

Pitti Engineering Limited

(Formerly Pitti Laminations Limited)

ISO 9001:2015 ISO 14001:2015

www.pitti.in



11th March 2024

To,
BSE Limited
Floor 25, P J Towers, Dalal Street
Mumbai - 400 001
Scrip Code: 513519

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
Scrip Code: PITTIENG

Dear Sirs,

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company ("PEL" or "Purchaser") at its meeting held on 11th March 2024, has approved the secondary acquisition of 100% of the equity share capital of Bagadia Chaitra Industries Private Limited ("BCIPL") and authorized its officials to finalize and execute share purchase agreements/ binding agreements.

Singhi Advisors & Financial Services LLP acted as the Financial and Strategy Advisor for this transaction. Transaction Square Advisory LLP has issued a Valuation Report of BCIPL, Transaction Square LLP conducted the Financial & Tax due diligence and DSK Legal has conducted legal due diligence. Transaction Square LLP also acted as the overall transaction advisor and project coordinator for the same. The proposed acquisition by PEL is subject to meeting the completion of conditions precedents to the satisfaction of PEL, customary closing conditions, necessary representations, warranties, and indemnities as per the transaction/ binding agreements.

The details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated 13th July 2023, is enclosed as Annexure I.

The disclosure will also be available on the website of the Company at www.pitti.in.

The meeting of Board of Directors of the Company commenced at 2:45 PM and concluded at 4:10 P.M.

This is for your information and record.

Thanking You,
For Pitti Engineering Limited

Mary Monica Braganza
Company Secretary & Compliance Officer
FCS:5532

CIN: L29253TG1983PLC004141

Registered Office

6-3-648/401, 4th Floor
Padmaja Landmark, Somajiguda
Hyderabad - 500 082
Telangana, India
T: +91 40 2331 2774 / 2331 2770
F: +91 40 2339 3985
info@pitti.in

Annexure – I

Disclosure under Sub Para (1) i.e. Acquisition(s) (including agreement to acquire) of Para A of Part A of Schedule III of the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of the target entity, details in brief such as size, turnover etc.,	<p>Bagadia Chaitra Industries Private Limited (CIN U31200KA2006PTC038273) is currently engaged in the business of manufacture of engineering products of electrical laminations and aluminium die cast rotors.</p> <p>Details of Last 3 years (₹ in Crores)</p> <table border="1" data-bbox="781 831 1518 978"> <thead> <tr> <th>Particulars</th> <th>FY 21</th> <th>FY 22</th> <th>FY 23</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>105.43</td> <td>237.08</td> <td>264.07</td> </tr> <tr> <td>EBITDA</td> <td>7.69</td> <td>15.15</td> <td>14.11</td> </tr> <tr> <td>PBT</td> <td>1.75</td> <td>8.71</td> <td>6.19</td> </tr> </tbody> </table>	Particulars	FY 21	FY 22	FY 23	Revenue from Operations	105.43	237.08	264.07	EBITDA	7.69	15.15	14.11	PBT	1.75	8.71	6.19
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2.	Whether the acquisition would fall within related party transaction and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms length”.	<p>No</p> <p>The proposed acquisition does not fall within the purview of related party transaction and no promoter / promoter group / group companies of Pitti Engineering Limited (PEL) have any interest in the business of the entity being acquired.</p>																
3.	Industry to which the entity being acquired belongs.	Manufacture of electrical laminations and aluminium die cast rotors																
4.	Objects and effects of acquisition (including but not limited to disclosure of reasons for acquisition of target entity if its business is outside the main line of business of the listed entity).	<ol style="list-style-type: none"> 1. The proposed acquisition would help PEL in broadening its presence in South India. It enables greater market penetration and provides entry into new end-use sectors. 2. The proposed acquisition aligns with the company's inorganic growth strategy and will add to the overall asset base and production capacity of the Company. 3. This strategic acquisition will provide PEL with enhanced operational strength and an additional customer base. 																

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5.	Brief details of any governmental or regulatory approvals required for the acquisition.	No governmental or regulatory approvals are required for the acquisition
6.	Indicative time period for completion of the acquisition;	The acquisition is likely to be completed within 3 months, and is subject to fulfilment of Conditions Precedents and other terms agreed in the share purchase agreement/binding agreement.
7.	Consideration whether cash consideration or share swap or any other form and details of the same)	Cash consideration
8.	Cost of acquisition and /or the price at which the shares are acquired	The Cost of acquisition would be arrived at, by adjusting the Enterprise Value of ₹ 124.92 crores for the Net Debt and Working Capital changes on the Closing Date and would be subject to other adjustments that are mutually agreed between the Parties.
9.	Percentage of shareholding/ control acquired and / or number of shares acquired;	100% equity shares of BCIPL
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and other significant information (in brief)	Kindly refer to SI No 1 for the product/line of business acquired and the history of last 3 years of BCIPL Date of Incorporation of Bagadia Chaitra Industries Private Limited is 19-01-2006 Country of presence - India

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