

# Raymond's board approves demerger of engineering biz for its foray into aerospace, defence, EV

## Synopsis

The boards of Raymond's various subsidiaries have approved a demerger of its engineering business to allow it to expand into sunrise sectors like aerospace, defense, and electric vehicle components. The merger will consolidate Raymond's engineering and MPPL businesses, aiming for profitable growth and segregation.



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The boards of various businesses of [Raymond](#) have given their nod for demerger their engineering business to enable the company's and newly acquired Maini Precision Product's foray into certain sunrise sectors, the company said in a stock exchange filing on Friday.

Explaining the rationale behind the composite agreement, Raymond said the move will "consolidate engineering business of Raymond and MPPL to build scale and profitable growth with foray into sunrise sector such as aerospace, defence and electric vehicle component space and segregation of aerospace and defence

business."

Companies involved in formation of the scheme include JK Files & Engineering (JKFEL), JKFEL Tools And Technologies Limited (JKTTL), Ring Plus Aqua Limited (RPAL), Maini Precision Products Limited (MPPL), Ray Global Consumer Enterprise Limited (RGCEL) and other subsidiaries.

The composite scheme entails demerger of engineering business done by JKFEL and its arms RPAL, MPPL and JK Talal into JKTTL.

It also entails merger of RPAL & MPPL into JKTTL, demerger of aerospace and defence business of JKTTL into RGCEL.

Raymond had completed its acquisition of MPPL in the last quarter of the previous financial year to help its foray into aerospace, defense and electrical vehicle components business.

Post consolidation, Raymond aims to set up two units, one of which will focus on aerospace and defense, while the other will cater to the auto components with EV and engineering consumables sector.

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