



January 2, 2022

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
Scrip Code: 543260

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
NSE Symbol: STOVEKRAFT

Dear Sir/Madam,

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Investor Release issued by the Company, titled "**Stove Kraft to enter into Electric Switches & Accessories segment through Acquisition of Business of SKAVA Electric Private Ltd**".

Kindly take the above information on record and acknowledge.

Thanking you,
For **Stove Kraft Limited**

Elangovan.S
Company Secretary



Stove Kraft Limited

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Investor Release

Stove Kraft to enter into Electric Switches & Accessories segment through Acquisition of Business of SKAVA Electric Private Ltd

- ✓ Company will acquire the business on a slump sale basis for total consideration of INR4Cr. For FY21, this business recorded revenues of ~INR10 Cr.
- ✓ Target market size of Electric Switches and Accessories segment is ~INR12,000 Cr.

Karnataka, 02 January 2022

Stove Kraft, through acquisition of business of SKAVA Electric Private Ltd, will foray into the business of manufacturing low voltage switchgear solutions like electrical switches, sockets, distribution boxes, switch boards, M.C.B, bulb holders, etc.

Stove Kraft will acquire the business and IPR rights from SKAVA Electric Private Ltd on a slump sale basis for total consideration of INR 4 Cr. in cash which is subject to due diligence and regulatory approvals. As part of this acquisition, founder of SKAVA will be appointed as a business head of this segment and will be associated with Stove Kraft for a period of at-least 4 years to ensure smooth transition as well as support future business growth. In addition, Stove Kraft will also absorb the design, operation & manufacturing team from SKAVA Electric Private Ltd to kickstart the production. Further, Stove Kraft also plans to incur additional capex of INR5 Cr. over next 3-4 years on moulds and machines to increase the production capacity.

SKAVA currently enjoys a robust distribution network in Southern India and will supplement Stove Kraft's existing distribution network. The combined sales network will comprise of retail network, builder projects through professional channels of interior designers/architects, e-commerce platforms like Amazon, Flipkart, Udaan, JioMart etc. and leading physical channel partner networks like Croma, Future group, DMart, Reliance Group, etc. The Company intends to cover majority of the smart cities of India, as listed under the National Smart Cities Mission by the Department of Ministry of Housing and Urban Affairs

Commenting on this development, Mr. Rajendra Gandhi, Managing Director said,

"This acquisition will act as a natural extension to our existing product offerings of Pigeon LED. SKAVA enjoys a strong brand recall and has a wide distribution network in Tier-I and Tier-II cities of Southern India. SKAVA has developed multiple innovative products in the past and with the support of Stove Kraft will continue to do so in the future as well. With this acquisition, Stove Kraft will cater to the mid-segment Electric Switches & Accessories segment and aims to capture a market share of 3% in the next three fiscal years"



About Stove Kraft Limited (SKL)

SKL is a kitchen solutions and an emerging home solutions brand. It is one of the leading brands for home and kitchen appliances in India, and one of the dominant players for pressure cookers and amongst the market leaders in the sale of free-standing hobs, cooktops and non stick cookware. SKL is also engaged in the manufacturing and retail of a wide and diverse suite of home and kitchen solutions under the Pigeon and Gilma brands and propose to commence manufacturing of home and kitchen solutions under the BLACK + DECKER brand, covering the entire range of value, semi-premium and premium home and kitchen solutions, respectively.

The flagship brands, Pigeon and Gilma, have enjoyed a market presence of over 15 years and enjoy a high brand recall amongst customers for quality and value for money. SKL has well-equipped and backward integrated manufacturing facilities at Bengaluru (Karnataka) and Baddi (Himachal Pradesh), which enables the Company to control and monitor the quality and costs.

SKL has a separate distribution network for each of the Pigeon, Gilma and BLACK + DECKER brands. Further, there is a separate distribution network for the Pigeon LED products. The manufacturing facilities in Bengaluru and Baddi are well connected with 9 strategically located C&F agents. Additionally, SKL has 651 distributors in 27 states and five union territories of India and 12 distributors for the products that are exported. The C&F agents and distributors are, in turn, connected with a dealer network comprising of over 45,500 retail outlets, which are driven through a sales force of 566 personnel.

Contact Details

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Safe Harbor

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