

AI CHAMPDANY INDUSTRIES LIMITED

(A TRADING HOUSE, recognised by Govt. of India) (Established in 1873)

Pioneer Weaves & Spinners of Natural & Synthetic blended Fabrics & Yarns

CIN : L51909WB1917PLC002767

REGD. OFFICE :

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Web : www.jute-world.com



Date: 06.11.2018

To
The Manager
Department of Corporate Services
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Maharashtra, India.
Scrip Code : 532806

Sub: Memorandum of Understanding for the Sale and Disposal of Wellington Jute Mill, Wellington Yarn Unit and Wellington Weaving Unit all located in same place situated and lying within Mouzas Mahesh and Rishra in Rishra Municipality in the State of West Bengal on a slump sale basis.

Dear Sir,

We would like to inform that AI Champdany Industries Limited has on 05.11.2018 executed a Memorandum of Understanding (MOU) with Complement Blends Private Limited for the sale and disposal of the Wellington Jute Mill, Wellington Yarn Unit and the Wellington Weaving Unit all located in same place situated and lying within Mouzas Mahesh and Rishra in Rishra Municipality in the state of West Bengal on a slump sale basis, subject to the approval of shareholders under Section 180 (1)(a) of the Companies Act, 2013 and consent of the lenders and regulatory approval / compliance as may be required in the matter.

The details of transaction / buyer are as under:

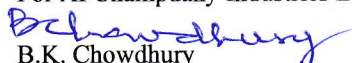
1. The MOU has been executed on 05.11.2018.
2. The expected date of completion of sale / disposal is 04.02.2019.
3. Consideration for the proposed sale as per MOU is Rs.62.51 Crores. Rs.1.00 Crore has been received as earnest money deposit on execution of the MOU. The balance amount will be received in phases / completion of sale as per MOU.
4. The detail of the buyer is Complement Blends Private Limited, CIN U15490DL201PTC323323, PAN AAHCC1828J, having its registered office at C-1149, Kh. No.-78/10-C-114-Kh No. 78/10, Swarn Park, Mundka, New Delhi, North East, Delhi, India 110041. The Buyer does not belong to the Promoter Group.
5. The transaction will not fall within the category of the related party transaction.
6. Area of the business of the entities is Manufacturing.
7. Rationale for the slump sale :- The Mill is primarily in export of Jute products. Due to loss of export markets and expectation of further losses in the future, the decision has been taken to sell the Mill on a slump sale basis to save company from further losses.

This is for your kind information and records.

Thanking you,

Yours faithfully,

For AI Champdany Industries Limited


B.K. Chowdhury
Company Secretary