

## **Zetwerk Strengthens Industrials Portfolio With Three Strategic Acquisitions**

- Shores up aerospace and defence manufacturing capabilities by acquiring Pinaka Aerospace Solutions
- Acquisitions strengthen Zetwerk's manufacturing capabilities in the Oil & gas, Aerospace & Defence and ancillary components space
- The company also acquired Sharp Tanks & Structural and the fabrication unit of Wheels India

In keeping with its focus on bolstering its manufacturing capabilities in Aerospace and Defence, the world's largest managed marketplace for contract manufacturing, Zetwerk Manufacturing Businesses, today announced the acquisition of Pinaka Aerospace Solutions, the leading manufacturer in the defence and aerospace sector that specialises in Avionics, Electronic interception and Communication systems.

The current size of the Indian Aerospace & Defence (A&D) manufacturing market is around \$11 bn, and it is likely to grow to approximately \$25 billion by 2025 (including \$5bn in exports). Some of the critical drivers for this include: the Indian government's Make in India push leading to import substitution, solid domestic demand for commercial and defence applications, spares, maintenance and up-gradation of existing equipment. The acquisition opens up an opportunity for Zetwerk in a segment at the cusp of transformation on account of import substitution, system & platform upgrades and promotion of the domestic A&D industry.

Pinaka Aerospace Solutions brings Zetwerk an eminent portfolio of clients and expertise across a wide range of electronic communication products in the A&D industry, such as radar systems, avionics, radars and other communication devices. By leveraging Pinaka's capabilities, Zetwerk can cater to the manufacturing needs of established public and private sector enterprises in the country. The company provides communication solutions to Indian defence units, government research facilities like DRDO and ISRO and enterprise clients like Carlisle, Tata, AVTEC, BEL, and HAL, among others.

Zetwerk has acquired a majority stake in the company through a deal that was a mix of equity & cash.

"The Indian Industrials eco-system, including aerospace and defence manufacturing, has evolved radically, emerging as a strong contender for its global counterparts. However, we believe this is just the beginning, and we are excited to partner with entities that share our vision to drive India's self-reliance in manufacturing. At Zetwerk, our conviction on the Indian manufacturing story is

profound, and we foresee significant momentum in the industrials segment for the next ten years aided by global supply chain tailwinds,” said **Amrit Acharya, Co-Founder & CEO, Zetwerk Manufacturing Businesses.**

“Zetwerk and Pinaka have a history of working together, and we are confident that our combined capabilities will help shape the A&D industry as we bring back demand for Indian manufacturing from global OEMs. As we scale and expand further, we will look to add more homegrown manufacturing companies into our portfolio to grow our business.” **Acharya** added.

Zetwerk has also picked up significant majority stakes in Sharp Tanks and a 100% stake in the Wardha factory of Wheels India. The total value of the three strategic acquisitions stands at approximately Rs100 Cr.

The acquisition of Sharp Tanks will increase Zetwerk’s exposure to the Oil & Gas industry. Sharp Tanks brings in design, fabrication, commissioning of equipment and structural works to serve clients in the Oil & Gas, Petrochemicals, Fertilisers and Chemicals industries. With this takeover, Zetwerk will become one of the seven companies in the country operating in this space.

The Wardha fabrication unit of Wheels India's acquisition allows Zetwerk to tap into a \$1.5 billion market comprising the manufacturing of critical fabricated parts for power, roads, and railways. For example, Zetwerk is using this facility to supply fabricated girders for the high-speed bullet train project between Mumbai and Ahmedabad.

The digital manufacturing unicorn has been on a spree, expanding its manufacturing capabilities through the recent commissioning of a new factory in Noida for wearable and hearable devices. In addition, it has strengthened its product range, team and customer base with the larger objective of foraying into more unique markets and businesses.