, considering the growth opportunities in the auto, wind-energy, insurance and finance sectors, BAL has been demerged into a) BAL to focus on auto business b) BFS to focus on wind-energy generation, insurance, consumer finance and new initiatives in financial services and c) BHIL to focus on investments and new business opportunities.

Pursuant to the sanction given by the HonÖble High Court of Bombay vide its order dated 18 December 2007 to the above scheme of demerger, the shareholders of the demerged company, i.e. BAL (renamed as BHIL under the scheme) will be allotted equity shares in the two Resulting Companies in the following manner:-

1. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company1 i.e. the new BAL of the face value of Rs.10/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company, and
2. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company2 i.e. BFS of the face value of Rs.5/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company.

For this purpose, **the Record Date has been fixed as 25 March 2008**. All shareholders, whose names appear on the register of members of erstwhile BAL (renamed as BHIL under the scheme) as on the said Record Date, will be eligible for the shares arising out of the scheme of demerger.

The shareholders of the demerged company will continue to hold equity shares in the company, but under the changed name of BHIL

The existing share certificate/s held by you in erstwhile BAL shall cease to exist on and from the Record Date herein-above mentioned and only the newly issued share certificates in the changed name of BHIL will be in force after that date. One new share certificate, in replacement of your entire holding in erstwhile BAL will be issued in April 2008.

As per the Business rules of the Depository regulations and with a view to encourage holding of newly allotted shares in dematerialised form, shareholders are provided with an option to receive newly allotted shares mentioned at (1) and (2) above in electronic form. Kindly complete the request letter as per the enclosed format and return the same to us duly signed on or before 20 March 2008. In case of non-receipt of option form on or before 20 March 2008, shares will be allotted in physical form.

**You may, if you so desire, proceed to get your existing shares in erstwhile BAL dematerialised before 25 March 2008, in which case all the entitlements shall be automatically credited through electronic route.**

#### **REQUEST FOR SHARES IN ELECTRONIC FORM**

**(To be filled in by the shareholders holding shares of erstwhile Bajaj Auto Ltd. in physical form and returned at the address mentioned below)**

To,  
 Bajaj Holdings & Investment Ltd. (formerly ` Bajaj Auto Ltd.Ö)  
 Bajaj Auto Ltd. Complex,  
 Mumbai Ð Pune Road, Akurdi,  
 PUNE 411 035

Sub : Allotment of shares of new Bajaj Auto Ltd. and ` Bajaj FinServ Ltd.Ö under the Scheme of Demerger

I / We, the undersigned, wish to receive the equity shares in respect of the above in (1) Bajaj Auto Ltd, and (2) Bajaj Finserv Ltd., in electronic form. Details of my / our current holding in the demerged company in physical form are as follows:

Names (s) 1. ÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉ 2. ÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉ 3. ÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉ 4. ÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉÉ	Folio No. ÉÉÉÉÉ.. Number of shares held : ÉÉÉÉ.. Entitlement : ÉÉÉ..
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The details of my / our depository account are given below:

Name of the Depository>	₣ NSDL /₣ CDSL (Å as applicable )
Name of the Depository Participant	.....
* NSDL : Depository Participant Id Beneficiary Account No.	IN .....
* CDSL : Beneficiary Account No.	.....

\* strike out, whichever is not applicable

I / We understand that if the shares cannot be credited to my / our account for any reason whatsoever, I/We will be issued physical share certificate(s) in respect of my / our entitlement as above.

Name/s	Signature/s
(1).....	X.....
(2).....	X.....
(3).....	X.....
(4).....	X .....

**Notes:**

1. This application should be signed (at the places marked ` XÖ) by all the shareholder/s (including joint holder/s, if any) as per the specimen signature/s registered with the company.
2. Kindly read the contents of the covering letter carefully.
3. Should the shareholders desire that shares in electronic form are required only for one company, he / she should state so specifically, while sending the request letter.
4. Request letters received after 20 March 2008 will not be considered.

**Notice7:**  
 BAJAJ HOLDINGS AND INVESTMENT LIMITED  
 (FORMERLY BAJAJ AUTO LIMITED)  
 Regd Office : Mumbai-Pune Road  
 Akurdi, Pune 411 035  
**NOTICE OF RECORD DATE**

The Hon'ble High Court of Judicature at Bombay, vide order dated 18 December 2007 received by the company on 19 February 2008 has sanctioned the Scheme of Arrangement of Demerger between Bajaj Auto Limited (BAL), Bajaj Holdings & Investment Ltd (BHIL) and Bajaj Finserv Ltd (BFS) and their respective shareholders and creditors (Scheme).

The copy of the said court order has been duly filed with the Registrar of Companies, (Maharashtra), Pune on 20 February 2008, making this date as the Effective Date for the Scheme of Arrangement. Appointed Date under the Scheme is closing hours of business on 31 March 2007.

Under the Scheme, erstwhile BAL is demerged into three separate entities as under :-

- a. Bajaj Auto Ltd (the new name of Bajaj Holdings & Investment Ltd under the scheme) to focus on auto business.
- b. Bajaj Finserv Ltd (BFS) to focus on wind energy generation, insurance, consumer finance, financial products distribution business and new initiatives in financial services space; and
- c. Bajaj Holdings & Investment Ltd (the new name of Bajaj Auto Ltd under the scheme) will function primarily as an investment company and focus on new business opportunities.

Pursuant to the sanction given by the Hon'ble High Court of Bombay, the shareholders of the demerged company, i.e. erstwhile BAL (now renamed as BHIL under the Scheme) will be allotted equity shares in the two Resulting Companies in the following manner :-

- a. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company1 viz. new BAL of the face value of Rs.10/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company; and
- b. In the ratio of ONE FULLY PAID EQUITY SHARE in the Resulting Company2 viz. BFS of the face value of Rs.5/- each for every EQUITY SHARE of Rs.10/- each held in the demerged company.

The shareholders of the demerged company will continue to hold equity shares of Rs.10/- each in the company, but under the changed name of BHIL.

NOTICE IS HEREBY GIVEN pursuant to Section 154 of the Companies Act, 1956 that the company has fixed **Tuesday, 25 March 2008** as the **record date** for determining the shareholders of the erstwhile BAL, who would be eligible to receive shares of new BAL and BFS and whose names appear :

- a. as beneficial owners as at the end of the business on 25 March 2008, as per the details furnished by National Securities Depository Ltd and Central Depository Services (India) Ltd in respect of the shares held in electronic form; and
- b. in the Register of Members of the company after giving effect to all valid share transfers in physical form lodged with the company before the closing hours on 25 March 2008.

Members are requested to notify any change in their addresses to their Depository Participants in respect of the shares held in electronic form and to the company in respect of their physical shareholdings on or before 20 March 2008.

By Order of the Board of Directors  
for Bajaj Holdings & Investment Limited  
(erstwhile Bajaj Auto Limited)

( J SRIDHAR )  
AUTHORISED SIGNATORY

Place : Pune

Date : 25 February 2008

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Notice8:

February 20, 2008

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI 400 001

Kind Attn : Mr S Subramanian  
DCS D CRD

Dear Sir/s :

Sub : Change of Name of Company, Highlights of the Scheme of Demerger and Changes in Board Composition

As per our notice dated 19 February 2008 and 20 February 2008, this is to inform you once again that the Hon'ble High Court of Judicature at Bombay has sanctioned the Scheme Arrangement between Bajaj Auto Ltd, Bajaj Holdings & Investment Ltd and Bajaj Finserv Ltd and its respective shareholders and creditors. This marks the successful completion of the demerger process, which was initiated by the company with the board approval on 17 May 2007. The demerger reinforces the commitment of Bajaj Auto Limited group to the businesses of the resulting companies.

Pursuant to the Scheme, Bajaj Auto Ltd is re-named as Bajaj Holdings & Investment Ltd.

Highlights of the Scheme of Demerger as well as certain changes made in the composition of the board of the directors of the three companies are given in the following paragraphs

#### **i. Highlights of the Scheme of De-merger**

Bajaj Auto Ltd (BAL) formed two wholly owned subsidiaries, viz. Bajaj Holdings & Investment Ltd and Bajaj Finserv Ltd on 30 April 2007.

Bajaj Auto Ltd (BAL) at its board meeting held on 17 May 2007 decided to demerge its undertakings into three separate entities as under :

- a. Bajaj Auto Ltd (the new name of Bajaj Holdings & Investment Ltd under the scheme) to focus on auto business.
- b. Bajaj Finserv Ltd (BFS) to focus on wind energy generation, insurance, consumer finance, financial products distribution business and new initiatives in financial services space and
- c. Bajaj Holdings & Investment Ltd (the new name of Bajaj Auto Ltd under the scheme) will function primarily as an investment company and focus on new business opportunities.

The share capital of the three companies as on 17 May 2007 was as under :-

BAL Rs. 101.18 crores (equity shares of face value of Rs.10/- each)  
BHIL Rs.43.5 crores (equity shares of face value of Rs.10/- each)  
BFS Rs.21.75 crores (equity shares of face value of Rs.5/- each)

Under the scheme, every shareholder in BAL would be entitled to receive one equity share each in the two new resulting companies for every equity share held by him in BAL.

The share capital of the three companies post demerger, after allotment of shares as above would be as under :-

BAL(renamed as BHIL) Rs. 101.18 crores (equity shares of face value of Rs.10/- each)  
BHIL(renamed as BAL) Rs.144.68 crores (equity shares of face value of Rs.10/- each)  
BFS Rs.72.34 crores (equity shares of face value of Rs.5/- each)

The holding of BHIL post demerger in the two resulting companies would come down from 100% to 30%, while the holding by the existing shareholders of erstwhile BAL would be the remaining 70%. In this manner, the shareholders of the demerged company shall directly and indirectly hold 100% share capital of the resulting companies.

Effective date when the scheme takes effect is 20 February 2008, i.e. the date of filing of the certified copy of the order of the Court with the Registrar of Companies, Pune.

Appointed date under the scheme is beginning of 1 April 2007 and the scheme would take retrospective effect from that date.

Record date to decide the entitlement of shares is 25 March 2008, based on the effective date and as per stock exchange requirements.

Listing of shares of the two new companies, i.e. the new BAL and BFS, after allotment is expected to take place by end of April 2008.

#### **ii. Changes in boards with effect from effective date, i.e. 20 February 2008**

##### **a. BHIL  listed (erstwhile BAL)**

The board of BHIL (erstwhile BAL) gets pruned to an eight member board from the current sixteen member board and hence, the following eight directors resign from this board:

Shri Shekhar Bajaj  
Shri Niraj Bajaj  
Shri D S Mehta  
Shri Kantikumar R Podar  
Shri J N Godrej  
Smt Suman Kirloskar  
Shri Naresh Chandra and  
Shri P Murari

The four whole-time directors herein named resign from their executive positions. Of the four, Shri Rahul Bajaj takes over as Non-executive Chairman and the remaining three, viz. Shri Madhur Bajaj, Shri Rajiv Bajaj and Shri Sanjiv Bajaj become Non-executive Directors.

Shri V S Raghavan is appointed as Manager under the Companies Act, 1956 with the designation of CEO (Operations).

The new Board is therefore as under:

Shri Rahul Bajaj, Chairman  
Shri Madhur Bajaj  
Shri Rajiv Bajaj  
Shri Sanjiv Bajaj  
Shri Manish Kejriwal  
Shri D J Balaji Rao  
Shri S H Khan  
Shri Nanoo Pamnani

#### **b. New BAL to be unlisted (formerly BHIL)**

The board of new BAL will consist of the same sixteen members as in the erstwhile BAL.

The new board with twelve additional directors is as under:

Shri Rahul Bajaj, Chairman  
Shri Madhur Bajaj  
Shri Rajiv Bajaj  
Shri Sanjiv Bajaj  
Shri Shekhar Bajaj  
Shri Manish Kejriwal  
Shri D J Balaji Rao  
Shri S H Khan  
Shri Nanoo Pamnani  
Shri Niraj Bajaj  
Shri D S Mehta  
Shri Kantikumar R Podar  
Shri J N Godrej  
Smt Suman Kirloskar  
Shri Naresh Chandra and  
Shri P Murari

Four existing directors take up executive positions as under ;

Shri Rahul Bajaj is the Executive Chairman  
Shri Madhur Bajaj is the Executive Vice Chairman.  
Shri Rajiv Bajaj is the Managing Director.  
Shri Sanjiv Bajaj is the Executive Director.

**c. BFS - unlisted**

The board of BFS, which currently comprises four members gets expanded to a seven member board, by induction of three additional directors.

The new board is as under :

Shri Rahul Bajaj, Chairman  
Shri Madhur Bajaj  
Shri Rajiv Bajaj  
Shri Sanjiv Bajaj  
Shri S H Khan  
Shri D J Balaji Rao  
Shri Nanoo Pamnani.

Shri Rahul Bajaj is the Non-Executive Chairman. Shri Nanoo Pamnani is the Non-Executive Vice Chairman. Shri Sanjiv Bajaj, the current NED, becomes the Managing Director.

This is for your information please.

Yours faithfully,  
For Bajaj Holdings and investment Limited ,  
(formerly Bajaj Auto Limited )

( J SRIDHAR )  
AUTHORISED SIGNATORY

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**Notice9:**

February 20, 2008

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI 400 001

Kind Attn : Mr S Subramanian  
DCS Ð CRD

Dear Sir/s :

Sub : Effective Date for Scheme of Arrangement of Demerger and Intimation of Record Date

By our notice dated 19 February 2008, it was informed to you that the HonÖble High Court of Judicature at Bombay, vide order dated 18 December 2007 received by the company on 19 February 2008 has sanctioned the Scheme of Arrangement of Demerger between Bajaj Auto Limited (BAL), Bajaj Holdings & Investment Ltd (BHIL) and Bajaj Finserv Ltd (BFS) and their respective shareholders and creditors.

It is now informed that certified copy of the said court order (copy enclosed) has been duly filed with the Registrar of Companies, (Maharashtra), Pune on 20 February 2008. Accordingly, 20 February 2008, is the `Effective DateÖ for the Scheme of Arrangement as aforesaid.

The company has fixed Tuesday, 25 March 2008 as record date for determining the shareholders of the company, who would be eligible to receive shares of Bajaj Auto Limited (new) and Bajaj Finserv Limited and the notice of the record date in prescribed format is given below :

Security Code	Type of Security	Book Closure		Record Date	Purpose
		From	To		
500490 (BSE)/ BAJAJAUTO (NSE)	Equity Shares				In terms of Scheme of Arrangement of Demerger, for determining the

				shareholders of the company, who would be eligible to receive shares of Bajaj Auto Limited (new) and Bajaj Finserv Limited in the ratio of 1:1
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This is for your information please.

Yours faithfully,  
For Bajaj Holdings and investment Limited ,  
(formerly Bajaj Auto Limited )

( J SRIDHAR )  
AUTHORISED SIGNATORY

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Notice10:

February 19, 2008

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI 400 001

Kind Attn : Mr S Subramanian  
DCS Ð CRD

Dear Sir/s :

Sub : Intimation regarding receipt of order for Scheme of Arrangement of Demerger

This is to inform you that the HonÓble High Court of Judicature at Bombay, vide order dated 18 December 2007 received by the company on 19 February 2008 has sanctioned the Scheme of Arrangement between the company, Bajaj Holdings & Investment Ltd and Bajaj Finserv Ltd and their respective shareholders and creditors.

It is further informed that the ÓEffective DateÓ and the ÓRecord DateÓ will be intimated soon by the company after the filing of the order with the office of the Registrar of Companies.

This is for your information and record please.

Thanking you,  
Yours faithfully,  
For Bajaj Auto Limited,

( J SRIDHAR )  
COMPANY SECRETARY

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