

Kandagiri Spinning Mills Ltd.

Ref.: KSML/CS/90/2018-19

Date: 14-02-2019

Bombay Stock Exchange Limited, Floor 25, P.J. Towers, Dalal Street. Mumbai 400 001

Dear Sir.

Disclosure of Information pursuant to reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Sale of some of the assets of the Company.

In accordance with the above referred regulation, we hereunder furnish the following details:

(i) Sale Particulars:

As approved by the Board of Directors of the Company in their Meeting held on 13.02.2019, the Company has finalised the sale of Unit-II asset of the Company, situated at Seshanchavadi, Salem and the surplus land and building of Unit-I, situated at Udayapatti, Salem, mainly to meet the repayment obligations of Banks Term loan, Working Capital loan (Principal & Interest), subject to obtaining the approval of the Company's Bankers.

(ii) the amount and percentage of the turnover of such unit of the listed entity during the last financial year:

Turnover details of the assets proposed to be sold as follows:

- Turnover of Unit-II during FY 2017-18 is Rs. 28.75 Cr (52.88% of the total turnover of the Company during the FY 2017-18).
- b. Not applicable w.r.t Surplus land and building of Unit-I.
- (iii) the expected date of completion of sale/disposal: 31st March, 2019
- (iv) Total sale consideration: Rs. 25.50 Crore
- (v) Details of buyer(s):
 - a. Sri Venkateswara Spinning Mills
 - b. Sri Vasavi Vidhya Trust

The buyers do not belong to the promoter/ promoter group/group companies

- (vi) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length": No
- (vii) additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale:

Though it is a slump sale for a lump sum consideration, there is no amalgamation or merger.

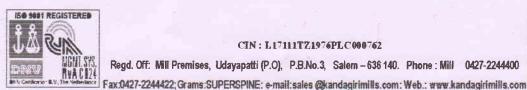
This is for your information and records.

Thanking you,

Yours faithfully,

For Kandagiri Spinning Mills Limited

Managing Director



CIN: L17111TZ1976PLC000762

Regd. Off: Mill Premises, Udayapatti (P.O), P.B.No.3, Salem - 636 140. Phone: Mill 0427-2244400

