

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Stovec Industries Ltd.**Regd. Office and Factory :**

N.I.D.C., Near Lambha Village, Post Narol,
Ahmedabad - 382 405. INDIA.

CIN : L45200GJ1973PLC050790

Telephone : +91 79 30412300
+91 79 25710407 to 410

Fax : +91 79 25710406 (Corporate)
+91 79 25710420 (IMD)

E-mail : admin@stovec.com

Reference : Scrip Code- 504959
Date : March 8, 2018
Subject : Approval to divest Equity Investment held in Wholly Owned Subsidiary

Dear Sir,

In continuation to our intimation dated: March 1, 2018, regarding proposal to divest equity investment held in Atul Sugar Screens Pvt. Ltd., (“Atul”), a wholly owned subsidiary company, this is to inform you that the Divestment Committee of Board of Directors of the Company in its meeting held on March 7, 2018, have approved divestment of 100% equity investment held by the Company in Atul (not a Material Subsidiary) to Veco B.V., a fellow subsidiary Company, pursuant to a group restructuring exercise. Taking into consideration the independent valuation report, the sale value of the investment is determined as INR 104 Million.

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure for the said divestment of equity investment is enclosed herewith as **ANNEXURE-1**. Further disclosure in the referred matter shall be made at the time of entering into definitive agreement.

This is to further inform you that the meeting of Divestment Committee commenced at 12:30 hours and concluded at 13:30 hours.

We request you to take the above on your records.

Thanking you,
Yours sincerely,

For, **Stovec Industries Limited**



Varsha Adhikari

Company Secretary & General Manager (Finance & Legal)



Encl.: As above

ANNEXURE-1

DISCLOSURE FOR THE PROPOSED SALE OF 100 % EQUITY INVESTMENT HELD IN ATUL SUGAR SCREENS PRIVATE LIMITED, A WHOLLY OWNED SUBSIDIARY COMPANY

1	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>Name of the Wholly Owned Subsidiary: Atul Sugar Screens Pvt. Ltd.</p> <p>1. Revenue from Operations (Net) for the financial year 2017 – 157.41 Million (7.39 % of Consolidated Revenue from Operations of the Company for the F.Y. 2017)</p> <p>2. Net Worth as at December 31, 2017 – 63.43 Million (5.43 % of Consolidated Net Worth of the Company as at December 31, 2017)</p>
2	Date on which the agreement for sale has been entered into	The Agreement is yet to be executed. Once executed, intimation regarding the same shall be given to Stock Exchange.
3	The expected date of completion of sale/disposal	The expected date of completion of Divestment of Equity Investment held in Wholly Owned Subsidiary shall be intimated once the necessary Agreement is executed.
4	Consideration received from such sale/disposal	The consideration for divestment of Equity Investment held in Wholly Owned Subsidiary is INR 104 Million. The consideration will be received post execution of necessary Agreement and completion of Share Transfer formalities.
5	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof	<p>The name of the Buyer is Veco B.V.</p> <p>Veco B.V. is a fellow subsidiary of the Company and is a wholly owned subsidiary of SPGPrints B.V., the Holding Company of Stovec Industries Limited.</p>
6	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length.”	Yes, the transaction falls within the Related Party Transaction. The transaction shall be done at arms length and is based on independent valuation report.
7	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

