

PRESS RELEASE

Shriram Pistons & Rings Limited to acquire (through its subsidiary, SEL) 75% shareholding in Takahata Precision India Pvt. Ltd. (ultimate subsidiary of Takahata Precision Co. Ltd., Japan) engaged in the manufacturing of precision moulded/assembled parts and precision metal moulds.

New Delhi, February 9, 2023: Shriram Pistons & Rings Limited (“SPRL”), one of India’s most recognised auto component manufacturing company, has announced to acquire 75% shareholding in **Takahata Precision India Private Limited** (“TPIL”) through its wholly owned subsidiary, SPR Engenious Limited (“SEL”). The purchase consideration for 75% equity is INR 850 Million (Enterprise Value of INR 2,220 Million). This will mark SPRL’s foray into the manufacturing of the precision injection moulded components.

Takahata Precision Co. Ltd., Japan (“Takahata Japan”) is a leading precision injection moulded parts manufacturing company with a wide range of products in automotive space. Takahata Japan is also present in Industrial products/parts such as office automation equipment, optical equipment, residential facilities, medical equipment and accurate measuring instruments.

TPIL is an ultimate subsidiary of Takahata Japan incorporated in 2010 and has its manufacturing facility at Neemrana, Rajasthan. TPIL is well equipped with design and development of high technology precision moulds, automated assemblies, internal tool manufacturing and state-of-the-art injection moulding component manufacturing facilities.

Commenting on the proposed investment, Krishnakumar Srinivasan, MD & CEO SPRL said, *“with this strategic investment, SPRL aims to diversify its product portfolio beyond the current pistons, rings, engine valves and EV components to precision plastic injection moulded parts. With the operations & technology support of Takahata Japan to TPIL, we will be able to service the domestic and global customers requiring precision moulded parts both for automotive & industrial applications. Takahata brings in their high technology expertise to develop complex parts for these applications”*

Mr. Krishnakumar added *“this acquisition combines two strong, technology-led manufacturing teams, allied in their pursuit of excellence to deliver world class manufacturing and moulding technology, which will enhance relationships with existing customers while creating additional opportunities for growth and expansion.”*

The acquisition is subject to customary approvals and conditions. EY acted as the exclusive financial advisor to SPRL on this transaction.

Recently SPRL had also completed the acquisition of EMFI, manufacturers of Electric Vehicle Motors & Controllers based at Coimbatore, Tamil Nadu (India).