

The Secretary
BSE Limited
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Stovec Industries Ltd.

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Reference : Scrip Code- 504959
Date : April 5, 2018
Subject : Sale of identified assets relating to the Company's sugar screens business

Dear Sir,

Further to our intimation dated March 27, 2018, regarding the proposed disposal of identified assets relating to the Company's sugar screens business (**Identified Assets**), this is to inform you that based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on April 5, 2018, inter-alia, approved the sale of the identified Assets (being production assets and intangibles relating to the sugar screens business), and the assignment of the trademark "Atul" to Atul Sugar Screens Private Limited (**ASSPL**), a fellow subsidiary. The Company proposes to execute the definitive agreements in next few days to record the transfer of the Identified Assets and the assignment of the "Atul" trademark. The Board of Directors also approved a proposal for entering into a contract manufacturing arrangement with ASSPL. Subsequent to the transfer of identified assets, the Company intends to enter into a contract manufacturing agreement with ASSPL.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed disclosure for the aforesaid disposal of the Identified Assets and assignment of the "Atul" trademark is enclosed as **Annexure 1**. Disclosure related to contract manufacturing arrangement, if required, will be made to Stock Exchange as and when the Company enters into a contract manufacturing agreement with ASSPL.

This is to further inform you that the meeting of Board of Directors commenced at 12:30 hours and concluded at 15:00 hours.

We request you to take the above on record.

Thank you,
Yours sincerely,

For Stovec Industries Limited



Varsha Adhikari
Company Secretary & General Manager (Finance & Legal)



Encl.: As above

Annexure I

DISCLOSURE FOR THE PROPOSED SALE OF IDENTIFIED ASSETS RELATING TO THE SUGAR SCREENS BUSINESS AND THE ASSIGNMENT OF THE “ATUL” TRADEMARK TO ATUL SUGAR SCREENS PRIVATE LIMITED, A FELLOW SUBSIDIARY.

<p>The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year</p>	<p>Revenue from Sugar Screens Business for the financial year 2017 – INR 234.22 Million (11.15 % of Standalone Revenue from Operations of the Company for the F.Y. 2017)</p> <p>Net Worth contributed by Sugar Screen Business as at December 31, 2017 – INR 199.64 Million (17.97 % of Standalone Net Worth of the Company as at December 31, 2017)</p>
<p>Date on which the agreement for sale has been entered into</p>	<p>The Agreement for transfer of Identified Assets is yet to be executed. Once executed, intimation regarding the same shall be given to Stock Exchange.</p>
<p>The expected date of completion of sale/disposal</p>	<p>The expected date of completion of transfer of Identified Assets shall be intimated once the necessary Agreement is executed.</p>
<p>Consideration received from such sale/disposal</p>	<p>The aggregate consideration value for the sale of Identified Assets and assignment of trademark is agreed to be INR 9,96,16,328 (Indian Rupees Nine Crores Ninety Six Lakh Sixteen Thousand Three Hundred Twenty Eight Only). The consideration payable for the transaction has been arrived at on the basis of a valuation report issued by an independent valuer.</p>
<p>Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof</p>	<p>The name of the buyer is Atul Sugar Screens Private Limited (ASSPL).</p> <p>ASSPL, is a fellow subsidiary of the Company and a step-down subsidiary of SPGPrints B.V., the holding company of the Company.</p>
<p>Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”</p>	<p>Yes, the transaction is a related party transaction.</p>



	The transaction is being done at arm's length and the consideration for the transaction has been arrived at on the basis of an independent valuation report.
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.	Not Applicable.

