SALZER ELECTRONICS LTD.
CIN : L03210TZ1985PLC001535

May 24, 2019

To

THE CORPORATE RELATIONSHIP DEPT
BSE Limited
I Floor, New Trading Ring,
Rotunda Building,
P.J.Towers, Dalal Street,
Fort, Mumbai - 400 001.

SCRIP CODE: 517059

M/s. National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
BandraKurla Complex,
Bandra (E),Mumbai – 400 051
Tel :+91 22 26598235/36, 26598346
Fax : +91 22 26598237/38

Symbol: **SALZERELEC**

Dear Sir,

We hereby wish to inform in terms of Regulation 30 read with Para A(1) of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09,2015 that the Company has entered into a Share Purchase Agreement for acquisition of shares in Kaycee Industries Limited from its Principal Promoter – M/s. Universal Trust Private Limited under SEBI (Substantial acquisition of shares and Takeover) Regulation 2011.

Given below are the details of this transaction(s) which are required to be furnished to the Stock Exchanges:

S.No	Details of events that needs to be provided	Information of such event
a.	Name of the target entity, details in brief such as size, turnover etc.;	Kaycee Industries Limited ("Target Company")is having its Registered Office at Old Kamani Chambers, 32- Ramjibhai Kamani Road, Ballard Estate, Mumbai, Maharashtra, 400001 and has a net worth of Rs. 1297.96 Lakhs as on March 31,2019 and Turnover of Rs. 2501.81 Lakhs for the year ended March 31,2019

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b.	Whether the acquisition would fall within related party transaction(s) 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 "arm's length";	The acquisition is not a related Party Transaction. Except Mr. R Doraiswamy, Promoter, No other Promoters and Promoters Group Companies have any interest in the Target Company. Mr. R Doraiswamy holds just 2 (Two shares) in the Target Company in his personal Capacity which is no way influencing the acquisition / investment decisions.
c.	Industry to which the entity being acquired belongs;	Manufacturer of Electrical Products. The Principal Products are Rotary Switches, Rotary Cam Switches, Micro and Toggle Switches, Weather Tight Switches, Breaker Control Switches, Water Meters, Counters and Fuse Fittings.
d.	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);	Since both Salzer and Target Company are in the same line of business, Salzer, with this acquisition, would drive more synergies in products offering with new range of Products on one side and strengthen its growth on the other side with immediate effect
e.	brief details of any governmental or regulatory approvals required for the acquisition;	This Transaction requires approval of the Securities and Exchange Board of India (SEBI) on the Open Offer under SEBI (Substantial acquisition of shares and Takeover) Regulation 2011
f.	indicative time period for completion of the acquisition;	Completion is expected during the second quarter of FY20, subject to receipt of approval from SEBI
g.	nature of consideration - whether cash consideration or share swap and details of the same;	The Consideration for the Transaction will be paid in Cash

h.	cost of acquisition	Approximately Rs.21.69 Crores (Twenty One Crore and Sixty Nine Lakh Only)
i.	percentage of shareholding / control acquired and / or number of shares acquired;	The Company has entered into a Share Purchase Agreement dated May 24, 2019 with Universal Trustees Private Limited, a Principal Promoter in Target Company to acquire its entire 45,899 equity shares in the Target Company representing 72.32% of the Total paid-up shares at a Price of Rs.3,475/- per share. The Company will also make an Open Offer at a Price of Rs.3,475/- per share for acquisition of 16,502 equity shares of the Target Company aggregating to 26% of the equity share & voting capital of Target Company in accordance with the requirements of SEBI (Substantial acquisition of shares and Takeover) Regulation, 2011. Completion of each of the aforesaid Transaction is subject of Regulatory approvals
j.	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 any other significant information (in brief);	Kaycee Industries Ltd., a Mumbai-based company, has a history of more than 75 years leading the Electrical Industry by way of showing consistent quality performance in switches along with development of existing products & new products as per the applications. Details of the Turnover for the last three years for the Target Company on a standalone basis are as follows

Year	2018-19	2017-18	2016-17
Turnover in Crs	25.02	25.03	23.63

h	Advisors to the Deal	Singhi Advisors, a Global Investment banking firm, acted as an exclusive advisors to the deal.

The aforesaid information about the Target Company has been provided on the basis of publicly available information.

The aforesaid information is also being uploaded on the website of the Company.

We request you to kindly take the note of above on your records and oblige.

For Salzer Electronics Limited

S Baskarasubramanian
Director (Corporate Affairs) &
Company Secretary