

March 11, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

National Stock Exchange of India Ltd.,

Exchange Plaza, C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051.

Scrip ID: KPITTECH
Scrip Code: 542651

Symbol: KPITTECH
Series: EQ

Kind Attn: The Manager,
Department of Corporate Services

Kind Attn: The Manager,
Listing Department

Subject: - Disclosure of events & information pursuant to Regulation 30 - Acquisition of majority stake in Vayavya Labs Private Limited.

Dear Sir / Madam,

We wish to inform you that, in accordance with Regulation 30 read with Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Regulations") the Company has entered into an Agreement with Vayavya Labs Private Limited ("VL") and its shareholders for acquiring majority stake in VL.

The details as required under SEBI Regulations, read with SEBI Circular dated September 9, 2015 are given in Annexure A to this letter.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For **KPIT Technologies Limited**
(Formerly *KPIT Engineering Limited*)



Nida Deshpande
Company Secretary & Compliance Officer



Encl.: A/a

Annexure A

Sr. No.	Details	Response
a.	Name of the target entity, details in brief such as size, turnover etc.	Vayavya Labs Private Limited (VL) Turnover – INR 91.34 Million as on March 31, 2019. Expected Turnover - FY20 INR 140 - 150 Million
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 “arms length”	The acquisition is not with related party and Promoter/ Promoter Groups/ Group Companies doesn't have any interest. None of the KPIT directors have any interest in VL.
c.	Industry to which the entity being acquired belongs.	VL is an embedded software company.
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).	The proposed acquisition of VL will give KPIT a head start in the field of Simulation and embedded software automation, across the focus practices of KPIT. It will also help in creating a differentiated positioning and a definite early mover advantage in newer opportunities in the areas of simulation.
e.	Brief details of any governmental or regulatory approvals required for the acquisition.	--N.A.--
f.	Indicative time period for completion of the acquisition.	The deal is subject to customary closing conditions and is expected to get closed in the first quarter of FY 2021.
g.	Nature of consideration - whether cash consideration or share swap and details of the same.	Cash Consideration
h.	Cost of acquisition or the price at which the shares are acquired.	The total consideration for 100% stake will not exceed INR 418 Million. Initially 78.47% stake is proposed to be purchased for a consideration of INR 245.6 Million. The balance stake is proposed to be acquired over a period of 2 years.
i.	Percentage of shareholding / control acquired and / or number of shares acquired.	78.47% Upfront and balance 21.53% over a period of 2 years.



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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)	<p>VL is an embedded software company focused on Hardware-Software Interface™ (HSI™) Tools & Methodologies.</p> <p>Date of Incorporation: July 28, 2006</p> <p>Turnover for last 3 years:</p> <p>Financial Year 2016-17: INR 42.61 Million Financial Year 2017-18: INR 74.21 Million Financial Year 2018-19: INR 91.34 Million</p> <p>VL is an Indian company currently employs 70+ people having it's development centers in Belgaum and Bengaluru.</p> <p>For FY2020, VL is expected to have revenues of around INR 140 - 150 Million with EBITDA of 15%+. The proposed deal will be EPS accretive day 1.</p>
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