

March 30, 2018

(through NEAPS)

The Manager,
Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai - 400051

Dear Sir,

Sub: Intimation on Joint Venture Agreement.

Ref: Regulation 30(4)/(6) read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

With immense pleasure we wish to inform that today we have signed a "Joint Venture Agreement" with **Aisan Industry Co., Ltd., Japan** for manufacture of **Fuel Injection System** and **IC connector** for two-wheelers and three-wheelers for Indian market.

India is now the world biggest two wheeler market and still growing with a fast pace. **Fuel Injection System** will become mandatory for two-wheelers and three-wheelers w.e.f. April, 2020 under Bharat Stage VI (BS VI) regime. This is an advanced Emission Control System Product, which will have huge market in India under BS VI norms and will replace carburetor.

Aisan Group, established in 1938 in Japan is a global player in products like Electronic Fuel Injection Products, Emission Control System Products, Engine Cooling System Products, Intake & Exhaust System Products, Engine Valves and LPG & CNG System Products etc. **Aisan Group** has global presence through its subsidiaries and affiliates and their major customers are Toyota, Hyundai, Renault Nissan, Yamaha, Suzuki and so on.

Pursuant to above Regulation read with the SEBI Circular No. CIR/CFD/CMD/04/2015 dated September 09, 2015, following are the other information about the joint venture:

- The initial share capital of Joint Venture Company is proposed INR 1 Billion, wherein shareholding of Fiem will be 26% and of Aisan will be at least 69%.
- Fiem will have one nominee Director on the Board of the Joint Venture Company.
- Fiem and Aisan are independent Companies to each other. Promoters / Promoter Group of Fiem are not connected to Aisan in any manner. Further, No potential conflicts of interest arise in the Agreement or Joint Venture.
- The factory of the Joint Venture will be set-up in Tapukara / Salarpur Industrial Area, Rajasthan in ELCINA Electronic Manufacturing Cluster.

This is for your information please.

Thanking you

Yours faithfully,
For Fiem Industries Limited



Arvind K. Chauhan
Company Secretary