



Kkalpana Industries (India) Limited

December 11, 2020

To,
The Listing Department
BSE Limited
P. J. Tower, Dalal Street
Fort, Mumbai - 400 001

Calcutta Stock Exchange Limited
7, Lyons Range
Murgighata, Dalhousie
Kolkata - 700 001

Dear Sir,

Sub.: Outcome of the meeting of the Board of Directors of Kkalpana Industries (India) Limited held on December 11, 2020 and disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("SEBI LODR Regulations").

Ref.: Draft Scheme of Arrangement amongst Kkalpana Industries India Limited ("Demerged Company") and Ddev Plastiks Industries Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme" or "Scheme of Arrangement").

Sale of Equity Shares of M/s Plastic Processors and Exporter Private Limited, Wholly Owned Subsidiary of the Company held by the Company.

The Board of Directors in their meeting held today, i.e. December 11, 2020 have approved to restructure the business of the Demerged Company by way of a Scheme of Arrangement whereby the Compounding Business Undertaking of the Demerged Company will be demerged into the Resulting Company as a going concern with effect from the Appointed Date. The transaction is proposed through a Scheme of Arrangement under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013, subject to receipt of requisite statutory / regulatory approvals including the approval of the jurisdictional Bench of the National Company Law Tribunal ("Tribunal").

Pursuant to Regulation 30 of the Listing Regulations as amended, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, details of the Scheme are enclosed herewith as Annexure A.

Further, the Board also approved the transfer of 50000 equity shares of Rs. 10/- each of M/s Plastic Processors and Exporter Private Limited ("PPEPL"), Wholly Owned Subsidiary of the Company, held by the Company as Investment, upon recommendation of the same by the Audit Committee of the Company. It may be noted that upon execution of such transfer M/s Plastic Processors and Exporter Private Limited, Wholly Owned Subsidiary of the Company shall cease to be the Subsidiary of the Company.

Pursuant to Regulation 30 of the Listing Regulations as amended, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, the required details in regard to sale of equity shares of PPEPL are enclosed herewith as Annexure B

You are requested to take the same on record and disseminate on your website.

Thanking you,

Yours sincerely,
For Kkalpana Industries (India) Limited

Tanvi Panday

Name **TANVI PANDAY**
Designation **COMPANY SECRETARY**



Encl.: As above

Regd. Office : 2B, Pretoria Street, Kolkata - 700 071

Tel. : +91-33-2282 3744/45/3671/99, Fax : +91-33-2282 3739, E-mail : kolkata@kkalpana.co.in

Mumbai Office : 106, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053, India

Tel.: +91-22-67021470/71/72, Fax : +91-22-6702 1473 E-mail : mumbai@kkalpana.co.in

www.kkalpanagroup.com

CIN : L19202WB1985PLC039431



Kkalpana Industries (India) Limited

Annexure A

Details of the Scheme under Regulation 30 of the Listing Regulations read with the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Sr. No.	Particulars	Details	
1	Brief details of the division(s) to be demerged	<p>The Demerged Company is engaged in the business of manufacturing plastic compounds and owns the following two business undertakings:</p> <ul style="list-style-type: none"> • Compounding Business Undertaking; and • Reprocessing Business Undertaking <p>The Demerged Company would demerge its 'Compounding Business Undertaking' (hereinafter referred to as the 'Demerged Undertaking') including all its assets, investments, liabilities, rights, benefits, interests and obligations (as specifically set out in the Scheme), to the Resulting Company and it would continue to run and operate the 'Reprocessing Business Undertaking' (hereinafter referred to as the 'Remaining Undertaking').</p>	
2	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	<p>Total Revenue from Operations of the Compounding Business Undertaking (as on March 31, 2020) (INR in lakhs)</p> <p style="text-align: right;">171,115.17</p>	<p>% of the total turnover of Kkalpana Industries India Limited (as on March 31, 2020)</p> <p style="text-align: right;">97.10%</p>
3	Rationale for demerger	<p>The underlying business rationale and objectives are as follows:</p> <ol style="list-style-type: none"> 1. The Demerged Undertaking and the Remaining Undertaking have their own set of strengths and dynamics in the form of nature of risks, competition, challenges, opportunities and business methods, leading to different growth potentials. Hence, segregation of the two undertakings would enable a focused management to explore the potential business opportunities effectively and efficiently; 2. The demerger would result in achieving efficiency in operational processes by designing and implementing independent strategies specifically designed for the two businesses and in optimizing profitability. This would in turn enhance the shareholders' wealth. 3. Targeting and attracting new investors with specific focus and expertise in the two businesses, thereby providing the necessary funding impetus to the long-term growth strategy of the two businesses; 4. The Compounding Business Undertaking of the Demerged Company is an old and diverse undertaking, that caters to a range of sectors viz., housing wiring, high voltage cables, packaging, white goods, automotive, footwear, to name a few. The Compounding Business Undertaking has proved its significant resistance to market volatility over the years and 	

Regd. Office : 2B, Pretoria Street, Kolkata - 700 071

Tel. : +91-33-2282 3744/45/3671/99, Fax : +91-33-2282 3739, E-mail : kolkata@kkalpana.co.in

Mumbai Office : 106, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053, India
Tel.: +91-22-67021470/71/72, Fax : +91-22-6702 1473 E-mail : mumbai@kkalpana.co.in

www.kkalpanagroup.com

CIN : L19202WB1985PLC039431

