



October 25, 2010

To,

The Manager (Listing), The Bombay Stock Exchange Ltd. Mumbai	The Manager (Listing), National Stock Exchange of India Ltd. Mumbai
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Dear Sir,

Sub: Intimation pursuant to the Listing Agreement regarding acquisition of Benzlers-Radicon Group, UK

With regard to the above, we are glad to inform you that Elecon Engineering Company Limited through its SPVs has agreed to acquire the Benzler-Radicon group of businesses from David Brown Gear Systems Group. The details of the transaction are as under:

1. Elecon Transmission International Ltd., (Mauritius), a 100% SPV of Elecon Engineering Company Ltd.
2. Elecon UK Transmission Ltd., a wholly owned subsidiary of Elecon Transmission International Ltd.; and
3. Elecon USA Transmission Ltd., a wholly owned subsidiary of Elecon UK Transmission Ltd.

have executed a sale and purchase agreement with :

1. David Brown Systems S.a.r.l
2. David Brown Gear Systems ltd.
3. Cone Drive Operations Inc.

To acquire:

1. 100% share holding of David Brown Systems Sweden AB (the Benzlers business);
2. The Applied Products division i.e. RADICON, of David Brown Gear Systems, UK; and
3. Certain assets of the gear motor business of Cone Drive Inc USA

ELECON ENGINEERING COMPANY LIMITED

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The gross value of 100% stake of these Businesses as a going-concern on a debt and cash free basis is GBP 18.40 mn.

Apart of the aforesaid transaction, Power Build Transmission International Ltd., Mauritius, a 100% SPV of Power Build Ltd., a Group Company of Elecon Engineering Company Ltd. has also executed Sale and Purchase Agreement (SPA) with David Brown Systems (Holding) S,a,r,l. to acquire 100% stake of David Brown Systems (Thailand) Ltd.

The gross value of 100% stake of David Brown Systems (Thailand) Ltd. as a going-concern is GBP 3.00 mn.

For these transactions, mandates were given to the following agencies for due-diligence and advisory services:

- **Accounting & Financial Due-Diligence:-** Deloitte Touche Tohmatsu India Pvt. Ltd.
- **Transaction Advisor:-** Deloitte Touche Tohmatsu India Pvt. Ltd.
- **Legal Due-Diligence:-** Desai & Diwanji, Advocates, Solicitors & Notaries
- **Funding Advisors:-** SBI Capital Markets Limited

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For Elecon Engineering Company Ltd.



Paresh Shukla
Company Secretary