

**KALPA-TARU®****KALPATARU POWER TRANSMISSION LIMITED**

Factory & Registered Office :

Plot No. 101, Part-III, G.I.D.C. Estate, Sector-28,

Gandhinagar-382 028, Gujarat. India.

Tel. : +91 79 232 14000

Fax : +91 79 232 11951/52/66/71

E-mail : mktg@kalpatarupower.com

CIN : L40100GJ1981PLC004281

KPTL/19-20
2nd July, 2019

BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort MUMBAI - 400 001. <u>Script Code: 522287</u> Listing: http://listing.bseindia.com	National Stock Exchange of India Ltd. 'Exchange Plaza', C-1, Block 'G', Bandra-Kurla Complex Bandra (E) MUMBAI – 400 051. <u>Script Code: KALPATPOWR</u> Listing: https://www.connect2nse.com/LISTING/
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Subject: Outcome of Board meeting held on 2nd July, 2019**Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations")**

Respected Sir(s) / Madam,

Further to our letter dated 25th June 2019 and in accordance with Regulation 30 of the SEBI Regulations, we wish to inform you that a meeting of Board of Directors of the Company was held today i.e. on 2nd July 2019 and the Board *inter-alia* considered and approved the purchase of 1,46,45,499 equity shares of Rs. 10 each representing 19.94% of the equity share capital of Shree Shubham Logistics Limited ("SSL"), an 80.06% subsidiary of the Company, from SSL's existing shareholder Tano India Private Equity Fund II ("Tano") for an aggregate consideration of Rs. 64.66 Crores to be paid for consideration other than cash i.e. by issuing 12,54,900 equity shares of the Company. These shares will be issued on a preferential basis to Tano in compliance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The issue is subject to the approval of the shareholders of the Company by way of a special resolution which shall be sought at the ensuing 38th Annual General Meeting. The '*relevant date*' for the pricing of above issue of shares is 28th June, 2019.

ISO 9001 CERTIFIED COMPANY

Corporate Office : 81, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (E), Mumbai-400 055. India.

Tel. : +91 22 3064 2100 ■ Fax : +91 22 3064 2500 ■ www.kalpatarupower.com

In May 2013, Tano invested in SSL, under the Investment Agreement dated 4th April, 2013 (as amended from time to time) ("**Investment Agreement**") executed between the Company, SSL and Tano. Under the Investment Agreement, Tano is entitled to an exit. Accordingly, the Company has decided to purchase the equity shares of SSL held by Tano.

The details as required under the SEBI Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September 2015 with respect to purchase of equity shares of SSL and Issuance of equity shares of the Company is enclosed herewith as **Annexure A** and **Annexure B** respectively.

The meeting of Board of Directors commenced at 12:00 noon and concluded at 3:45 p.m.

Thanking you,

Yours faithfully,

For **Kalpataru Power Transmission Limited**



Ram Patodia
Chief Financial Officer



Annexure A: Disclosure regarding purchase of equity shares of Shree Shubham Logistics Limited

Name of the target entity, details in brief such as size, turnover etc.	Shree Shubham Logistics Limited ("SSL") Net Worth as on 31-03-2019: Rs. 65.99 Crores Turnover as on 31-03-2019: Rs. 123.47 Crores
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?	The acquisition is not a related party transaction. The shares of a subsidiary are being acquired from existing shareholders of such subsidiary who are not related to the acquirer i.e. KPTL
Industry to which the entity being acquired belongs	Warehousing, trading and processing of agro commodities industry
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)	In May 2013, Tano invested in SSL and under the Investment Agreement dated 4 th April, 2013 (as amended from time to time) (" Investment Agreement ") executed between the Company, SSL and Tano, Tano is entitled to an exit. Accordingly, the Company has decided to purchase equity shares of SSL held by Tano. The Equity Stake of the Company in its subsidiary shall increase from 80.06% to ~100%.
Brief details of any governmental or regulatory approvals required for the acquisition	No such specific governmental or regulatory approvals is required for acquisition of SSL shares.
Indicative time period for completion of the acquisition	Within 2 months
Nature of consideration	For consideration other than cash i.e. in order to discharge the purchase consideration, the Company shall issue 12,54,900 equity shares to Tano by way of preferential allotment in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
Cost of acquisition or the price at which the shares are acquired	Equity shares would be acquired at the price of ~ Rs. 44.15 per equity share aggregating to ~ Rs. 64.66 Crores
Percentage of shareholding acquired	% of equity shareholding of SSL that would be acquired: 19.94%
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	SSL undertakes an array of activities in the post-harvest value chain primarily for agri-commodities. The activities include warehousing, primary processing, collateral management, trading, testing & certification and pest management.



significant information	Date of Incorporation: 19 January 2007	
	Last 3 years Turnover:	
	Year	Turnover
	2018-19	Rs. 123.47 Crores
2017-18	Rs. 68.60 Crores	
2016-17	Rs. 55.89 Crores	
SSL has a presence in India.		

Annexure B: Disclosure regarding issue of equity shares of the Company

Type of securities proposed to be issued	Equity shares
Type of issuance	Preferential issue
Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	12,54,900 equity shares having face value of Rs. 2/- each, fully paid up at a premium of Rs. 513.25/- per equity share aggregating to Rs. 64,65,87,225/-
Names of the Investor	Tano India Private Equity Fund II ("Tano")

