

**RICO AUTO INDUSTRIES LIMITED**

REGD. & CORP. OFFICE : 38 K.M. STONE, DELHI-JAIPUR HIGHWAY, GURUGRAM -122001, HARYANA (INDIA)  
EMAIL : rico@ricoauto.in WEBSITE : www.ricoauto.in TEL.: +91 124 2824000 FAX : +91 124 2824200  
CIN : L34300HR1983PLC023187

RAIL:SEC:2020

August 29, 2020

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001  Scrip Code - <b>520008</b>	National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai - 400051  Scrip Code – <b>RICO AUTO</b>
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Sub : **Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

In continuation to our earlier letter dated 28<sup>th</sup> August, 2020, we wish to inform that the Board of Directors in their meeting held on 28<sup>th</sup> August, 2020, has approved investments in M/s. Metalart Friction Private Limited (MFPL) by way of purchase of equity shares from its existing shareholders. Post this acquisition the Company shall hold stake upto 80 percent in the equity share capital of MFPL and consequently, MFPL shall become Subsidiary of the Company.

We wish to further inform that the Board of Directors has also approved to enter into related party transactions with M/s. Rasa Autocom Limited, a Step-Down Subsidiary pertaining to purchase of various assets located at its Bawal Plant (Haryana) at a price not less than the prevailing Net Asset Value of the assets, which shall not to exceed Rs.25.00 Crores (Rupees Twenty five crores only).

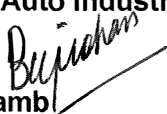
Above transaction of purchase of assets will be on an arm's length basis and within the threshold limits prescribed under the Companies Act, 2013 and the SEBI (LODR), Regulations, 2015. None of the Promoter/Promoter Group/Key Managerial Personnel of the Company are interested in this transaction.

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015, please find enclosed requisite details pertaining to aforesaid transaction as Annexure-1 and Annexure-2.

This is for your information and record.

Thanking you,

Yours faithfully,  
for Rico Auto Industries Limited

  
**B.M. Jhamb**  
Company Secretary  
FCS No. 2446

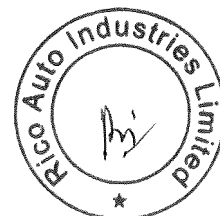
Encl : As above

**Annexure-1**

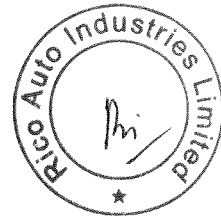
**Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**(Purchase of shares from Existing Shareholders of Metalart Friction Private Limited)**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the target entity, details in brief such as size, turnover etc.;	Metalart Friction Private Limited (MFPL) is a Company incorporated on 28.03.2018, having a Paid-up Share Capital Rs.1.00 Lakh and Turnover of Rs.173.20 Lakhs. (As per latest Financial Statements for the financial year 2019-20)
2.	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";	No  N.A
3.	Industry to which the entity being acquired belongs;	Manufacturing of Automotive Parts.
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);	Acquisition of equity shares is for expansion of business and to strengthen the position of the Company.  After the acquisition of shares, the Company shall hold stake upto 80 percent in the equity share capital of MFPL and consequently, MFPL will become Subsidiary of the Company.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	Not Applicable
6.	Indicative time period for completion of the acquisition;	By end of December, 2020
7.	Nature of consideration - whether cash consideration or share swap and details of the same;	Cash Consideration.
8.	Cost of acquisition or the price at which the shares are acquired;	Acquisition of Equity Shares of face value Rs.10.00 each at a price of Rs.10.00 per share.



Sl. No.	Particulars	Details										
9.	Percentage of shareholding/control acquired and/or number of shares acquired;	Post the acquisition of shares, the Company shall hold stake upto 80 percent in the equity share capital of MFPL and consequently, MFPL will become Subsidiary of the Company.										
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 any other significant information (in brief);	<p>Metalart Friction Private Limited is a Company incorporated on 28.03.2018 under the Companies Act, 2013. It is engaged in manufacturing of Automotive Parts.</p> <p>Based on its financial for last two years financial positions is as follows:</p> <p style="text-align: right;">(Rs. in Lakhs)</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>F.Y. 2018-19</th> <th>F.Y. 2019-20</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>53.42</td> <td>173.20</td> </tr> <tr> <td>Profit/(Loss) for the period</td> <td>(46.58)</td> <td>3.33</td> </tr> </tbody> </table>		Particular	F.Y. 2018-19	F.Y. 2019-20	Revenue from Operations	53.42	173.20	Profit/(Loss) for the period	(46.58)	3.33
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Revenue from Operations	53.42	173.20										
Profit/(Loss) for the period	(46.58)	3.33										



**Annexure-2**

**Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**(Purchase of Assets of Rasa Autocom Limited (RASA), a Step-down Subsidiary**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Details and reasons for restructuring	To achieve group synergies and reduce fixed & variable overheads, other administrative cost.
2.	Quantitative and/or qualitative effect of restructuring	Reduction in fixed & variable overheads and other administrative cost will result in positive impact on the consolidated profitability of the Company.
3.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	Nil
4.	Brief details of change in shareholding pattern (if any) of all entities	No change in Shareholding
5.	Indicative time period for completion of the transaction	By 30 <sup>th</sup> September, 2020, subject to requisite approvals.

